

**Before the  
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION  
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005  
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**Case No. 2 of 2017**

**Dated: 23 March, 2017**

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

**In the matter of  
Petition of Maharashtra Veej Grahak Sanghatana for Review of Power Purchase  
Expenses, Sharing of Efficiency Losses etc in Tariff Order dated 03.11.2016 issued in  
Case No. 48 of 2016**

Maharashtra Veej Grahak Sanghatana (MVGS) .....Petitioner

Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) .....Respondent

**Appearance:**

For the Petitioner: Shri. Pratap Hogade (Rep)

For the Respondent: Shri. Satish Chavan (Rep)

**Daily Order**

1. Heard the representatives of the Petitioner and the Respondent.
2. MVGS stated that:
  - i. MSEDCL's Reply to the review Petition has been received. With reference to MVGS' contention that NTPC's Mauda Generating Station to be treated as intra-State Generator, MSEDCL has replied that this Generating Station is connected to the transmission network of the Central Transmission Utility, and hence it is an inter-State Generator and cannot be treated as intra-State. MVGS requested the Commission to verify this submission of MSEDCL.
  - ii. Regarding MVGS' contention that Delayed Payment Charges (DPC) paid to Generators and Transmission Licensees should not be allowed as expenses in ARR, MSEDCL in its Reply has submitted that DPC was not claimed in the MYT Petition, and hence the issue of allowing

it in the ARR does not arise. MVGS requested the Commission to verify this submission of MSEDCL also.

- iii. Regarding clarification of Security Deposit, MSEDCL has objected that such clarification cannot be part of review of Order dated 3 November, 2016. MVGS accepted this point.
  - iv. MSEDCL has not responded on the issue of error pointed out by MVGS in calculating sharing of efficiency loss. In Multi Year Tariff (MYT) Order dated 3 November, 2016, the Commission has calculated efficiency loss to be borne by MSEDCL on account of O&M Expenses (Rs. 119 crore), on account of interest on working capital (Rs. 145 crore) and on account of higher Distribution Loss (Rs.1115 crore). Thus, total efficiency loss to be borne by MSEDCL for FY 2014-15 is Rs. 1379 crore. However, in Table no. 3-95 of the MYT Order, efficiency loss has been shown as Rs.983 crore. Thus, there is an error apparent on the face of the record which needs to be corrected.
3. MSEDCL submitted that the Commission has correctly calculated sharing of efficiency loss for FY 2014-15 in the MYT Order dated 3 November, 2016. The review Petitioner has failed to show any error in the MYT Order, and hence the review Petition may be rejected as not maintainable.

**The case is reserved for Order.**

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

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