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. 182 of 2014

Dated: 12 August, 2015

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

In the matter of

Petition of The Tata Power Company Ltd. for Approval of Revised Network Rollout Plan in compliance to the direction of the Hon'ble Commission in Case No. 90 of 2014.

The Tata Power Company Ltd.(TPC)

V/s.

Reliance Infrastructure Ltd. (RInfra) BEST undertaking

Representative for the Petitioner:

Representative for the Respondent (RInfra): Representative for the Respondent (BEST): Consumer Representative:Respondents

.....Petitioner

Shri. Amit Kapoor (Advocate) Shri. Ashok Sethi (Rep.) Shri. Bhaskar Sarkar (Rep.) Shri. Chintamani Chitnis (Rep.) Shri. J. J. Bhat (Advocate) Shri. Harindar Toor (Advocate) Shri. Ashok Pendse, TBIA

Daily Order

Heard the representatives of the Petitioner and Respondents.

The Petitioner submitted that the scope of present proceedings is limited to approval of network rollout plan which has been submitted as a compliance of the Commission's directives in Distribution Licence Order dated 14 August, 2014 read with ATE Judgment dated 28 November, 2014 issued in Appeal Nos. 229 of 2012 and 246 of 2012.

Advocate of BEST submitted that ATE Judgment dated 28 November, 2014 is not applicable for BEST's area of supply. He further submitted that in BEST's area of supply, the network rollout plan of the Petitioner needs to be in accordance with the Specific Conditions of Distribution Licence granted by the Commission. The Commission observed that provision of open access is not available for networks of BEST. Hence, the two areas i.e. area common with BEST and area common with RInfra, need to be treated differently. The Commission further directed the Petitioner to review its proposal for BEST's area. It will be necessary for the Petitioner to enter into formal dialogue with BEST for this purpose.

The Petitioner contended that inspite of its request; the data necessary for establishing distribution constraints and reliability of existing network was not made available by RInfra. RInfra submitted that data available in public domain has been provided to the Petitioner. Both the parties suggested that the Commission needs to first decide on necessity of data and then the parties may be asked to provide such data. The Commission observed that data regarding reliability of existing network is crucial input for network rollout. Therefore, the Commission decided to nominate Director (Electrical Engineering), MERC for this purpose. He will convene a meeting of both the parties and decide the format and nature of information that needs to be shared and will further co-ordinate with the parties for information exchange. It needs to be ensured that such information is made available before next date of hearing.

RInfra contended that TPC is violating the ATE Judgment by allowing consumers to switchover to their network. It is claimed that post ATE Judgment TPC has switched over around 1100 consumers. The Commission suggested that RInfra may raise this issue through separate Petition.

The Petitioner made a presentation on the revised network rollout plan. RInfra and BEST sought time to file their say on the presentation made by the Petitioner. The Commission granted a period of seven days to submit the same with copies served on all parties.

The Commission raised the query that whether approval of network rollout plan is still necessary after ATE Judgment which has laid down principles of setting up network. In reply to this, both the parties have made submission justifying the requirement of network rollout.

Both the parties have argued their interpretations of ATE Judgment. RInfra submitted that as per ATE judgment, TPC can lay its network only in case of green field area or for increasing reliability of network. TPC opposed such interpretation, and suggested that if laying of network is beneficial for the consumer, then it should be allowed to do so in any area. Both the parties have requested the Commission to provide guidance for implementing ATE Judgment.

The Commission opined that the consumers' choice and reliability of supply is paramount objective. Modalities of laying the network need to be decided in such manner that it fulfils the above objective. While doing so, if necessary, economics of operations needs to be taken

into consideration. There can be various scenarios within the framework of ATE's Judgment for providing supply on own wires or other Licensees' wires. Such scenarios need to be further developed depending upon the availability of existing network and its reliability.

In view of above, the Commission directed the Parties to submit the following for assisting the Commission in interpretation of the ATE Judgment:

- i. Difference between the terms 'observations', 'finding', 'ruling' and its legal implications.
- ii. Meaning of 'new connection' mentioned in ATE judgment and its implication on network laying.
- iii. Situation specific scenarios for network laying.

On the receipt of the information related to network of RInfra, TPC may require to revise its network rollout plan.

The Commission directs TPC to file its submission by 19 August, 2015 with copy served on all the parties. RInfra and BEST are directed to file their submissions by 26 August, 2015 with copy served on all the parties.

Post the matter for further hearing on Tuesday, 8 September, 2015 at 11.30 AM.

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