



Maharashtra State Electricity Distribution Co. Ltd.

(A Govt. of Maharashtra Undertaking)

CIN : U40109MH20005SGC153645

PHONE No. 26474753 (P)/26474211 (O)

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PLOT No. G-9, PRAKASHGAD

Prof. ANANT KANEKAR MARG

BANDRA (East)

MUMBAI-400051

No. Comm/Petition / Petition/

No 37635

Date:

22 DEC 2016

To,

The Secretary,

Maharashtra Electricity Regulatory Commission,

13th Floor, Center No. 1, World Trade Center,

Cuffe Parade, Colaba.

Mumbai

Sub: Filing of petition seeking directions under the MERC (Distribution Open Access) Regulations 2016.

Ref: MERC (Distribution Open Access) Regulations 2016

Dear Sir,

Please find enclosed herewith the MSEDCL petition seeking directions under the MERC (Distribution Open Access) Regulations 2016.

The requisite fee is submitted herewith in the form of demand draft no. **217392** dated... **22/12/16**

Thanking You,

Yours faithfully,

(Signature) 22.12.16
Chief Engineer (Commercial)

Copy S.w.r. to:-

- 1) The Director (Operations), MSEDCL, Mumbai.
- 2) The Executive Director, Dist. I/ (Commercial), MSEDCL, Mumbai.

Copy to:

- 1) Maharashtra Energy Development Agency, II Floor, MHADA Complex, Tridal Nagar, Pune-411006.
- 2) Prayas (Energy Group), Amrita Clinic, Athawale Corner, Deccan Gymkhana Karve Road, Pune 411 004.
- 3) Mumbai Grahak Panchayat, Grahak Bhavan, Behind Cooper Hospital, Vile Parle (West), Mumbai 400 056.
- 4) The General Secretary, Thane Belapur Industries Association, Robale Village, Post Ghansoli, Navi Mumbai 400 701.
- 5) Vidarbha Industries Association, 1st Floor, Udyog Bhavan, Civil Line, Nagpur 440 001.



बैंक ऑफ महाराष्ट्र
Bank of Maharashtra

			22	/	2	/	2016
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00164-MUMBAI BANDRA EAST

D D M M Y Y Y Y

217392

MAHARASHTRA ELECTRICITY REGULATORY

माँग किये जाने पर प्राप्त राशि के निमित्त

ON DEMAND PAY . COMMISSION*****

को या उनके आदेश पर/**OR ORDER**

रुपये Ten Thousand only.

RUPEES

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*****10,000.00

अदा करें **FOR VALUE RECEIVED**

कृते बैंक ऑफ महाराष्ट्र **FOR BANK OF MAHARASHTRA**

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बैंक ऑफ महाराष्ट्र **BANK OF MAHARASHTRA**
01001-MUMBAI SERVICE BRANCH

प्राधिकृत अधिकारी/**AUTHORISED OFFICIAL/S**

Please sign above

Shilpesh 27.01.17

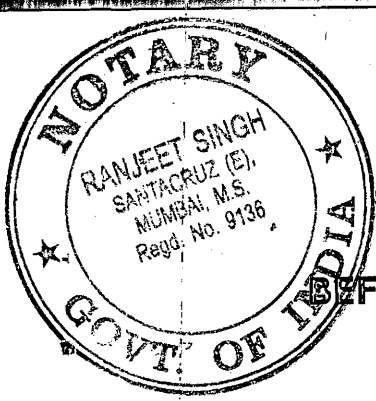
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VALID FOR THREE MONTHS FROM THE DATE OF ISSUE

MJL-2015



BEFORE THE HON'BLE MAHARASHTRA ELECTRICITY
REGULATORY COMMISSION

AT MUMBAI

CASE NO. _____/_____/_____

IN THE MATTER OF:

**PETITION FOR DIRECTIONS UNDER THE MERC
(DISTRIBUTION OPEN ACCESS) REGULATIONS 2016**

IN THE MATTER OF:

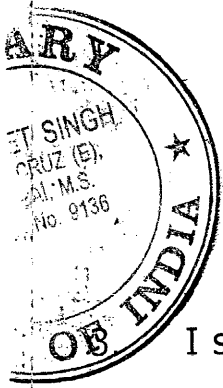
Maharashtra State Electricity Distribution
Company Limited

... Petitioner

Affidavit

I, Bhalchandra Khandait s/o Yeshwant Khandait aged 54 years, having my office at Maharashtra Electricity Distribution Company Limited (MSEDCL), Prakashgad, Plot No. G-9, Anant Kanekar Marg, Bandra (East), Mumbai-400 051 do hereby solemnly affirm and state as under:

1. That I am the Chief Engineer (Commercial) of MSEDCL; Petitioner in the above matter and has been duly authorized to make this affidavit on behalf of the MSEDCL.
2. The averments made in the enclosed petition are based on the information received from the concerned officers of the Company and I believe them to be true.

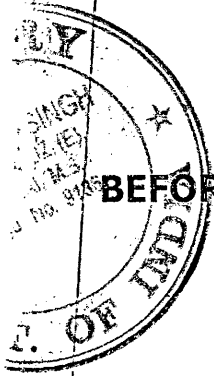


I say that there are no proceedings pending in any court of law/tribunal or arbitrator on any authority, wherein the Petitioner is a party where issues arising and /or reliefs sought are identical or similar to the issues arising in the matter pending before the Commission.

4. I solemnly affirm at Mumbai on thisDay of December 2016 that the contents of affidavit are true to the best of my knowledge and belief derived from the records. No part of the above affidavit is false and nothing material has been concealed there from.

V. G. Goyal
Chief Engineer (Commercial)
MSEDCL

Identified before me



**BEFORE THE MAHARASHTRA ELECTRICITY REGULATORY
COMMISSION,
MUMBAI**

FILING NO:

CASE NO:

IN THE MATTER OF

**PETITION FOR DIRECTIONS UNDER THE MERC (DISTRIBUTION
OPEN ACCESS) REGULATIONS 2016**

AND

IN THE MATTER OF:

**MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY
LIMITED – THE PETITIONER**

Maharashtra State Electricity Distribution Company Ltd. respectfully
submits as under:

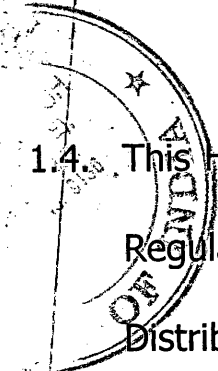
1. Background

1.1. Maharashtra State Electricity Distribution Co. Ltd. (hereinafter to be referred to as "MSEDCL" or "the Petitioner") has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Maharashtra to reorganize erstwhile Maharashtra State Electricity Board (herein after referred to as "MSEB"). The



Petitioner submits that the said reorganization of the MSEB has been done by Government of Maharashtra pursuant to "Part XIII – Reorganization of Board" read with section 131 of The Electricity Act 2003. The Petitioner has been incorporated on 31.5.2005 with the Registrar of Companies, Maharashtra, Mumbai and has obtained Certificate of Commencement of Business on 15th Sep 2005. The Petitioner is a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA, 2003) having license to supply electricity in the State of Maharashtra except some parts of city of Mumbai.

- 1.2. The Petitioner is a Company constituted under the provisions of Government of Maharashtra, General Resolution No. PLA-1003/C.R.8588/Energy-5 dated 25th January 2005 and is duly registered with the Registrar of Companies, Mumbai on 31st May 2005.
- 1.3. The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged, within the framework of the Electricity Act, 2003, in the business of Distribution of Electricity to its consumers situated over the entire State of Maharashtra, except some parts of city of Mumbai.



1.4. This Hon'ble Commission has notified the Distribution Open Access Regulations, 2016 vide No. MERC/Tech/Open Access Distribution/Regulation/2016/01742 dated 30th March, 2016.

The Copy of said Regulations is annexed hereto as: **Annexure A.**

2. IRREGULAR DENIAL OF TRANSMISSION CHARGES TO THE DISTRIBUTION LICENSEE (Duration/ term of Open Access as per Open Access Regulations).

