Before the MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai – 400 005 Tel. 022 – 6987 6666 Email: <u>mercindia@merc.gov.in</u> Website: <u>www.merc.gov.in</u>

CASE No. 17 of 2025

In the matter of

Case of Maharashtra State Electricity Distribution Ltd (MSEDCL) seeking Approval to Bidding Documents for Medium Term Procurement of 1000 MW Power through Competitive Bidding Process in the State of Maharashtra.

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IA No. 19 of 2025

Interlocutory Application of MSEDCL seeking early hearing in Case No. 17 of 2025.

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IA No. 25 of 2025

Interlocutory Application of MSEDCL seeking permission to bring on record subsequent developments and additional document in Case No. 17 of 2025

<u>Coram</u>

Sanjay Kumar, Chairperson Anand M. Limaye, Member Surendra J. Biyani, Member

Maharashtra State Electricity Distribution Company Limited (MSEDCL) Petitioner

Appearance:

For the Petitioner:

.....Mr. Harinder Toor (Adv)

<u>ORDER</u>

Date: 10 July, 2025

1. Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL or the Petitioner) has filed this Petition on 21 January 2025, being Case No. 17 of 2025 seeking Approval to Bidding Documents for procurement of Medium Term 1000 MW Power through Competitive Bidding Process in the State of Maharashtra.

2. At the E-Hearing held through videoconferencing on 11 February 2025:

2.1. The Advocate for MSEDCL submitted that MSEDCL is seeking to procure 1000 MW

thermal power on medium term basis for the period of 1 April 2025 to 31 March 2030. To justify such power procurement, MSEDCL highlighted that nearly one-fifth of MSPGCL generation Capacity is outdated, some units are old, less efficient and needs replacement immediately. Further, MSEDCL is paying more than Rs. 9.00 to 9.50/kWh to MSPGCL, however medium-term power available at power exchanges/bilateral contract is between Rs 5.50 to 6.50/kWh.

- 2.2. The Commission noted that MSEDCL is obligated under PPA to pay fixed charges to MSPGCL even when it is procuring power from third party. However, the Advocate for the Petitioner clarified that if the MSPGCL units are outdated and not operational, MSEDCL would not be required to pay these fixed charges.
- 2.3. Considering submissions made, the Commission is of the opinion that MSPGCL is a necessary party in this matter and accordingly directed MSEDCL to implead MSPGCL. MSEDCL to serve the copy of the Petition on MSPGCL. Thereafter, MSPGCL to file its reply within 15 days.
- 2.4. Further, the Commission notes that MSEDCL has signed multiple Renewable Energy contracts in recent years. MSEDCL needs to justify need of this additional 1000 MW on medium term basis considering all these new contracts and how such thermal power procurement will help in reducing its average power purchase cost. With the above directives, IA No. 25 of 2025 which is filed for taking Corrigendum-5 on record is allowed and IA No. 19 of 2025 for early hearing was disposed of.
- 3. Vide its submission dated 12 March 2025, MSEDCL stated that after the e-hearing held on 11 February, 2025, in the internal meeting, it has been concluded to cancel the tender for procurement of 1000 MW power. Pertinently the tender in question has not been floated in the public domain, as MSEDCL was awaiting for the approval of the Commission. Therefore, MSEDCL seeks permission of the Commission to withdraw the present Petition.
- 4. Considering the above request, the Commission allows MSEDCL to withdraw the present Petition.
- 5. Hence, the following Order.

ORDER

The Petition in Case No. 17 of 2025 and associated IAs are disposed of, as withdrawn.

