Before the MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005 Tel. 022 22163964/65/69 Fax 22163976 Email: mercindia@merc.gov.in Website: www.mercindia.org.in/www.merc.gov.in

Case No. 149 of 2014

In the matter of

Petition for approval and directions under Section 60, the Proviso to Section 61 (1) (d), Section 86 (1) (b, f & k), of the Electricity Act, 2003 read with the 'Guidelines for short term (i.e. for a period less than or equal to one year) procurement of power by Distribution Licensees through Tariff based bidding process' dated 15.05.2012 issued by the Ministry of Power Govt. of India

Dated: 18 November, 2014

<u>CORAM:</u> Smt. Chandra Iyengar, Chairperson Shri. Azeez M. Khan, Member Shri. Deepak Lad, Member

Maharashtra Airport Development Co. Ltd. (MADC) ... Petitioner

V/s

1) Abhijeet MADC Nagpur Energy Pvt. Ltd. (AMNEPL)

2) Maharashtra State Electricity Distribution Company Ltd. (MSEDCL)

3) Maharashtra State Electricity Transmission Company Ltd. (MSETCL)

4) Maharashtra State Load Dispatch Centre (MSLDC)

Advocate/Representative for the Petitioner: Shri Ravi Prakash, AdvocateAdvocate/Representative for the Respondent No. 1: AbsentAdvocate/Representative for the Respondent No. 2: Shri Abhijit DeshpandeAdvocate/Representative for the Respondent No. 3: Shri S.S.KulkarniAdvocate/Representative for the Respondent No. 4: Shri Jayant Weekey

Daily Order

Heard the Representatives of Petitioner and Respondents.

The Commission noted the submission of MADC in respect of Concession Agreement. The Commission also noted that in compliance of Commission's Order dated 6 May, 2014 in Case No. 62 of 2014, MSEDCL is supplying power to the consumers in MIHAN SEZ by using transmission line of AMNEPL at the tariff approved for MSEDCL.

...Respondents

In the present matter, MADC in its capacity as Distribution Licensee has approached the Commission for approval of short term power procurement and provisional tariff for supplying power to its consumers. The Commission notes that MSEDCL is parallel Distribution Licensee in MIHAN SEZ area. Thus, under section 62 of the Electricity Act, 2003, the Commission may specify the 'ceiling tariff' for MIHAN SEZ area. At present, MSEDCL's Tariff is the only approved tariff for that area. Hence, the Commission rules that the tariff approved for MSEDCL's consumers will be the 'ceiling tariff' for MIHAN SEZ area.

In view of above and in the interest of consumers in MIHAN SEZ, the Commission directs as follows:

- a. MADC is allowed to procure power through Power Exchange or through competitive bidding under short term for meeting its power requirement. The request for deviation in competitive bidding guidelines is allowed.
- b. MSETCL and MSLDC are directed to co-operate with and facilitate the MADC for supplying power to the consumers in MIHAN SEZ area. MSEDCL being parallel Distribution Licensee in the area, and also currently supplying power to MIHAN SEZ as directed by the Commission, MSEDCL shall provide stand by support to MADC for meeting contingencies, if any.
- c. MADC has proposed average cost of supply as Rs 4.386 per unit and also proposed consumer category wise tariff to be applied to its consumers on provisional basis. In this regard, the Commission is of the view that as far as such tariff is lower than the 'ceiling tariff' i.e., MSEDCL's tariff in the same category of consumer, MADC is at liberty to levy the same to its consumers.
- d. AMNEPL is yet to file its petition for determination of charges for use of its transmission line. Once it is filed by the AMNEPL and charges are determined by the Commission, the same needs to be paid to AMNEPL. MADC is directed to submit its plan to deal with such charges.
- e. As agreed, within three months, MADC to file its submission regarding status of Concession Agreement. MADC should also update the Commission, within six months, about its plan to meet the obligation as Distribution Licensee.

Detailed Order will be issued subsequently.

Sd/-(Deepak Lad) Member Sd/-(Azeez M. Khan) Member Sd/-(Chandra Iyengar) Chairperson