2.1. The Petitioner humbly submits that the definition of 'Short Term Open Access' and 'Medium-term Open Access' as per the Open Access Regulations, 2016 is as below:

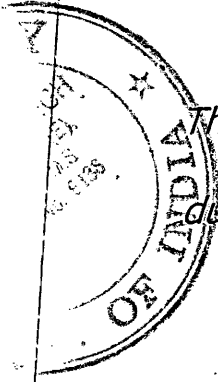
"2. Definitions

*(24) 'Medium Term Open Access' or 'MTOA' means the right to use the Distribution System for a period **exceeding three months** but not exceeding three years."*

*(33) 'Short Term Open Access' or 'STOA' means the right to use the Distribution System for a period **not exceeding one month at a time**"*

2.2. The Petitioner further submits that the Regulation 7.2 of Open Access Regulations, 2016 also categorizes open access on the basis of duration of open access sought.

"7.2 Duration of Open Access



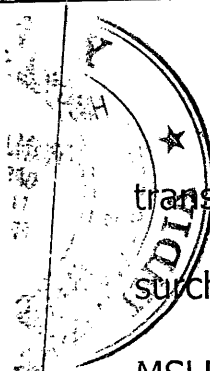
The Open Access shall be categorized on the basis of its duration as follows:

Open Access Category	Duration
Long-term Open Access (LTOA)	Exceeding twelve years but not exceeding twenty-five years
Medium-term Open Access (MTOA)	Exceeding three months but not exceeding three years
Short-term Open Access (STOA)	Not exceeding one month

Provided that, for the period between three years and twelve years, the Applicant may seek multiple MTOA for a maximum period of three years at a time. "

2.3. In the context of above provisions of the Open Access Regulations, 2016, the Petitioner would like to submit that the short term open access has been permitted for a period not exceeding one month at a time whereas the medium term open access is for a period exceeding three months.

2.4. As per the Open Access Regulations, 2016, the charges applicable on open access consumers are highlighted below which includes



transmission charges apart from wheeling charges, cross subsidy surcharge, additional surcharge on the charges for wheeling and MSLDC fees & charges. The relevant regulations are reproduced below.


"14. Billing

14.1 The bill for use of the Distribution System for wheeling of electricity in its network shall be raised by the Distribution Licensee on the entity to whom the Open Access is granted, and shall indicate the following:

- (i) Wheeling Charges;*
- (ii) Cross-Subsidy Surcharge;*
- (iii) Additional Surcharge on the charges for wheeling;*
- (iv) MSLDC fees and charges.*

Provided that, if the Distribution Licensee schedules power for the Open Access Consumer, Generating Company or Licensee, as the case may be, the MSLDC fees and charges payable by the Licensee shall be shared by them in the ratio of scheduled demand of Open Access sought to the total demand of the Distribution Licensee on a pro-rata basis for Long-term and Medium-term Open Access;

Provided further that the scheduling and other operating charges, as may be applicable, shall be levied by the Distribution Licensee on the Short-term Open Access Consumer, Generating Station or Licensee at the rate approved



*for Short-term Open Access by the Commission in its Order
Determining MSLDC Fees and Charges;*

*Provided also that any specific methodology for charging
MSLDC fees and charges as may be approved by the
Commission from time to time through separate Order or any
other Regulations shall be applicable.*

(v) Transmission Charges:

*Provided that a **Partial Open Access Consumer,
Generating Station or Licensee, as the case may be,
shall pay the Transmission Charges to the Distribution
Licensee instead of the Transmission Licensee for using
a transmission network:***

*(vi) Any other charges, surcharge or other sum recoverable
from the Consumer under the Act or any Regulation or Orders
of the Commission:*

2.5. The Petitioner respectfully submits that as per the above mentioned provision, a partial open access consumer has to pay transmission charges to the distribution licensee instead of the transmission licensee for using a transmission network. Any open access consumer wheeling power through state transmission system and also connected to the distribution licensee for

meeting its partial power requirements/ demand is required to pay the transmission charges to the distribution licensee.

2.6. The Petitioner also submits that Regulation 61.3 of the MYT Regulations, 2015 specifies the formula for the determination of base transmission tariff of each year of the control period for long, medium and short term transactions. The relevant regulations are reproduced below for reference (**Annexure B**).

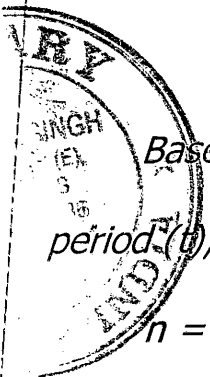
"61.3 Base Transmission Tariff for each Year shall be determined as ratio of approved 'TTSC' for intra-State transmission system and approved 'Base Transmission Capacity Rights' and shall be denominated in terms of "Rs/kW/month" (for long-term/medium-term usage) or in terms of "Rs/kWh" (for short-term bilateral open access transactions usage, short-term collective transactions over Power Exchange and for Renewable Energy transactions) in accordance with the following formula:

$$\text{Base Transmission Tariff (t) long term or short term} = \frac{\text{TTSC(t)}}{\text{Base TCR (t)}}$$

$$\text{Base Transmission Tariff (t) (Short-term) (Rs/kWh)} = \frac{\text{TTSC(t)}}{\sum_{i=1}^n (\text{Energy Transmitted by Tx i})}$$

Where,

TTSC(t) = Pooled cost for InSTS for yearly period (t) of the Control Period;



Base TCR(t) = Base Transmission Capacity Rights for the yearly period (t);

n = Total number of Transmission Licensee(s) in that particular year of Control Period;

Txi = ith Transmission Licensee:

Provided that the energy units transmitted by the Transmission Licensees shall be based on the energy input requirement of the Distribution Licensees at Generation-InSTS interface point, as projected by each Distribution Licensee as part of its MYT Petition for the Control Period and as approved by the Commission;

Provided further that any revisions in Base Transmission Capacity Rights and Base Transmission Tariff as determined in Regulations 61.2 and 61.3 due to the variation in the actual and approved CPD and NCPD shall be made at the time of Mid-Term Review and at the end of the Control Period for the subsequent years;

Provided also that in case new Transmission Licensees are added to the intra-State transmission network during the Control Period, then the TTSC, Base Transmission Capacity Rights and Base Transmission Tariff as referred under Regulations 61.1, 61.2 and 61.3 shall be re-determined for each remaining Year of the Control Period."

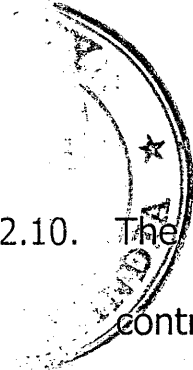
2.7. The Petitioner respectfully submits that in line with the above mentioned provisions of MYT Regulations 2015, the Hon'ble Commission has determined the transmission tariff for the use of the InSTS network for the third control period vide InSTS Order dated 22nd July, 2016 (**Annexure C**). The transmission tariff determined is highlighted below for reference.

TSU - Distribution Licensees	Units	FY	FY	FY	FY
		2016- 17	2017- 18	2018- 19	2019- 20
Approved in this Order					
TTSC (approved)	Rs.	4,596.2	5,805.5	6,519.2	6,599.9
	Crore	6	1	7	1
Base TCR (approved)	MW	18,757	20,168	21,404	22,719
Transmission Tariff (long term/ medium term)	Rs./kW / month	204.24	239.88	253.82	242.08
Transmission Tariff (short term/ short term collective/	Rs./kW h	0.28	0.32	0.34	0.32

renewable energy					
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2.8. The Hon'ble Commission has also considered the month-wise Coincident Peak Demand and Non Coincident Peak Demand details for TSUs for FY 2015-16 as provided by the Maharashtra State Load Dispatch Centre (MSLDC). However, it is pertinent to note that the MSLDC has not separated the contribution of the partial open access consumers in the area of MSEDCL from the MSEDCL share. Accordingly, Hon'ble Commission has considered the Base Transmission Capacity of 18,824 MW based on the 12-monthly average of CPD and NCPD of TSUs from April, 2015 to March, 2016. There is no reduction of contribution of the partial open access consumers in the area of MSEDCL in the CPD and NCPD.

