



# महाराष्ट्र विद्युत नियामक आयोग

## Maharashtra Electricity Regulatory Commission

No. MERC/Case No. 69 of 2015/ 0759  
To,

13<sup>th</sup> October, 2015

M/s. Celerity Power Pvt Ltd  
421, Arun Chambers,  
Near A.C Market,  
Tardeo, Mumbai – 400 034

**Subject:** Petition filed by M/s Celerity Power Pvt Ltd (CPPL) under Sections 86 (1) (a) & 86 (1) (e) of the Electricity Act, 2003 & Regulation 7.1 (c), 75 & 77 of MERC (RE Tariff) Regulations, 2010 for increase in Tariff of 6 MW of the Petitioner Firm's small hydro plant at Bhore, Village Deoghar, Pune - **(Case No. 69 of 2015)**

Reference: 1. Petition submitted by you on 22 May, 2015.  
2. Revised Petition and replies to data gaps submitted by you on 24 September, 2015

Sir,

This is with reference to your Petition received on 22 May, 2015, for increase in Tariff of 6 MW of your small hydro plant at Bhore, Village Deoghar, Pune and the replies to the data gaps received for the queries raised during the course of the Technical Validation Sessions (TVS) held on 10 September, 2015 and 23 September, 2015.

2. I am directed to convey the admission of your revised Petition dated 24 September, 2015 in line with Regulation 5.1 of MERC (Terms and Conditions for determination of RE Tariff) Regulations, 2010 read with Regulation 51 of the MERC (Conduct of Business) Regulations, 2004 for further processing and for conduct of Public Hearing.

3. Further, the Commission directs you to publish the Public Notice enclosed herewith u/s 64 (2) of the Electricity Act, 2003 and in compliance with Regulation 90 of the MERC (Conduct of Business) Regulations, 2004, in not less than two (2) daily News Papers in English and Marathi, which have wide circulation in the State of Maharashtra, latest by 17 October, 2015 as per the following guidelines.

4. The template for Public Notice sets out the minimum information to be included in the Notice for soliciting suggestions and objections from the public on the Petition filed by M/s Celerity Power Pvt. Ltd. for increase in Tariff of 6 MW of the Petitioner Firm's small hydro plant at Bhore, Village Deoghar, Pune. Petitioner is free to include additional information, as it may deem necessary.

5. Petitioner shall host the Executive Summary of its revised Petition (both in English and Marathi) and the revised Petition submitted to the Commission on its website, if it exists, besides hosting formats in MS Excel for easy download by interested persons. If the Petitioner does not have a website, then the document should be made available to the Commission's office for hosting on its website. Petitioner shall make available a hard copy of the Revised Petition to the interested persons with all Annexures (or CD of detailed Revised Petition with all Annexures), on written request, at the rates specified in the approved Public Notice enclosed with this letter. Petitioner shall ensure that the copies of the Annexures are legible.

6. Petitioner shall make available copies of the Executive Summary of its revised Petition (both in English and Marathi) at its office specified in the approved Public Notice, free of cost to interested persons.

7. All the above Petition documents shall be made available by Petitioner in the specified formats at the specified office, latest by **17 October, 2015**.

8. The Petition to be made available to public shall include the following:

- Revised Petition including Executive Summary
- Excel Formats
- Replies to all Data Gaps raised during the TVS held on 10 September, 2015 and 23 September, 2015.

9. On receipt of suggestions and objections from the public on the Petition, Petitioner should reply to these within three days from the date of receipt and not later than **16 November, 2015** for all the suggestions and objections received till **16 November, 2015**.

10. **The Public Hearing on the Petition filed by M/s Celerity Power Pvt Ltd (CPPL) under Sections 86 (1) (a) & 86 (1) (e) of the Electricity Act, 2003 & Regulation 7.1 (c), 75 & 77 of MERC (RE Tariff) Regulations, 2010 for increase in Tariff of 6 MW of the Petitioner Firm's small hydro plant at Bhor, Village Deoghar, Pune will be held in the Office of the Commission at 13<sup>th</sup> floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai - 400 005 on 19 November, 2015, at 11.30 Hrs.**

Yours Sincerely,



(Dr Rajendra G. Ambekar)

Director (Tariff)  
(Maharashtra Electricity  
Regulatory Commission)

Encl: Approved Public Notice

Copy to:

The Director General  
Maharashtra Energy Development Agency (MEDA)  
MHADA Commercial Complex,  
2nd Floor, Opp. Tridal Nagar,  
Yerwada, Pune - 411 006  
E-mail:- [dg@mahaurja.com](mailto:dg@mahaurja.com)

