

**NOTICE**

**Subject:** Suo-moto hearing to review the status of upcoming Generation projects of MSPGCL as per the PPA signed with MSEDCL, and Capital Cost and Tariff determination of New Units.

**- Case No. 42 of 2017**

1. The Commission in its Orders in Case Nos. 103 of 2010, 71 of 2011 and 78 of 2013 had approved 21 upcoming projects with installed capacity of 11320 MW. Out of these, Projects of 2000 MW capacity are operational and 3230 MW capacity Projects have recently achieved COD.
2. In MYT Order dated 30 August, 2016 in Case No. 46 of 2016 the Commission had directed MSPGCL to review the financial viability of those Generation Projects which are at early stages of planning considering the alternative sources and modalities that may be available to MSEDCL and its demand-supply position, the proposed retirement plan of the old Units and macro-level developments which could have adverse financial implications before pursuing them further, and to submit its report within 3 months.
3. Vide letter dated 29 November, 2016, MSPGCL has submitted the status of New Units which have achieved COD and also submitted the status of future Units which are under active consideration.
4. As regards upcoming Units with capacity of 6090 MW, MSPGCL in its letter have stated that, vide Board Resolution BR No. 2016/1913 dated 27 January, 2016, it has decided to construct 500 MW solar Power Plant instead of Project of (5X660MW) 3300 MW capacity. Other balance 2790 MW proposed Uran GTPS expansion (1220 MW), is kept in abeyance considering the gas shortage. For Projects at Nashik and Bhusawal, (1X 660 MW each), the decision is pending for STU feasibility to bring power in Mumbai. For Paras TPS (1X250 MW) decision regarding construction will be considered after development of the Mahajan wadi Coal Block.
5. Regulation 38.9 of the MERC MYT Regulations, 2015 requires that a Petition for Tariff determination shall be filed for each Unit as and when such Unit achieves COD and without waiting for the COD of the entire Station.

*“38.9 The Generating Company shall file the Petition for determination of final Tariff for new Generating Station within six months from the date of commercial operation of Generating Unit or Stage or Generating Station as a whole, as the case may be, based on the audited capital expenditure and capitalisation as on the date of commercial operation.*

*Provided that in case of more than one Unit in the Generating Station, such Petition shall be filed for each Unit as and when such Unit achieves COD and without waiting for the COD of the entire Station.”*

MSPGCL has yet to file its Petition(s) accordingly.

6. In view of the above, the Commission has decided to initiate a suo moto proceeding and hear MSPGCL on the determination of Capital Cost and Final Tariff for New Units in accordance with the Regulations and cancellation of certain other upcoming Units and their consequent removal from the PPA's. MSPGCL and MSEDCL are directed to file their submissions on affidavit well before the hearing, with copies to Authorized Consumer Representatives.

The hearing will be held on **Thursday, 20 April, 2017 at 11:30 hrs** in the office of the Commission at 13<sup>th</sup> floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005.

Sd/-  
(R. S. Sonawane)  
Dy. Director (Legal)

No. MERC/Case No. 42 of 2017/01726

24 March, 2017

**Respondents:**

The Superintending Engineer (RCD),  
 Maharashtra State Power Generation Company Ltd.  
 Regulatory and Commercial Dept.,  
 Prakashgad, 3<sup>rd</sup> Floor, Plot No. G-9,  
 Bandra (East), Mumbai 400 051  
 E-mail: [rcgen@mahagenco.in](mailto:rcgen@mahagenco.in)

The Managing Director,  
 Maharashtra State Electricity Distribution Co. Ltd.,  
 “Prakashgad”, Plot No. G-9,  
 Prof. Anant Kanekar Marg,  
 Bandra (E),  
 Mumbai - 400 051.

**Cc: Consumer Representatives**

<b>Prayas Energy Group,</b> Amrita Clinic, Athawale Corner, Lakdipool- Karve Road Junction, Deccan Gymkhana, Karve Road, Pune 411 004	The President, Mumbai Grahak Panchayat, Grahak Bhavan, Sant Dynaneshwar Marg, Behind Cooper Hospital, Vile Parle (West), Mumbai 400 056
The General Secretary, Thane Belapur Industries Association, Plot No.P-14, MIDC, Rabale Village, PO Ghansoli, Navi Mumbai 400 7001	The President, Vidarbha Industries Association, 1st floor, Udyog Bhawan, Civil Lines, Nagpur 440 001.
Maharashtra Chamber of Commerce Industry & Agriculture, Oricon House, 6th Floor, 12 K. Dubash Marg, Fort, Mumbai - 400 001 (Nashik Branch)	Chamber of Marathwada Industries and Agriculture, Bajaj Bhavan, P-2, MIDC Area, Station Road, Aurangabad – 431 005 Mobile No. - 9158898076 Email - info@cmia- aurangabad.com