2.9. The Petitioner also submits that the Hon'ble Commission has determined the transmission tariff for the third control period FY 2016-17 to FY 2019-20 considering the total transmission system cost (TTSC) and base transmission capacity rights (TCR) vide Intra-State Transmission System tariff (InSTS) Order dated 22nd July, 2016. It is pertinent to note that the Hon'ble Commission has determined the transmission tariff considering the total demand of the partial open access consumers in the MSEDCL area.



2.10. The TTSC determined by the Hon'ble Commission for the third control Period has to be shared among the long-term transmission system users (TSUs) including MSEDCL in accordance with their contribution to the average of CPD and NCPD. MSEDCL would like to mention that it is liable to pay its entire share of TTSC which includes the contribution in the CPD and NCPD by the partial open access consumers. Thus, until and unless the contribution by the partial open access consumers is not separately provided, the Petitioner is liable to pay the transmission charges for the contribution in the CPD and NCPD by the partial open access consumers.

2.11. The Petitioner would like to bring to the notice of the Hon'ble Commission that certain consumers are taking undue advantage of the interpretation of the definition of the Open Access Regulations, 2016 and are seeking open access for a period of one month under short term open access for consecutive period of more than 3 months which should have come under the medium term open access.


2.12. The Petitioner submits that the Hon'ble Commission has determined the transmission tariff for medium term and short term users in terms of Rs./kW/month and Rs./kWh respectively. There is a difference in charges for a short term open access

consumer (for one month) and a medium term open access consumer (More than 3 months but upto 3 years). The lower open access transmission charges for availing short term open access is leading to certain consumers taking undue advantage of the regulations and seeking short term open access for consecutive months (>3months) instead of opting for medium term open access. This is putting additional financial burden on MSEDCL and in turn getting passed on to the consumers of MSEDCL by way of increased tariffs.

2.13. A sample calculation depicting the losses suffered by MSEDCL for a consumer availing short-term open access for three consecutive months against medium-term open access is shown below.

Month	Open Access CD (kVA)	Transmission units	Applicable Transmission charge		Transmission charge (Rs. Crores)		Difference (Rs. Crores)
			Short-term OA (Rs./kWh)	Medium-term OA (Rs./kW/month)	Short-term OA	Medium-term OA	
May-16	300000	209004258	0.26	194.79	5.43	5.84	0.41
Jun-16	300000	165958195	0.26	194.79	4.31	5.84	1.53
Jul-16	224000	149207935	0.28	204.24	4.18	4.57	0.40
Total	824000	524170388			13.93	16.26	2.34

2.14. From the above table, it is observed that MSEDCL is incurring a loss of Rs. 2.34 Crs. over just a period of 3 months in case of a



consumer availing short term open access consecutively for three months and not opting for medium term open access. MSEDCL is paying the entire charges based on the Share of avg. of CPD and NCPD in MW to the State transmission utility (STU) whereas it is able to recover only a part of it from the open access consumers using the transmission system.

2.15. It is to submit that, the Honorable CERC has taken up this matter in its draft Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Sixth Amendment) Regulations, 2015 and draft Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, Fifth Amendment 2016 .

The Copy of said draft Regulations are annexed hereto as:
Annexure D.

2.16. The Petitioner also submits that the open access consumers are entering in to a medium-term and long-term connection agreement with the generators from which they are sourcing power. A list of such consumers is attached herewith as **Annexure E.** However, while seeking Open Access, they are seeking only Short Term Open Access thereby denying the legitimate revenue of MSEDCL.



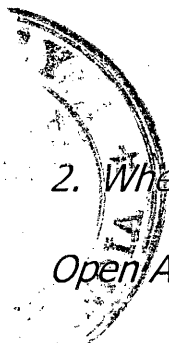
3. **DAY AHEAD OPEN ACCESS**

INTRODUCTION:-

3.1. The Petitioner submits that Regulations 2016 now permits day-ahead open access if the surplus capacity is available in Distribution Licensee's system.

3.2. Also, the Hon'ble Commission has notified the Practice Directions on processing of Open Access Application on 19.10.2016, wherein the directions with regards to Day Ahead Open Access are as under:

"1. Where an Application is made for Short-Term Open Access (other than one day prior) for availing power from any source, including through Power Exchanges, the Nodal Agency has to follow the procedure specified in Regulation 11.2 of the DOA Regulations and Regulation 11.1 of the TOA Regulations, as the case may be; and the procedure specified in Regulations 11.3 to 11.6 of the DOA Regulations and Regulation 11.2 of the TOA Regulations for Day-ahead Open Access. Day-ahead Open Access refers only to Short-term Open Access applied for a day in advance, and not to any particular type of source or a specific product of a Power Exchange.



2. *Where an Application is made for Transmission or Distribution Open Access for sourcing power through Power Exchanges, MSLDC shall provide clearance to the Nodal Agency as per the formats prescribed by the Central Electricity Regulatory Commission, with a copy to the Open Access Applicant."*

3.3. The Petitioner submits that under the said provisions, the Application for such Open Access is to be made to Nodal Agency (Distribution Licensee) only one day prior to the date of scheduling up to 12.00 Hours & grant of approval or otherwise is to be conveyed by 14.00 Hours by Nodal Agency.

3.4. The Petitioner submits that, the Hon'ble Commission has specified that, the Day-ahead Open Access refers only to Short-term Open Access applied for a day in advance, and not to any particular type of source or a specific product of a Power Exchange. However, practically, transactions through Power Exchanges only avail of Day Ahead Open Access.

**LACK OF INFORMATION RELATING TO OUTCOME OF BID
SUBMITTED TO POWER EXCHANGE FOR DAY AHEAD
TRANSACTIONS:-**

3.5. Accordingly, the Petitioner respectfully submits that the consumer otherwise eligible for day ahead open access will submit his bid at the Exchange for requirement of power, on day ahead basis at around 10.00 am & would come to know about status of its bid around 05.00 pm same day. The Petitioner further submits that in case the consumer does not receive required quantum of power from Energy Exchange at desired rate, the consumer will directly draw power from the MSEDCL grid and in case such consumer has not revised his Contract Demand, then he will not be liable for any penal charges, so far his consumption is within the limits of his Contract Demand. There is no mechanism whereby a Distribution Licensee like the MSEDCL is informed of the outcome of bids on the power exchange.

LACK OF ANY FRAMEWORK OR DIRECTION TO CONSIDER DEVIATIONS BETWEEN CONTRACT DEMAND AND ACTUAL DRAWAL BY THE STOA CONSUMERS, SOURCING POWER THROUGH EXCHANGE:-

3.6. The Petitioner therefore respectfully submits that such consumer inclined provision would encourage the consumer to do gaming, since he is not receiving power from the exchange would not cause any financial loss to him, however the Petitioner would be put to constrain as such situation would result in the Petitioner making all possible efforts to ensure availability of power.

3.7. The Petitioner also submits that after receipt of application for day ahead open access, the Petitioner would frame its next day scheduling (demand forecasting for the next day) considering such day ahead open access quantum and in case the consumer is unable to get power from the Power Exchange, such additional quantum equivalent to day ahead open access would have to be made available by the Petitioner from other high cost sources.

3.8. The Petitioner respectfully submits that in such a situation the Petitioner may or may not be able to tap additional generation, and such situation may lead to either the Petitioner restricting the availability of power supply to other consumers or purchasing comparatively costly power to bridge the demand – supply gap. The Petitioner submits that in former possibility, the power supply availability of Petitioner's own consumers would be adversely affected and in the later situation, the average cost of power purchase would increase, which would be again shared by the Petitioner's own consumers by way of increased FAC. The Petitioner therefore submits that in both the situations, only the interest of Petitioner's own consumers, who are loyal to the Petitioner, would be at stake, even though such consumers are least concerned with the day ahead open access sought by any other consumer.

