

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
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Case No. 68 of 2012

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Misc. Application No. 04 of 2013 in Case No. 68 of 2012

Dated: 10 June, 2013 and 11 June, 2013

CORAM: Shri. V. P. Raja, Chairman
 Smt. Chandra Iyengar, Member

In the matter of:

Adani Power Maharashtra LimitedPetitioner

V/s

Maharashtra State Electricity Distribution Company LimitedRespondent

Advocates/Representatives of the Petitioner: Shri Sanjay Sen (Advocate)
Shri Kandarp Patel, APML

Advocates/Representatives of the Shri. Rahul Chitnis (Advocate)
Respondent: Shri Chirag Balsara (Advocate)
Shri Kiran Gandhi (Advocate)
Shri A.S. Chavan, CE (PP), MSEDCL

Consumer Representatives: Dr. Ashok Pendse, Thane Belapur Industries
Association
Shri Srihari Dukkpati, Prayas Energy Group
Ms. Ashwini Chitnis, Prayas Energy Group

Daily Order

Heard the Advocates of the Petitioner, Advocates of the Respondent and the Consumer Representatives.

The Commission reiterates its earlier direction given in Daily Order dated 18 January, 2013 and directs APML and MSEDCL to make efforts to work out options for feasible Tariffs amicably in line with the enabling provisions of Article 17.2 of the PPA. The parties are directed to keep the aspects highlighted in Daily Order dated 18 January, 2013 in perspective in their efforts to reach an amicable solution. The parties are directed to evaluate the feasibility of the options after considering different scenarios, including a) feasibility considering only Unit No. 2 and 3 of Tiroda TPS and b) feasibility considering all five units of Tiroda TPS. The Commission directs the parties to conduct the above mentioned meeting(s) before the next hearing and submit the minutes of the said meeting(s) to the Commission.

APML is directed to provide the following information/clarifications before the next hearing:

- a) Whether APML was aware at the time of submission of RFP in Case 1 Stage-I bid process that a proposal for mining project in same proposed location (Lohara) was rejected earlier in 1999 ? When did APML come to know about this fact?
- b) Whether APML submitted a revised conservation plan, once the original conservation plan was rejected by Principal Chief Conservator of Forests, Maharashtra?
- c) APML to clarify whether the offer for supply from alternate units, i.e., Unit-4 and 5 was for a specific period or entire tenure of PPA.
- d) Detail of unit-wise coal supply, which shall include a) details of project capacity for which coal allocation was requested at various point of time along with the projected break- up of coal source i.e., Captive Mines, Linkage Coal, Imported coal and any other source, if any. (b) allotment of coal for all the five unit against the request made. (c) Current status of coal supply for all Units (1 to 5) with source, cost and quantum.
- e) Lohara coal block was allocated to Adani Power for 1000 MW power plant at Tiroda. By natural principle supply of coal from Lohara coal block should be provided to first unit of power plant which is coming at the Tiroda. However, at the time of bidding APML has excluded Unit 1 in Case 1 Stage 1 bidding process. APML to explain reasons behind it.

- f) APML is required to submit the benefits availed by APML under the policy dated 28th March, 2005 of Government of Maharashtra i.e., “*Maharashtra State Policy for investment in power generation sector for capacity addition of 500 MW and above*”. APML to further clarify the impact of the provisions relating to a certain percentage of sales of power to Maharashtra as per the policy on validity of termination of PPA.

MSEDCL is directed to provide the following information before the next hearing:

- a) The specific queries raised to the Advocate General, Maharashtra and query-wise reply thereof.
- b) Chronology of action taken by MSEDCL/GoM on receipt of termination notice from APML.
- c) MSEDCL to clarify the reasons for not considering the offer of APML to supply power from alternate units, i.e., Unit- 4 and Unit-5 of Tiroda TPS and whether it has formally replied to the said offer of APML
- d) Some of the document seems to suggest that responsibility of approval of plan for mining is with State Government. MSEDCL may kindly find whether it should be done by parent Department or any other Department. If latter, what steps taken by parent Department to approach other Department. Whether any steps taken within the Government if there is conflict of interest between the Departments.
- e) Reasons for accepting higher tariff bid for Unit 1 when contract has been signed at comparatively lower tariff from Unit 2 and 3 of the same Power Plant.

The parties are also directed to provide information related to the present case as sought by Authorised Consumer Representatives and have meetings with them, if required, before the next hearing.

Post the matter for further hearing on 3 July, 2013 at 11.00 Hours

sd/-
(Chandra Iyengar)
Member

sd/-
(V. P. Raja)
Chairman