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: <u>mercindia@merc.gov.in</u> Website: <u>www.mercindia.org.in</u> / <u>www.merc.gov.in</u>

Case No. 122 of 2015

Dated: 15 December, 2016

CORAM: Shri Azeez M. Khan, Member Shri Deepak Lad, Member

In the matter of

Petition of MSEDCL seeking amendment in the PPA signed under Case 1 Stage 1 project in relation to ambiguity in definition of contracted capacity and installed capacity

Maharashtra State Electricity Distribution Company Ltd. (MSEDCL)Petitioner
Vs	
Adani Power Maharashtra Limited (APML)	Respondent No. 1
JSW Energy Limited (JSW)	Respondent No. 2
Appearance	
Representative of the Petitioner:	Shri Ashok S. Chavan (Rep)
	Shri. Paresh Bhagwat (Rep)
Representative of the Respondent No. 1:	Shri. A. Mathur (Rep)
Representative of the Respondent No. 2:	Adv. L. Vishwanadhan

For Consumer Representative:

Daily Order

... Shri. C.P.Tated (Rep) ...Shri Ashok Pendse, TBIA

Heard the representatives of the Petitioner and Respondents and Consumer Representative.

Advocate of JSW submitted that the Agreement is between two parties and no dispute has arisen between the parties as per the contract. MSEDCL is trying to rewrite a new contract which is on different terms. He also cited ATE Judgment dated 2 June, 2006 in Appeal Nos. 1,2,5,6,7,8,9,10,12,15,16,17,18,19,20,21,22,34,46,47,48,49,50,52,58,67 and 80 of 2005 regarding whether Regulatory Commission could alter or change the PPA entered between the Developer and Licensee.

The Commission asked JSW about generation capacity of the Plant and present tie-up of the Generator. Representative of JSW stated that Unit 1 is dedicated to MSEDCL, Unit 2 is Merchant Power Plant and Units 3 and 4 are working as Captive Power Plants.

The Commission enquired whether JSW has provided the Net Capacity Contracted at the interconnection point to MSEDCL. In case other Units are in outage, how would JSW make up the Auxiliary Consumption in the event of MSEDCL requisitioning entire contracted capacity?

Representative of JSW submitted that it will abide by the penalty Clause in case the supply is below the Normative Availability as provided in the PPA. He also stated that Normative Availability as envisaged in the PPA is at Delivery point on Contract Year basis.

Representative of APML submitted that entire Capacity is tied-up with MSEDCL. With an Auxiliary Consumption of 6.5 %, the Net Generation Capacity for entire Plant is 3085 MW, which is also the Capacity Contracted with MSEDCL. Representatives of JSW and APML submitted that they have provided power at the interconnection point upto the Contacted Capacity.

The Commission asked MSEDCL under what Clause of the PPA, it has come before Commission for modification of the PPA, and whether all the PPAs have similar definition of the Contracted Capacity.

Representative of MSEDCL submitted that it has come under the Removal of Difficulty Clause for modification of the PPA. The PPAs signed with APML and JSW are Unit-specific PPAs. He further stated that Case 1 Stage 1 PPA has a different definition of the Contracted Capacity. At the time of Competitive Bidding of Case 1, Stage 1, the Standard Bidding Documents (SBD) of Case 1 were not available. Therefore, MSEDCL adopted the same definition and bid documents of the SBD of Case 2 with some deviations which were approved by the Commission. Later, SBD of Case 1 were notified when MSEDCL came with tender for Case 1Stage 2. The Contracted Capacity definitions were changed in SBD of Case 1.

Shri. Ashok Pendse of TBIA submitted that, after Central Generating Stations, in the MoD JSW unit is the first to be despatched.

The Commission directed APML to submit its say in a week's time. JSW and MSEDCL may also submit their say/submissions, if any within a week's time. JSW is further directed to submit as to how it will be able to supply contracted capacity to MSEDCL if all its remaining units are fully tied up under contract with Purchasers.

The Case is reserved for Order.

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