3.9. The Petitioner respectfully submits that the MERC (Distribution Open Access Regulations), 2014 i.e. the Regulations in force prior to MERC (Distribution Open Access Regulations), 2016 coming in to


operation had a provision about "Procurement of Power from Power Exchange on Week Ahead Basis (Regulation 3.1) and the said provision was inter – alia contested by Wind World (India) Ltd. by filing a Writ Petition (No. 2294 of 2014) in the High Court of Judicature at Mumbai. The Petitioner submits that the Hon'ble Commission in its reply had defended the said provisions citing following grounds:

44.2 Network Congestion: It may happen that the Open Access consumer gets power through Exchange from a remote State generator and due to congestion in the Grid, the same could not be transacted. The consumer in this case also will draw Licensee's power, hence it will lead to system instability & State's network congestion;

44.3 Gaming: Switch On / Switch Off: power rates at Energy Exchange are volatile in nature over the year. They are low in rainy season and are high in summer season. Therefore, the consumers are keen to transact at Energy Exchanges in the rainy / monsoon season to explore the possibility of availing cheaper power. They intend to revert back to the host utility for the rest of the seasons. Such switch on & switch off of load in respect of Open Access consumers purchasing power from Energy Exchange may

severely damage the reliability and quality of supply measures of host Licensee;

44.4 Operational Difficulty: *If consumer purchases power from a generator which is not a State Pool Participant (SPP) in FBSM, the crediting of energy will be on actual basis. If there are multiple consumers taking power from such a generator, calculation of energy to be credited is on pro rata basis will be a complex task. Further there could be impact on Grid Management. In case if bi-lateral contracts, when there is forced outage of unit, consumer will continue to draw power from the Grid. This could create operational difficulties for SLDC in real time as well as for DISCOMS. Further this could lead to over drawal from the National Grid. DISCOMS will have to carry out load shedding in the State for no fault of other consumers. The State in such situations may overdraw power from the Grid which may call for heavy UI (Unscheduled Interchange) charges, UI penalties, transmission deviation charges, congestion charges, Grid indiscipline notice, opening of lines by RLDC, imposition of fine on SLDC etc. Stricter imposition on drawal of power through UI now in place at regional level. SLDC has to manage the Grid only with the power available through the contracts*




and not in the support from National Grid as per regulations. Further if a consumer purchases power from a Power Exchange, the clearance of quantity of power may not be uniform over all time blocks of the next day (of actual power transaction). This information is made available from Power Exchange only by 6 pm of the previous day of actual power transaction. This leads to power management problem for the DISCOMS.

A copy of said submission is annexed hereto as **Annexure F**

3.10. The Petitioner also submits that if the consumers allowed to purchase power from the Power Exchanges only during off peak hours when the Demand of the Petitioner is quite low, it will badly affect the load curve. The Petitioner also submits that such situation may lead to backing down of generating stations, which will adversely affect the generation cost per unit of the generating stations. The Petitioner further submits that the situation in the peak hours would be exactly opposite and the Open Access consumers would not opt to purchase power from the Power Exchanges, obviously for the reason that the price in the Power Exchange would be more. The Petitioner submits that the Open Access consumers in such situation would be dependent on the power supply from the Petitioner, which will also result in the Petitioner paying higher cost for the generation.

3.11. The Petitioner further submits that the Petitioner is required to maintain daily load curve very close to flat, to economize on power purchase cost. The Petitioner submits that the cost of market power during off – peak hours is much cheaper than that during peak hours and therefore it is likely that some of the Open Access consumers may procure the power from market only during off peak periods and will continue to draw power from the Petitioner during peak hours. The Petitioner respectfully submits that in such a situation the Petitioner may be required to back down even the cheaper generation during off – peak periods and may have to procure comparatively costlier power during peak hours, which consequently may reflect in increasing the cost of power purchase, which would have to be shared by the common consumers of the Petitioner as additional burden.

3.12. The Petitioner on the basis of submissions made in the foregoing paragraphs makes a humble request to the Hon'ble Commission to kindly issue necessary appropriate practice directions regarding "Day Ahead Open Access transactions". The Petitioner further submits that the Hon'ble Commission may also consider to issue appropriate Directions/Practice directions on following issues:



2.9.1 Contract Demand of such Day Ahead Open Access consumers shall stand reduced by the quantum equivalent to the Open Access quantum;

2.9.2 The Day Ahead Open Access consumer shall schedule power from open access for complete 24 hours of the day and shall intimate schedule to SLDC and the Petitioner, which shall be uniform for such period as directed by this Hon'ble Commission and the minimum schedule during the day be not less than 75% of maximum schedule of day;

4. Banking of RE Generation:

4.1. Provision in OA Regulations, 2016: The Petitioner submits that as per the MERC (Distribution Open Access) Regulations, 2016, now Banking of energy is permitted during all twelve months of the year, provided that the credit for banked energy is not to be permitted during the months of April, May, October and November, and the credit for energy banked in other months shall be as per the energy injected in the respective Time of Day ('TOD') slots determined by the Hon'ble Commission in its Orders determining the Tariffs of the Distribution Licensees.

4.2. The Petitioner also submits that the said regulations further provide that the energy banked during peak TOD slots may also

be drawn during off-peak TOD slots, but the energy banked during off-peak TOD slots may not be drawn during peak TOD slots.

4.3. The Petitioner submits that the Regulations provide for maximum demand observed in the months of April, May, October & November and accordingly do not permit use of banked energy in these months.

4.4. The Petitioner respectfully submits that though the Petitioner in its submissions has specifically raised objection to such provision on the grounds of financial implications, the same has not been considered by the Hon'ble Commission. The Petitioner further submits that the Petitioner being revenue neutral, obviously such financial implications will reflect in ARR / Tariff determination proceedings & will result in increasing (to certain extent) tariff of general consumers.

4.5. The Petitioner submits that the Hon'ble Commission may consider to permit Banking of energy to only such RE Projects which shall undertake "day ahead scheduling of power" subject to variation of say (+/-) 10 to 15%. The Petitioner submits that such proposed provision will facilitate the Petitioner to carry on its own scheduling of power in more appropriate manner.

4.6. The Petitioner also submits that, the Hon'ble Commission has already ruled that, the banked units shall not be credited in the months of April, May, October & November. On similar grounds, it is prayed that, the Hon'ble Commission may not allow banking of power in the months of June, July, August and September. The data of the banked units in this period alongwith simultaneous backing down data is annexed hereto as **Annexure G**.


4.7. The Petitioner further submits that the Hon'ble Commission has further made it compulsory for the Petitioner to purchase unutilized banked energy at the end of the financial year, limited to 10% of the actual total generation by such Renewable Energy generator, however such deemed purchase shall not be counted towards the Renewable Purchase Obligation of MSEDCL. The Petitioner respectfully submits that the Petitioner is presently in energy surplus situation and any extra injection of RE power naturally results in backing down of its own contractual generation, resulting in payment of fixed charges as per terms of PPA. The Petitioner further submits that subsequently 10% of such extra injection when compulsorily purchased, again the Petitioner has to face financial burden and therefore the Petitioner submits that such compulsory purchase should be considered as RE power purchase eligible to meet the RPO.

4.8 The Petitioner submits that the existing provision permits a RE Generator to inject the power without any schedule and again provides benefit to RE Generator by way of compulsory purchase (up to 10%) by the Petitioner, with entitlement to Renewable Energy Certificates. The Petitioner submits that such dual benefit to RE Generator therefore needs to be reconsidered in such manner that initially the RE Generator can be permitted to become entitled for Renewable Energy Certificates only up to 90% of the generation and subsequently at the end of the financial year, the accounts can be settled.

4.9 The Petitioner respectfully also submits that in pre – revised OA Regulations i.e. 2014 Regulations, the provision of Banking was absent and certain stake holders have contested in High Court Mumbai for including the provision of Banking in 2014 Regulations. The Petitioner submits that in said proceedings, the Hon'ble Commission in its reply has stated that:

4.9.1 With interstate ABT mechanism in place in the State, settlement of energy other than 15 minutes' time block basis would have adverse financial impact on MSEDCL;

4.9.2 Banking of energy results in non-firm energy getting exchanged with firm power of MSEDCL simply because banked energy could be utilized any time of the banked period;



4.9.3 Such exchange will put MSEDCL at a disadvantage with corresponding adverse impact on supply to consumers;

4.9.4 The Act 2003 mandates for promotion of RE Power, but the said Act does not stipulate that banking is the only promotional measure that needs to be adopted;

4.10 The Petitioner submits that subsequently the Hon'ble Commission has included the provision of Banking in DOA Regulation 2016 and therefore on this ground also, the Hon'ble Commission can reconsider the entire issue or in the alternative the Petitioner requests the Hon'ble Commission to allow such compulsory purchase of 10% of banked energy for meeting the RPO of the Distribution Licensee and issue such practice directions.

5 Eligibility to seek Open Access:

5.1 The Petitioner submits that Regulation 3 of 2016 Regulations defines the eligibility criterion for Open Access, which inter – alia states that consumers having Contract Demand of 1 MW & above are eligible for Open Access and 5th & 6th proviso to the Regulation no. 3 of the 2016 Regulations, provides for the penal action which can be taken against an Open Access consumer, who defaults in achieving Maximum Demand equal to or more than 70% of the threshold limit at which he has become eligible for Open Access.

5.2 The Petitioner submits that the penalty provided for not maintaining the Maximum Demand is comparatively very negligible and also if the consumer defaults consecutively in 2 months and again crosses the threshold limit in 3rd month, he is not liable for any penal charge.

5.3 The Petitioner therefore respectfully submits that the Hon'ble Commission may please consider to issue Orders for willful default by Open Access consumer to achieve Maximum Demand equal to or more than 70% of the threshold limit at which he has become eligible for Open Access. The Petitioner also submits that the Hon'ble Commission may consider that consumers not complying with provision in any month in a year instead of 3 consecutive months should be the criterion, for imposing the penalty.

6 Irregularities Performed by Traders:

6.1 The Licence for Interstate Trading is granted by Hon'ble Central Electricity Regulatory Commission (CERC) to the Trading Licensees subject to the terms and conditions contained in the Act, the Rules made by the Central Government and the Regulations specified by the Hon'ble CERC from time to time.

6.2 The Licence specifies that, the trading margin in the inter-state trading of electricity fixed by CERC shall apply to the Trading

Licensee. Also, the Licensee is required to submit the information to Hon'ble CERC from time to time.

- 6.3 The Hon'ble CERC being of the opinion that it is necessary to fix trading margin for inter-State trading in electricity has published the CERC (Fixation of Trading Margin) Regulations, 2010 dated 11.01.2010. These regulations are applicable to the short-term buy-short-term sell contracts for the inter-State trading in electricity undertaken by a licensee. As per these Regulations, the trading licensees cannot have a trading margin exceeding Rs. 0.04/0.07 per unit on the scheduled quantity of electricity under open access. The relevant extract is reproduced as follows:

Trading margin: *The licensee shall not charge trading margin exceeding seven (7.0) paise/ kWh in case the sale price is exceeding Rupees three (3.0)/kWh and four (4.0) paise/kWh where the sale price is less than or equal to Rupees three (3.0)/kWh. This margin shall include all charges, except the charges for scheduled energy, open access and transmission losses. The trading margin shall be charged on the scheduled quantity of electricity.*

- 6.4 The CERC (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009, amendment Dated the 11th October, 2012, mandates the electricity traders to submit the energy transacted by them to Hon'ble CERC. The relevant extract is reproduced as below:

(1) Clause (b) of Regulation 9 of Principal Regulations shall be substituted as under:

"(b) furnish monthly information in Forms IV-A, IV-B, IV-C, IV-D, IV-E, IV-F, IV-G and IV-H in respect of inter-State trading, intra-State trading, trading through power exchanges and long term trading, cross border trading and banking transactions so as to reach the Commission before 15th of the succeeding month:

Provided that the information sent to the Commission shall be posted on the website of the licensee by 15th of the succeeding month, and such report shall be available on the website for not less than two years."

6.4.1 The Petitioner submits that, the major quantum of conventional open access is through interstate trading licensees. The quantum for Sept. 16 is as follows:

Details of Interstate short term transactions through Traders for Sept. 16 applications:

Sr. No.	Name of the Trader	No. of consumers	Interstate OA capacity in MW
1	M/s Mittal Processors Ltd.	68	191

2	M/s Adani Pvt. Ltd.	32	84
3	M/s Manikaran Power Ltd.	11	35
4	M/s Global Energy Pvt. Ltd.	58	168
	Total	169	479

Intra-state transactions of the trading licensees are non included.

6.4.2 The Petitioner submits that, there is no mechanism available in Regulatory framework to transparently make available the information relating to the trading margins of trader. Also, the Electricity Trading Licensees are executing the Supply Agreement with the consumers/ generators terming themselves as Facilitator/Consultants to escape from their responsibilities which has been entrusted upon them vide various Regulations. The Supply Agreements are annexed herewith for perusal as **Annexure H.**

6.5 The Petitioner submits that, it has already taken up the matter with Hon'ble CERC. The copy of the letter is annexed herewith as **Annexure I.**

6.6 The Petitioner humbly prays to the Hon'ble Commission to introduce Trading Margin Regulations so as to bring in

transparency and also bring clarification with regards to the terms used by the Trading Licensees in the Supply Agreement namely Facilitator/ Consultant etc.

7 Remote Terminal Units (RTU)- DC:

- 7.1 The Petitioner submits that as per the Regulation 17.8 of the MERC (Distribution Open Access) Regulations, 2016, *all Full Open Access Consumers and Generating Stations connected to the Transmission System shall install, at their cost, Remote Terminal Units (RTU)- DC within six months from notification of the Regulations, in accordance with specifications provided by the STU and the MSLDC shall verify their installation for real-time monitoring.*
- 7.2 The Petitioner submits that, majority of the Open Access consumers are availing partial Open Access to escape from Temporary charges levied towards shortfall.
- 7.3 As such, the Petitioner sincerely prays to the Hon'ble Commission to direct and mandate the installation of RTU-DC by Partial Open Access consumers also.

8 PRAYERS :

In light of above the Honorable Commission may please consider the following prayers of MSEDCL:

- 8.1 The present Petition be directed to be heard in a Public hearing with notice to all stakeholders in the State.
- 8.2 That this Hon'ble Commission may be please to issue directions and Orders regarding irregular denial of Transmission charges to the Distribution Licensee;
- 8.3 That this Hon'ble Commission may be please to issue directions and Orders to ensure compliance with Regulations ;
- 8.4 That this Hon'ble Commission may be please to issue necessary practice directions regarding lack of information relating to outcome of bid submitted to power exchange for day ahead transactions;
- 8.5 That this Hon'ble Commission may be please to issue Orders and directions to the day ahead Open Access consumers to schedule power from open access for complete 24 hours of the day and shall intimate schedule to SLDC and the Petitioner, which shall be uniform for such period as directed by this Hon'ble Commission and the minimum schedule during the day be not less than 75% of maximum schedule of day;

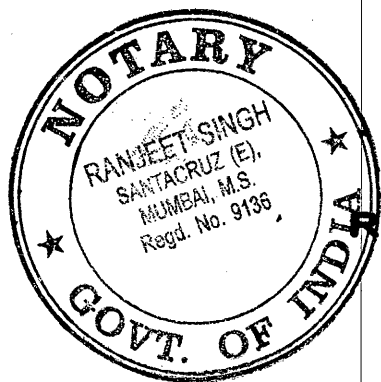
- 8.6 That this Hon'ble Commission may be pleased to issue directions regarding non permitted use of banked energy in the months of April, May, October and November;
- 8.7 That this Hon'ble Commission may be pleased to issue directives qua the compulsory purchase of 10% of banked energy for meeting the RPO of the Distribution Licensee;
- 8.8 That this Hon'ble Commission may be pleased to issue orders for willful default by Open Access consumer to achieve Maximum Demand equal to or more than 70% of the threshold limit at which the consumer has become eligible for Open Access. Further, this Hon'ble Commission may consider that consumers not complying with provision in any month in a year instead of 3 consecutive months should be the criterion, for imposing the penalty.
- 8.9 That this Hon'ble Commission may be pleased to issue or provide for regulatory framework to transparently make available the information relating to the trading margins of trader.
- 8.10 That this Hon'ble Commission may be pleased to issue appropriate directions for regulating the supply agreement executed by the Electricity Trading Licensees with the consumers/ generators terming themselves as Facilitator/Consultants to escape from their

responsibilities which has been entrusted upon them vide various Regulations;

8.11 That this Hon'ble Commission may be pleased to direct and mandate the installation of RTU-DC by Partial Open Access consumers also;

8.12 That this Hon'ble Commission may be pleased to direct the SLDC to treat those of the Short Term Open Access Transactions consecutively taken or with any mechanical gaps but which otherwise qualify for Medium Term and Long Term transaction as per the definition of the Statutory Regulations as being rightfully treated as Medium Term / Long Term as the case may be.

