

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400 005.
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CASE No. 84 of 2015

In the matter of
Petition of Jawahar Shetkari Sahakari Sakhar Karkhana Ltd. in compliance with the
directions given by the Commission in Order dated 11 November, 2014 in MERC Case No.
127 of 2014.

Dated: 3 December, 2015

CORAM: Shri. Azeez M. Khan, Member

Shri. Deepak Lad, Member

Jawahar Shetkari Sahakari Sakhar Karkhana Ltd. (JSSSKL) Petitioner

Vs

Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) Respondent

Present during the hearing

For the Petitioner : Shri. M. G. Joshi

For MSEDCL : Smt. Deepa Chawan, Counsel
Shri. Ashish Singh, Counsel

For Consumer Representative : Dr. Ashok Pendse (TBIA)

Daily Order

The Commission informed the Parties that, since the final Order could not be issued before the Chairperson demitted Office on 9 November, 2015, this matter is scheduled for rehearing. Parties requested the Commission to take on record all their earlier submissions and gave their consent to hear and decide this matter in continuance of the earlier proceedings.

Heard the representatives of the Petitioner, MSEDCL and Consumer Representative.

The Commission observed that in cases of Bagasse-based Co-generation plants such as the Petitioner's, where the EPA with Distribution Licensee (MSEDCL) has expired, the determination of Tariff for the remaining useful life requires due public consultation, including TVS and Public Hearing, and/or a regulatory process if some provision is contemplated in the relevant

Regulations. In this context, the Commission asked MSEDCL how many such cases are likely to come up. MSEDCL mentioned that there at present 3 to 4 such cases which may approach MSEDCL similarly. The Commission observed that there may be several other types of RE Generators who may approach the Commission in future after expiry of their Tariff Period for determining the Tariff for the remaining life of their Projects (if MSEDCL is willing to purchase the power), and the process followed in this Case would set a precedent.

Both the Parties being in agreement with the sale and purchase of power in this Case, reiterated their request for a suitable dispensation from the Commission. In view of the public consultation process or other modalities or decision, which may require some time, the Commission asked the Parties whether they would like an interim dispensation. The Parties sought an appropriate interim dispensation.

Accordingly, it was agreed that:

- (i) The sale and purchase of power generated from this plant shall be at the rate of Average Power Purchase Cost (APPC) as determined by the Commission in the Tariff Order of MSEDCL, as applicable from time to time.
- (ii) The energy purchased by MSEDCL at the APPC rate from the Petitioner's Bagasse based Co-generation project will be considered for fulfilment of MSEDCL's Renewable Purchase Obligation.
- (iii) This interim dispensation shall be without prejudice to the public consultation process that may be taken up in due course of time after submission of all relevant documents as may be required under the relevant Regulations for determination of Tariff, or any other decision that may finally be taken by the Commission.
- (iv) This dispensation is purely interim in nature and is offered because of the acceptance of both the Parties, and the final outcome of this Case may or may not be in favour of the Parties.

Dr. Ashok Pendse of TBIA, Authorised Consumer Representative, agreed that the above dispensation would be appropriate.

The Parties shall intimate the Commission when the above interim arrangement is effected.

The Secretariat of the Commission will inform the further course of action that would be taken in this matter.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member