Impleaded Party - 1

The Chief Engineer (Electrical) Hydro Projects,  
Water Resources Department, 4<sup>th</sup> Floor,  
Hong Kong Bank Building,  
Hutatma Chauk, Mumbai - 400 001  
Email: [ceehpwr@gmail.com](mailto:ceehpwr@gmail.com) /  
[cehp\\_mumbai@wrd.maharashtra.gov.in](mailto:cehp_mumbai@wrd.maharashtra.gov.in)

Impleaded Party - 2

The Managing Director,  
Maharashtra State Electricity Distribution Co. Ltd.  
Plot No G-9, Prakashgad,  
Anant Kanekar Marg,  
Bandra (East), Mumbai - 400 051  
E-mail: - [cecomm@mahadiscom.in](mailto:cecomm@mahadiscom.in)

Impleaded Party - 3

The General Manager  
BEST Undertaking  
BEST Bhawan, BEST Marg  
Mumbai 400 001  
E-mail: - [gm@bestundertaking.com](mailto:gm@bestundertaking.com)

Impleaded Party - 4

The Managing Director  
Tata Power Co. Ltd.,  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001  
E-mail: - [bhaskar.sarkar@tatapower.com](mailto:bhaskar.sarkar@tatapower.com)

Impleaded Party - 5

The Director  
Reliance Infrastructure Limited  
Devidas Lane, Off SVP Road  
Near Devidas Telephone Exchange  
Borivali (West), Mumbai - 400 092  
E-mail: - [kapil.sharma@relianceada.com](mailto:kapil.sharma@relianceada.com)

Impleaded Party - 6

Cc: Consumer Representatives:-

Prayas (Energy Group)  
Amrita Clinic, Athvale Corner,  
Lakdipool-karve Road Junction,  
Deccan Gymkhana, Karve Road,  
Pune - 411 004.  
E-mail: [peg@prayaspune.org](mailto:peg@prayaspune.org)

The General Secretary,  
Thane Belapur Industries Association,  
Rabale Village, Post Ghansoli,  
Plot P-14, MIDC,  
Navi Mumbai - 400 701  
E-mail: [tbia@vsnl.com](mailto:tbia@vsnl.com)

Mumbai Grahak Panchayat,  
Grahak Bhavan,  
Sant Dynaneshwar Marg,  
Behind Cooper Hospital,  
Vile Parle (West),  
Mumbai - 400 056  
E-mail: [mgpanchayat@yahoo.com](mailto:mgpanchayat@yahoo.com)

Maharashtra Chamber of Commerce,  
Industry & Agriculture,  
Oricon House, 6<sup>th</sup> floor,  
12 K. Dubash Marg, Fort,  
Mumbai - 400 001  
(Nashik Branch)  
E-mail : [maccia.nsk@gmail.com](mailto:maccia.nsk@gmail.com)

Vidarbha Industries Association,  
1<sup>st</sup> Floor, Udyog Bhavan,  
Civil Line, Nagpur - 440 001.  
E-mail: [rkengg@gmail.com](mailto:rkengg@gmail.com)

**M/s Celerity Power**  
**421 Arun Chambers,**  
**Tardeo, Mumbai – 400 034**

**PUBLIC NOTICE**

**Suggestion / objection on Petition filed by Celerity Power for determination of Tariff  
for supply of electricity from 6 MW capacity Small Hydro Power Project at Tal.  
Bhor, Dist. Pune for sale of electricity to Distribution Licensees in  
Maharashtra**

**(Case No. 69 of 2015)**

1. M/s. Celerity Power has filed a Petition for determination of Tariff for supply of electricity from its 6 MW capacity Small Hydro Power Project (commissioned in October 2009) situated at Bhor, on the river basin Nira, Village Deoghar, for sale of electricity to Distribution Licensees in Maharashtra before the Maharashtra Electricity Regulatory Commission (MERC) under sections 62(1)(a), 86(1)(a) and 86(1)(e) of the Electricity Act, 2003 and Regulation 7.1(c), 75 & 77 of MERC (Terms and Conditions for determination of RE Tariff) Regulations, 2010. The Commission has admitted the Petition on 12 October, 2015 and directed Petitioner to publish a Public Notice under section 64(2) of the Electricity Act, 2003 for inviting suggestions and objections from the public through this Notice.
2. The Petitioner has prayed that the Commission, *inter alia*,
  - a. determine the project-specific tariff for Small Hydro Power Project at Bhor at actual costs, which comes to Rs. 6.59 per unit as the levellised preferential tariff;
  - b. In the alternative, determine a project-specific tariff of Rs. 5.29 per unit as levellised preferential tariff.
  - c. Approve this levellised preferential tariff for sale to Distribution Licensees.
3. Salient features of the Petition are provided below:

Table 1: Parameter Assumptions for Tariff Alternatives -I &amp; II

S. No.	Assumption Head	Sub-Head (1)	Sub-Head (2)	Unit	Parameter values for alternative I (6.59 Rs/kWh)	Parameter values for alternative II (5.29 * Rs/kWh) (5.19+0.10)
1	Power Generation					
		Capacity	Installed Capacity	MW	6	6
			PLF-Normative	%	30%	30%
			Commercial Operation Date	mm/year	October/2009	October /2009
			Useful Life	Years	35	35
			AUX Consumption	%	1%	1%
2	Project Cost					
		Capital cost / MW	Capital Cost	Lakh / MW	630	630
			Capital cost	Rs Lakh	4000	4000
			Capital Subsidy, if any	Rs Lakh	220	220
			Net Capital Cost	Rs Lakh	3780	3780
3	Financial Assumptions					
			Tariff Period	Years	35	35
		Debt: Equity				
			Debt	%	70%	70%
			Equity	%	30%	30%
			Total Debt Amount	Rs Lakh	2646	2646
			Total Equity Amount	Rs Lakh	1134	1134
		Debt Component				
			Loan Amount	Rs Lakh	2646	2646
			Repayment Period	Years	10	10
			Interest Rate (Normative)	%	13.37%	13.37%
		Equity Component				
			Equity Amount	Rs. Lakh	1134	1134
			Return on Equity for first 10 years	% p.a.	19%	19%
			Return on Equity 11 <sup>th</sup> year onward	% p.a.	24%	24%
			Discount Rate	%	16.13%	16.13%
		Depreciation (Normative)				
			Depreciation Rate for first 10 years	%	7.00%	7.00%

			Depreciation Rate 11 <sup>th</sup> year onwards	%	0.80%	0.80%
4	Operation and Maintenance					
			O&M expense on Actual/ Normative	Rs. Lakh/MW	35.80	12.69
			O&M expense per Annum	Rs Lakh	214.80	76.14
			Escalation factor for O&M expense	%	5.72%	5.72%
5	Working Capital					
			O&M Expense per month	Rs. Lakh	17.90	6.35
			Maintenance Spare	(% of O&M expense)	15%	15%
			Receivables equivalent to two months	Rs. Crore		
			Interest rate on Working Capital	% p.a.	13.37%	13.37%

Note:- \* (Rs 5.29= Rs. 5.19 + Rs. 0.10) where Rs. 0.10 per unit is towards Penstock Maintenance and Water Royalty Charges)

4. Copies of the following documents can be obtained on written request from Celerity Power's Office mentioned below:
- Executive Summary of the Petition (free of cost, in Marathi or English).
  - Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by DD/ Cheque/ Cash drawn on "Celerity Power" payable at Mumbai.)
  - Detailed Petition documents (in English) (on payment of Rs. 100/-).
  - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

**Address:**

**M/s Celerity Power  
421 Arun Chambers,  
Tardeo, Mumbai – 400 034**

5. The Commission has directed M/s Celerity Power to invite suggestions and objections from the public on its Petition through this Notice. Suggestions and objections may be sent to **the Secretary, Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai – 400 005**[Fax – 22163976, Email – [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)] by **19 November, 2015** along with proof of service on the M/s Celerity Power.

6. Suggestions and objections may be submitted in English or in Marathi, in six copies, and should mention the full name, postal address, and email address, if any, of the sender. It should be indicated whether the objection is being filed on behalf of any organization or category of consumers. It should also be mentioned if the sender wants to be heard in person, in which case opportunity would be given by the Commission at the Public Hearing to be held at the office of the **Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai – 400 005 on 19 November, 2015, at 11.30 Hrs**, for which no separate notice will be given.
7. M/s Celerity Power shall reply to each of the suggestions and objections received within three days of their receipt of the same but not later than **16 November, 2015** for all the suggestions and objections received till **16 November, 2015**. The concerned persons can submit their rejoinders to the replies provided by Celerity Power either during the Public Hearing or by, **23 November, 2015**.
8. The detailed Petition with all Annexures and the Executive Summary is available on the website of the Commission [www.merc.gov.in](http://www.merc.gov.in) / [www.mercindia.org.in](http://www.mercindia.org.in) in downloadable format. (free of cost).

**Signature:**

**Name: H SUBRAMANIAN**

**Designation: President**

**M/s Celerity Power**