Comyad
Chief Engineer (Commercial)

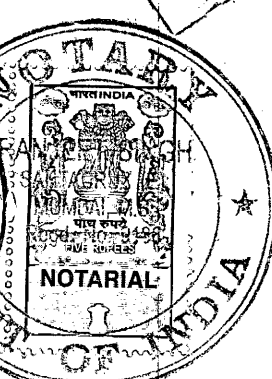
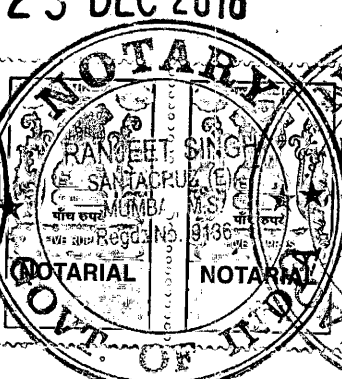
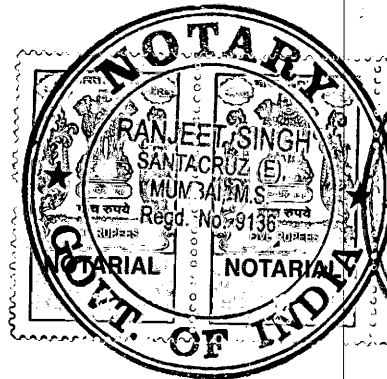


BEFORE ME

Ranj

RANJEET SINGH
M.Sc.LL.B.
NOTARY
MAHARASHTRA
GOVT OF INDIA

23 DEC 2016





Annexure A

(1)

महाराष्ट्र शासन राजपत्र असाधारण भाग चार-क, मार्च ३०, २०१६/चैत्र १०, शके १९३८

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION (DISTRIBUTION OPEN ACCESS) REGULATIONS, 2016

Electricity Act, 2003

No./MERC/Tech/Open Access Distribution Regulations/2016/01742

In exercise of the powers conferred by sub-sections (1) and (2) of Section 181 read with sub-section (47) of Section 2, sub-clause (ii) of clause (d) of sub-section (2) of Section 39, sub-clause (ii) of clause (c) of Section 40 and sub-section (2), sub-section (3) and sub-section (4) of Section 42 of the Electricity Act, 2003 (36 of 2003), the Maharashtra Electricity Regulatory Commission hereby makes the following Regulations.

Part A: PRELIMINARY

1. Short Title, extent and commencement

- 1.1. These Regulations may be called the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2016.
- 1.2. These Regulations shall apply for Open Access to and use of the Distribution System of Distribution Licensees in the State of Maharashtra, and where the network of the Distribution Licensee is not being used but supply to an Open Access Consumer is being provided within the distribution area of the Distribution Licensee.
- 1.3. These Regulations shall come into force from the date of their publication in the *Official Gazette*.

2. Definitions

- 2.1. In these Regulations unless the context otherwise requires:
 - (1) "Act" means the Electricity Act, 2003 (36 of 2003) as amended from time to time;

(2) "Admissible Drawal" or "Allotted Capacity" means the power transfer in MW between the specified point(s) of injection and point(s) of drawal allowed to a Consumer or Generating Station or a Distribution Licensee on the Distribution System;

(3) "Balancing and Settlement Code" means such Code as may be developed by the Maharashtra State Load Despatch Centre and approved by the Commission for the balancing of energy accounts and settlement of differences between energy scheduled and actual energy delivered among the users of the grid in the State of Maharashtra;

(4) "Banking" means the surplus Renewable Energy injected in the grid and credited with the Distribution Licensee after set off with consumption in the same Time of Day slot as specified in Regulation 20;

(5) "Bilateral transaction" means a transaction for exchange of energy between a specified buyer and specified seller(s), directly or through Trading Licensee or Power Exchange, for a fixed or varying quantum of power for any time period;

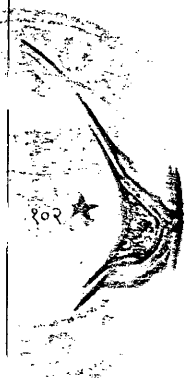
(6) "Billing Demand", for the purpose of these regulations in respect of a Partial Open Access Consumer, will be the higher of the following:

(1) Actual Maximum Demand recorded less Open Access Demand availed by Partial Open Access Consumer in the month during 0600 hours to 2200 hrs;

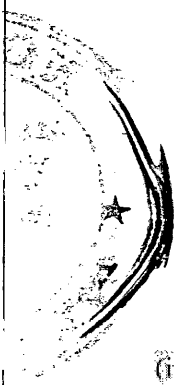
(2) 50% of retained Contract Demand with the Licensee;

(7) "Central Commission" or "CERC" means the Central Electricity Regulatory Commission;

(8) "Change-over Consumer" means a Consumer who was taking supply from a Distribution Licensee through its distribution network and who has changed over to another Distribution Licensee for such supply but continues to be connected to the distribution network of the first Licensee for that purpose;



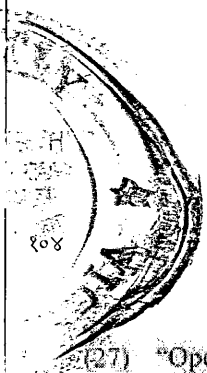
- (9) "Collective Transaction" means a set of transactions discovered in Power Exchange through anonymous, simultaneous competitive bidding by buyers and sellers;
- (10) "Commission" or "MERC" means the Maharashtra Electricity Regulatory Commission;
- (11) "Congestion" means a situation where the demand for distribution capacity exceeds the Available Transfer Capability;
- (12) "Connection" means the connection of the premises of a Consumer with the Distribution System of the Distribution Licensee so as to enable the transfer of electricity between such premises and Distribution System;
- (13) "Connection Agreement" means the agreement to be entered into on approval of grant of Connectivity between a Distribution Licensee and Generating Station or a captive generating plant or a Consumer or a Licensee, as the case may be;
- (14) "Connectivity" for a Generating Station, including a captive generating plant, or a Licensee means the state of getting connected to the Distribution System;
- (15) "Consumer" shall carry the same meaning as in the Act, but shall be restricted to such consumers within the State of Maharashtra;
- (16) "Consumer Grievance Redressal Forum" means the forum established by the Distribution Licensee in pursuance of the Regulations of the Commission governing redressal of consumer grievances;
- (17) "Contract Demand" means the demand in kilovolt ampere ('kVA') or Megavolt ampere ('MVA') as mutually agreed between the Distribution Licensee and the Consumer:
- (i) in the agreement for supply of electricity; or



(ii) through other written communication;

Provided that the unity power factor shall be considered for the purpose of unit conversion from MVA/kVA to MW/kW.

- (18) "Day" means the day starting at 00.00 hours and ending at 24.00 hours;
- (19) "Electricity Supply Code" means the Regulations specified by the Commission under clause (u), clause (v), clause (w), clause (x) and clause (zp) of sub-section (2) of section 181 read with Section 50 of the Act;
- (20) "Full Open Access Consumer" means an Open Access Consumer who maintains zero demand with the Distribution Licensee in whose area of supply he is located in order to cater to his load requirement;
- (21) "Indian Electricity Grid Code" means the Code specified by the Central Commission under clause (h) of sub-section (1) of Section 79 of the Act;
- (22) "Long-term Open Access or "LTOA" means the right to use the Distribution System for a period exceeding twelve years but not exceeding twenty-five years;
- (23) "Maximum Demand", in kilowatts or kilo-volt-amperes, shall have the same meaning as in the Electricity Supply Code;
- (24) "Medium-term Open Access" or "MTOA" means the right to use the Distribution System for a period exceeding three months but not exceeding three years;
- (25) "Month" means a calendar month;
- (26) "Nodal Agency" means the agency specified in Regulation 8;



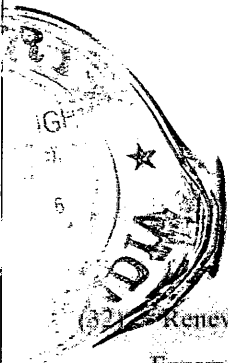
- (27) "Open Access" shall have the same meaning as in sub-section (47) of Section 2 of the Act;

- (28) "Open Access Agreement" means an agreement for use of the Distribution System of a Distribution Licensee for Medium and Long Term Open Access
 - (i) entered into between the Distribution Licensee and a person whose premises are situated within its area of supply, where such person requires supply of electricity from a Generating Company or Licensee other than that Distribution Licensee; or
 - (ii) entered into between the Distribution Licensee and a Generating Company or another Licensee for the purpose of giving supply of electricity to such person as referred to in (i) above by using the Distribution System of the Distribution Licensee for wheeling of electricity; or
 - (iii) entered into between the Distribution Licensee and a person whose premises are situated within its area of supply, where such person requires supply of electricity from a Power Exchange, established under the relevant CERC Regulations;
in accordance with these Regulations;

- (29) "Open Access Consumer" means a Consumer of a Distribution Licensee who has been granted Open Access;

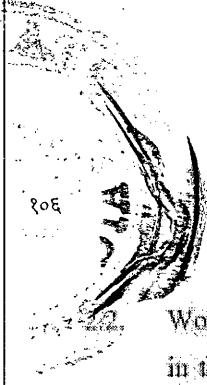
- (30) "Partial Open Access Consumer" means an Open Access Consumer who maintains some demand with the Distribution Licensee in whose area of supply he is located in order to cater to his load requirement;

- (31) "Pooled Cost of Power Purchase" means the weighted average pooled price at which the Distribution Licensee has purchased electricity, including the cost of self-generation, if any, in the previous year from long-term and short-term energy suppliers, but excluding those based on Renewable Energy sources;



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- "Renewable Energy" means the grid quality electricity generated from Renewable Energy sources as may be defined in MERC orders or Regulations governing Renewable Energy;
- (33) "Short-term Open Access" or "STOA" means the right to use the Distribution System for a period not exceeding one month at a time;
- (34) "Maharashtra State Load Despatch Centre" or "MSLDC" means the State Load Despatch Centre established in the State of Maharashtra under sub-section (1) of Section 31 of the Act;
- (35) "Special Energy Meters" means meters installed in accordance with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time;
- (36) "State Grid Code" means the Code specified by the Commission under clause (h) of sub-section (1) of Section 86 of the Act;
- (37) "Supplier" means a Generating Company, Power Exchange or Licensee, as the case may be, giving supply of electricity to a Consumer or a person situated in the area of supply of another Distribution Licensee by using the Distribution System of such other Distribution Licensee pursuant to an Open Access Agreement, or giving supply through dedicated Transmission or Distribution lines;
- (38) "Supply Agreement" means the agreement for supply of electricity between Supplier(s) and Consumer(s) or person(s) on such terms and conditions (including tariff) as may be agreed between the parties;
- (39) "Time Block" means a period of fifteen minutes for which Special Energy Meters record specified electrical parameters and quantities, with the first such period starting at 00:00 hours;



Words and expressions used herein and not defined in these Regulations but defined in the Act or Indian Electricity Grid Code or the State Grid Code or the Electricity Supply Code or the Rules and other Regulations made under the Act, as the case may be, shall have the meaning assigned to them therein.

3. Eligibility to seek Open Access

3.1. Subject to the provisions of these Regulations,

- a Generating Company which owns or operates, or intends to own or operate a Generating Station in the State; or
- a Consumer eligible for Open Access; or
- a Distribution Licensee; or
- a Trading Licensee

may be an Applicant for Open Access.

3.2. Subject to the provisions of these Regulations, a Consumer having Contract Demand of 1 MW and above with a Distribution Licensee shall be eligible for Open Access for obtaining supply of electricity from one or more

- a) Generating Plants or Stations, including Captive Generating Plants;
- b) Trading Licensees;
- c) Power Exchanges;
- d) Other Distribution Licensees;
- e) any other sources,

or a combination thereof, and all collectively called 'Sources';

Provided that, for the purpose of unit conversion from MVA to MW, the unity power factor shall be considered;

Provided further that a Consumer located in the area of a Distribution Franchisee shall also be eligible for Open Access;



Provided also that a Distribution Franchisee shall not be eligible for Open Access, except in his capacity as a Consumer;

Provided also that the Maximum Demand of such Consumer or person in each financial year subsequent to his being granted Open Access shall be equal to or greater than seventy (70) percent of the threshold level at which he has become eligible for Open Access;

Provided also that, if the Consumer fails to achieve the Maximum Demand in three consecutive months, the Distribution Licensee shall be entitled to a penalty equal to two times the wheeling charges for the financial year or part thereof for which he the Consumer failed to achieve such Maximum Demand;

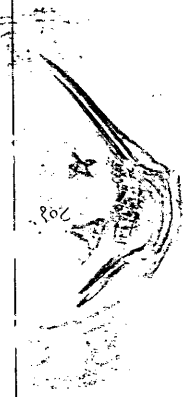
Provided also that, if such Consumer or person has not complied with the above proviso in 3 consecutive months, the Distribution Licensee may initiate the process of reassessment and reinstatement or reduction of Contract Demand.

4. Processing of Applications for Distribution Open Access and Connectivity

4.1. Application Formats, etc.

An application for Connectivity to the Distribution System of a Distribution Licensee shall be made to the Nodal Agency in the format at Annexure I of these Regulations, with the required particulars, documents and fees:

Provided that every Distribution Licensee shall provide on its internet website, within thirty days from the notification of these Regulations or within sixty days from the grant of Licence, whichever is applicable, the information requirements, procedures, application forms and fees, in downloadable format, necessary for applying for Connectivity or Open Access to its Distribution System;



महाराष्ट्र शासन राजपत्र असाधारण भाग चार-क, मार्च ३०, २०१६/चैत्र १०, शके १९३८

Provided further that the application formats under the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2014 shall continue to be used till such time as the application forms under these Regulations are issued or uploaded, and any inconsistency between them and the provisions of these Regulations shall be harmoniously construed for their purposive application.

4.2. Revision of Contract Demand

The Contract Demand of a Consumer availing LTOA or MTOA shall be governed by the provisions of the Electricity Supply Code and the Regulations of the Commission governing Standards of Performance:

Provided that a Consumer availing STOA shall not be eligible to revise his Contract Demand with the Distribution Licensee during the tenure of the STOA, but may do so at the time of applying for Open Access.

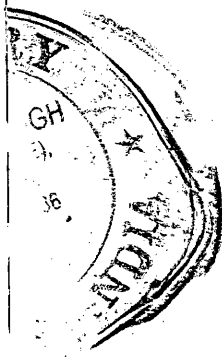
4.3. Completion of Works

Where the grant of Open Access is agreed to but requires the completion of works relating to extension or augmentation of lines, transformers, metering arrangements, etc., or the commissioning of new Sub-Stations, the Distribution Licensee shall complete such works within the time limits specified in the Regulations of the Commission governing Standards of Performance.

