

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
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Case No. 85 & 87 of 2010

Dated: 31st January, 2012

**CORAM: Shri V. P. Raja, Chairman
Shri Vijay L. Sonavane, Member**

In the matter of:

Case No 85 of 2010

Managing Director,
Maharashtra State Electricity Distribution Co. Ltd.,
Prakashgad,
Bandra (East),
Mumbai 400 051.

..... Applicant

Case No. 87 of 2010

Managing Director.
The Mula Pravara Electric Co-Operative Society Ltd.,
Shrirampur,
Dist. Ahmednagar

.... Applicant

Advocate/ Representative for MSEDCL: Shri. C.A. Gadre, Gen. Mgr (Comml) (Representative)
Shri. S.S. Dande CE (Comm) (Representative)

Advocate/ Representative for MPECs: Shri. Shaunak J. Thacker (Advocate)
Shri. Bhavesh V. Panjuani (Advocate)

Daily Order

Heard the representatives of Mula Pravara Electric Co-operative Society Ltd. (MPECS) and Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL). None appeared from either the Industries, Energy & Labour Dept or from the Co-operation Department of the Government of Maharashtra.

The following tentative issues have been framed by the Commission:-

A. Application of MSEDCL for Grant of License:-

- (1) Whether the MSEDCL already has a License to supply electricity in the entire state of Maharashtra including the area of supply hithertofore served by MPECS?
- (2) At the time of grant of license by the Government of Maharashtra (GoM) to MPECS in the year 1971, whether the area of MPECS was deleted from the area of MSEDCL (now MSEDCL)?
- (3) At the time of grant of license by the GoM to MPECS in the year 1971 was MSEDCL disentitled from conducting distribution operations in the area of supply of MPECS?
- (4) What is the area of supply of MSEDCL under its provisional transfer scheme dated June 4, 2005?
- (5) Is there any principle of law that by not supplying electricity in the last 40 years in the area of MPECS, MSEDCL forfeited the right to carry out distribution of electricity in the area of supply hithertofore served by MPECS ?

B. Application of MPECS for Grant of License:-

If the license application of MPECS is granted, then would MPECS fulfill the requirements of the sixth proviso to section 14 of the Electricity Act, 2003?

C. Charges For Continuation of Existing Arrangement

The MPECS is required to file an application claiming the charges it needs to be paid by MSEDCL for the continued existing arrangement.

The MSEDCL is directed to file its response, on affidavit, on all the aforesaid issues, within a period of two weeks. The MSEDCL is further directed to approach the GoM and seek the files related to the License of MPECS, and file a copy of the relevant papers from the said files, in the Commission, with a copy served on the MPECS.

The MPECS is directed to file an appropriate application before the Commission, claiming the charges (with justification) it needs to be paid to by MSEDCL for

continuing the existing arrangement of the supply of electricity using the distribution network hithertofore owned by MPECS, within two weeks from today. The MPECS must serve a copy of such application, on the MSEDCL. The MSEDCL is directed to file their reply on the said application.

The representatives appearing for MPECS submitted that the issues raised by Hon'ble Tribunal are complex in nature and require sufficient time to examine. They also submitted that it may take considerable time to complete the *de novo* process of evaluating the license application, as it involves lengthy procedures. Therefore, the MPECS undertook that they would approach the Hon'ble Tribunal for an appropriate extension of time for the implementation of its aforesaid Judgment and continuation of the existing arrangement.

Post the matter for a further hearing on 24th February, 2012, at 11.00 a.m. In the meanwhile the aforesaid directives of the Commission are to be complied with well before the next date of hearing.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman