

**Before the  
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION  
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005  
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**Case No.23 of 2016 and MA No. 12 of 2016**

**Date: 16 March, 2017**

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

**Petition of Wat-ere-source Technologies Pvt. Ltd. regarding non-compliance of the Commission's Orders in Case No. 73 of 2014 and 80 of 2015 and for relief in respect of provision of power evacuation arrangement of Karwand Small Hydro Power Plant in Dist. Dhule**

M/s. Wat-ere-source Technologies Pvt. Ltd. .... Petitioner

1. Chief Engineer (Commercial), Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL)
2. The Principal Secretary (Energy), Government of Maharashtra

..... Respondents

**Appearance**

For the Petitioner : 1. Shri D.S.Kulkarni (Rep)  
2. Shri D.R.Anand (Adv.)

For the Respondent No.1 : Ms. Deepa Chawan (Counsel)  
For the Respondent No.2 : None

For Authorized Consumer Representative : Dr. Ashok Pendse (Rep), TBIA

**Daily Order**

Heard the Representative / Advocates of the Petitioner and Respondent No.1.

1. The Petitioner stated that:-

- (i) As per the directives of the Commission vide Daily Order dated 8 December, 2016, a meeting was held on 16 December, 2016 between the Petitioner and Representatives of MSEDCL and discussed disputed Articles of the Draft Energy Purchase Agreement (EPA). Thereafter, MSEDCL vide its letter dated 14.3.2017 has submitted Article -wise details of the discussion on the draft EPA with comments on the issues of agreement and disagreement.

(ii) The contentions of the Petitioner on the Draft EPA are as below:

- (a) The Preamble of the Draft EPA is based on the RE Tariff Regulations, 2015 instead of the RE Tariff Regulations, 2010. The project has been approved considering Techno Economical Feasibility Report (TEFR) as per the provisions of the RE Tariff Regulations, 2010. If the provisions of the RE Tariff Regulations, 2015 are applied, the project may become financially unviable.
- (b) To a query of the Commission, the Petitioner stated that the treatment of capital subsidy/grant receivable by the Petitioner under the RE Tariff Regulations, 2010 is more favorable than under the RE Tariff Regulations, 2015.
- (c) Articles 7.2 & 7.5 of the Draft EPA have provisions of indemnity to MSEDCL in respect of rehabilitation/refurbishment, operation and maintenance of project etc., which is open- ended and need to be simplified considering specific issues.
- (d) Provision of Article 11.4 of the Draft EPA in respect of improper evacuation needs simplification considering the specific issues such as deemed generation in case of load shedding on the evacuation Line , breakdown of Line , force majeure etc.
- (e) Article 13.9.9 of the Draft EPA is not clear as to its meaning and purpose, and hence needs to be reconsidered.
- (f) Article 6.6.3(ii) is added by MSEDCL without agreement of the Petitioner. Also, there are no such provisions under the RE Tariff Regulations. Hence, it may be deleted.

2. MSEDCL stated that:

- (i) There is no substantial difference in respect of treatment of capital subsidy under the RE Tariff Regulations, 2010 and 2015.
- (ii) MSEDCL would review and submit clarification on Article 11.4 of the Draft EPA.
- (iii) MSEDCL would also relook Articles 7.2, 7.5 and 13.9.3 of the Draft EPA.

3. The Commission directed the Parties to sit together and discuss the disputed Articles of the Draft EPA, considering the provisions of the RE Tariff Regulations 2010, RE Tariff Regulations, 2015 and earlier EPAs signed with other Small Hydro Projects (SHPs), within two weeks. Thereafter, MSEDCL shall submit the details and outcome of the above discussion within one week, with a copy to the Petitioner.

**Next date of hearing will be communicated by the Secretariat of the Commission.**

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

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