

**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. 138 of 2016

Dated: 7 February, 2017

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

**In the matter of
Review Petition of Maharashtra State Power Generation Co. Ltd. in its MYT Order for
3rd Control Period dated 30 August, 2016 in Case No 46 of 2016.**

Maharashtra State Power Generation Co. Ltd. (MSPGCL)Petitioner

Appearance:

For the Petitioner:

Shri. Vijay Rathod (Rep.)
Shri. J. K. Srinivasan (Rep.)

For the Authorised Consumer Representatives:

Dr. Ashok Pendse (TBIA)

Daily Order

Heard the Representatives of the Petitioner and Authorised Consumer Representative.

1. Representative of the Petitioner reiterated its submissions on the following issues through a presentation:
 - a. Non-approval of impact of actuarial valuation of Rs. 225.46 crore in O&M expenses approved for FY 2014-15
 - b. Non-approval of full Annual Fixed Cost (AFC) at actual availability for Parli TPS in FY 2014-15 and for Parli TPS & Parli Unit 6 & 7 in FY 2015-16
 - c. Disallowance of Additional Capitalisation in FY 2014-15
 - d. Approach followed in approval of normative Availability for AFC adjustment in MYT 3rd Control Period
 - e. Auxiliary Energy Consumption approved for Koradi Unit 8, 9 and 10 in the MYT 3rd Control Period.
 - f. Gross Station Heat Rate & AEC approved for units at Koradi Unit 5 to 7
 - g. Consideration of "Other generation costs" for determination of Energy Charge.
 - h. Status of Uran GTPS as 'Must Run'

- i. Non-Approval of carrying cost on recovery of differential amount of Rs. 254.32 crore
2. To the query of the Commission on the expenses towards debt servicing (i.e. Interest on long term Loan and depreciation) after disallowance of Annual Fixed Cost for Parli TPS, MSPGCL stated that it will submit the details for FY 2014-15 and FY 2015-16.
3. Dr. Ashok Pendse on behalf of Thane Belapur Industries Association (TBIA) stated as follows:
 - MSPGCL is seeking deviation from accrual basis to actual basis. Consequently, therefore other Utilities like TPC and RInfra would also seek such treatment, which would have an adverse impact on Consumers.
 - The Commission in earlier Orders had approved Idle Capacity Charges on account of temporary shutdown of some of MSPGCL Units. The Idle Capacity Charges included Employee Costs, Depreciation and Interest on Loan. The Commission may take a similar approach in the present matter.
 - As regards segregation of components of Other Variable Charges and merging them into Annual Fixed Cost, since Other Variable Charges are negligible, shifting them to Annual Fixed Cost will hardly have any impact on MOD status.
 - As regards Must Run status for Uran GTPS, the Variable Cost of Uran GTPS as per November, 2016 MOD is Rs 2.04/ kWh and reducing further as the Gas prices are going down. Therefore, the question of backing down instructions to Uran is very remote, and hence seeking Must Run status for Uran GTPS is not justifiable.
4. The Commission observed that, under Regulation 85 of the MERC (Conduct of Business) Regulations, 2004, the review can be allowed only upon the discovery of new and important matter /evidence or on account of some mistake or error apparent from the face of record or for any sufficient reasons. MSPGCL has not submitted any justification to review the impugned Order in terms of the requirement under the Regulations.
5. The Commission directs MSPGCL to submit the detailed justification and reasons to review the impugned Order with regard to each of the issues raised, within two weeks with copy to Consumer Representatives.

The Case is reserved for Order.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**