

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE Nos. 25 of 2019 and 28 of 2019

Dated: 06 February, 2019

**CORAM: Anand B. Kulkarni, Chairperson
Mukesh Khullar, Member**

(Case No. 25 of 2019)

Petition of The Tata Power Company Limited (Distribution) seeking quashing of Maharashtra State Power Committee's Provisional Fixed Charge Bill under Intra State ABT for FY 2011-12 to FY 2017-18 dated 25.01.2019

The Tata Power Company Limited (Distribution)Petitioner

V/s

1.Maharashtra State Power Committee
2.Maharashtra State Load Despatch Centre,
3.Maharashtra State Electricity Distribution Co. Ltd.Respondents

(Case No. 28 of 2019)

Petition of Adani Electricity Mumbai Ltd regarding quashing of Maharashtra State Power Committee's Provisional Fixed Charge Bill under Intra State ABT for FY 2011-12 to FY 2017-18 dated 25.01.2019

Adani Electricity Mumbai LtdPetitioner

V/s

1.Maharashtra State Power Committee
2.Maharashtra State Load Despatch Centre,
3.Maharashtra State Electricity Distribution Co. Ltd.Respondents

Appearance:

For TPC-D : Smt Deepa Chawan (Counsel)

For AEML-D : Shri Akash Menon (Adv.)

For MSPC and MSLDC : Shri. Jitendra Pathade

For MSEDCL : Shri. Harinder Toor (Adv.)

Daily Order

1. Counsel of TPC-D re-iterated its submissions as stated in its Petition in Case No. 25 of 2019 and further objected to the new methodology devised by MSPC in the fixed charges bills dated 25 January, 2019, which is contrary to the methodology defined by the Commission in ABT Order dated 17 May, 2007 in Case No. 42 of 2006. She further emphasized that TPC-D may be granted an ad-interim relief for payment of the fixed charges levied by MSPC as the same are to be paid on or before 8 February, 2019, failing which delayed payment charges will be levied.
2. Advocate of AEML-D re-iterated its submission as stated in its Petition in Case No. 28 of 2019 and sought the similar relief as emphasized by TPC-D except on the issue of limitation.
3. Advocate of MSLDC stated that the fixed charges bills dated 25 January, 2019 were levied on the Mumbai Licensees in pursuance of the Commission's Daily Order dated 15 January, 2019 in Case No. 297 of 2018. He further stated that the said bills are provisional bills.
4. Advocate of MSEDCL re-iterated its submission as stated in the Reply and further contended that the bills raised by MSPC are justified and are also provisional. Hence, the Mumbai Licensees are liable to pay the same.
5. The Commission observes that the methodology of Fixed Cost Reconciliation (FCR) was stipulated by the Commission in ABT Order dated 17 May, 2007 in Case No. 42 of 2006. MSLDC had raised the difficulties in implementation of Fixed Cost Reconciliation (FCR) mechanism in Case No. 56 of 2012, where-in the Commission had reviewed the implementation of FBSM and had ruled to implement the decentralized scheduling and frequency linked deviation settlement mechanism in two phases. The Commission also entrusted the responsibility of revision of balancing and settlement on MSPC. Accordingly, the Commission has initiated the expeditious implementation of Deviation Settlement Mechanism (DSM) framework through Regulations.
6. In the absence of finalization of FCR pending since FY2011-12, on the Petition filed by MSEDCL in Case No. 297 of 2018, the Commission with regard to FCR directed MSLDC to devise the methodology for the Recovery of annual fixed cost reconciliation within the State pool and issue the bills for annual fixed cost on provisional basis. In pursuance of these directives MSPC vide its provisional bills dated 25 January, 2019 issued the provisional fixed charges bills on the interim methodology set out by it.
7. Further, the Commission observes that both the instant Petitioners agreed to pay the fixed charges if they are computed in consonance with the methodology defined by the Commission in ABT Order.

8. In view of the above and considering the difference between the Parties with regard to the interim methodology being followed in calculation of the provisional fixed cost charges by MSPC, the Commission is of the view that MSPC and MSLDC shall have a meeting with all the members of MSPC including both the Petitioners and MSEDCL. During this meeting the members shall provide their views on the interim methodology to be followed while preparing the fixed charges bills on provisional basis. MSPC, after considering the views/ comments of members shall decide the interim methodology to be followed for recovery of provisional fixed charges bills and thereafter if required revise the provisional bills. These activities shall be completed within 10 days from the date of this Order.
9. In the meantime, the Commission grants ad-interim relief to the Mumbai Utilities for payment of the provisional bills for fixed charges raised by MSPC on 25 January, 2019 subject to deposit of 20 % amount of the bills raised in MSLDC UI settlement account. The said amount has to be deposited by the Mumbai Utilities within 7 days. The Commission further directs MSLDC/MSPC to pay the said amount to MSEDCL immediately thereafter.
10. The Commission also rules that these matters will be clubbed with Case No. 297 of 2018, which is scheduled on 21 February, 2019. The Commission directs that Rejoinder may be submitted on the Replies filed within 10 days. All other issues will be dealt with in the final Order.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(Anand B. Kulkarni)
Chairperson