4.4. Meter Reading

The final meter reading of the Consumer shall be taken by the Distribution Licensee from the date of commencement of Open Access:

Provided that the final meter reading shall be taken in the presence of the Consumer or his representative, and the Generating Company or Licensee from whom the Consumer intends to obtain supply of electricity, after written intimation to them:



Provided that, if any of these entities are not present as scheduled, the Distribution Licensee may take the final reading and inform them accordingly.

4.5. Settlement of Dues

A Consumer applying for Open Access to the Distribution System shall settle all dues of the Distribution Licensee prior to applying for Open Access:

Provided that, where there is a dispute between the Distribution Licensee and the Consumer relating to any charge for electricity or some other charge for electricity, such consumer shall be allowed Open Access pending resolution of such dispute upon deposit of the disputed amount with the Distribution Licensee, in accordance with Section 56 of the Act;

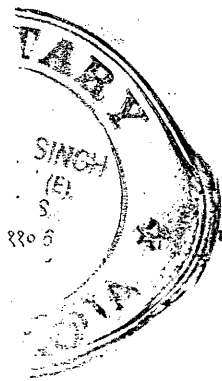
Provided further that the Distribution Licensee shall pay interest at a rate equivalent to the Bank Rate of the Reserve Bank of India for the amount of deposit that is returned to the Consumer upon resolution of the dispute.

- 4.6. If the Distribution Licensee agrees to install equipment on behalf of a Consumer seeking Open Access, it may require the Open Access Applicant to make available suitable space in his premises for installation of electrical plant or equipment required to provide Connectivity.

Part B: CONNECTIVITY

5. Grant of Connectivity

- 5.1. A Generating Station, including a captive generating plant, having installed capacity less than 5 MW may apply for Connectivity to the Distribution System, unless already connected, in accordance with the provisions in this Regulation:



Provided that a Generating Station having installed capacity of 5 MW and above may be provided Connectivity to the Distribution System if such Connectivity is found to be technically feasible in accordance with Regulation 5.4.

5.2. A Generating Station seeking Connectivity to the Distribution System shall apply to the Nodal Agency in the Form specified in Annexure I.

5.3. The application for Connectivity shall be accompanied by a Demand Draft or proof of payment by electronic mode for a non-refundable fee of the following amount, or such other amount as may be stipulated by the Commission:

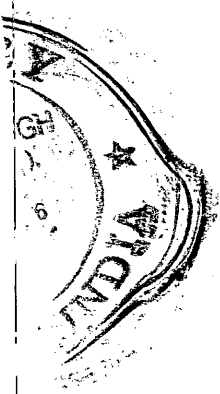
Application Type	Application Fee
All except Renewable Energy based Generators	Rupees Two Lakh
Renewable Energy based generators	Rupees One Lakh

5.4. Upon receipt of the application, the Distribution Licensee shall, in consultation with the State Transmission Utility (STU) if required, carry out the inter-connection study as specified in the relevant Regulations of the Central Electricity Authority governing technical standards for Connectivity to the Grid.

5.5. While granting Connectivity, the Distribution Licensee shall indicate the name of the sub-station or switchyard where Connectivity is to be granted; the design features, such as switchyard and interconnection facility upto the point of injection into its sub-station; and the period required to complete additional work, if any.

5.6. The cost of creation or augmentation of the required facilities shall be borne by the Generating Station.

Provided that the cost of creation or augmentation of infrastructure for a Renewable Energy Generating Station shall be borne by the Renewable Energy Generating Company or Distribution Licensee or STU, as the case may be, in accordance with the Regulations of the Commission governing the Tariff for Renewable Energy.



Provided further that the ownership of assets so created by the Generating Station shall remain with that Renewable Energy Generating Company.

5.7. The Applicant and the Distribution Licensee shall comply with the provisions of the relevant Regulations of the Central Electricity Authority governing the technical standards for Connectivity to the grid.

5.8. The Applicant and the Distribution Licensee shall enter into a Connection Agreement upon grant of Connectivity in the format provided in Annexure II:

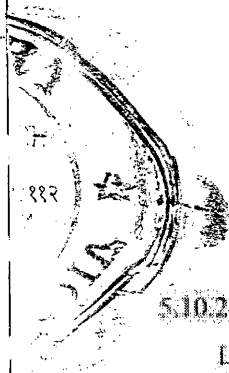
Provided that the Distribution Licensee shall provide the format for such Agreement on its website within thirty days from the notification of these Regulations:

Provided further that, in case of a prospective Consumer of a Distribution Licensee, the Connectivity to the Distribution System shall be governed by the procedure specified in the Electricity Supply Code.

5.9. The grant of Connectivity shall not by itself entitle an Applicant to interchange any power through Open Access unless it obtains approval for Open Access in accordance with the provisions of these Regulations.

5.10. **Infirm Power**

5.10.1. A Generating Station which has been granted Connectivity to the Distribution System shall be permitted by the Distribution Licensee, subject to grid security considerations, to undertake testing, including full-load testing, by injecting infirm power into the grid before its commercial operation and prior to availing Open Access.



5.10.2. A Generating Station or Unit which has been granted Connectivity to the Distribution System shall be permitted by the Distribution Licensee to inject infirm power into the grid during testing, including full-load testing, before its commercial operation for a period not exceeding six months from the date of its first synchronization:

Provided that, for the purposes of these Regulations, the Distribution Licensee may allow extension of the period for testing, including full load test, and consequent injection of infirm power by the Station or Unit, beyond six months in exceptional circumstances on an application made by the Generating Company at least two months before the close of the initial period of six months.

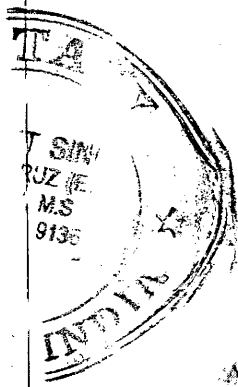
5.10.3. The Generating Station shall provide such information as may be required to satisfy the Distribution Licensee that the injection of infirm power prior to commercial operation is solely for the purpose of testing and commissioning.

5.10.4. The commercial treatment of such infirm power from a Generating Station or Unit, other than one based on Renewable Energy sources, shall be as specified in the Regulations of the Commission governing multi-year tariff determination:

Provided that the power injected into the grid on account of such testing from a Generating Station for which tariff has not been determined by the Commission shall be the lower of the following:

- the rate for imbalance as arrived under the Intra-State Balancing and Settlement Code; or
- the average variable cost of long-term power purchase as approved by the Commission in the prevailing Tariff Order in respect of the Distribution Licensee to whom the Generating Station intends to sell power.

5.10.5. Before injecting infirm power, the Generating Station shall enter into an Agreement with the Distribution Licensee to supply such power:



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Provided that, in case the Generating Station does not have an Agreement for sale of power with any Licensee, there shall be no charge for such infirm power injected into the grid, and it shall be credited to the Distribution Licensee to whom the Generating Station is connected.

5.11. A Generating Station already connected to the Distribution System or to whom Connectivity is already granted under an existing arrangement shall not be required to apply for Connectivity for the same capacity however, in case of augmentation of capacity of the Generating Station, a fresh application for modification to the Connectivity provisions shall be required in accordance with the provisions of these Regulations.

5.12. The Distribution Licensee shall convey its decision on grant of Connectivity within thirty days from the receipt of an application complete in all respects:

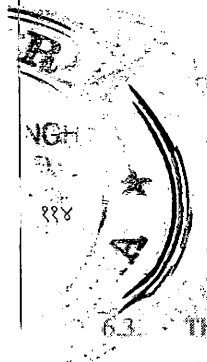
Provided that the Distribution Licensee may reject an application, giving reasons, after giving the Applicant an opportunity to represent against the proposed rejection.

Part C: GENERAL PROVISIONS FOR OPEN ACCESS

6. Open Access Agreement

6.1. An Open Access Agreement shall be entered into upon grant of Medium or Long Term Open Access in the format provided in Annexure V.

6.2. The Distribution Licensee shall provide the format of the Agreement on its internet website, in downloadable format, within thirty days from the notification of these Regulations or sixty days from the grant of Distribution Licence, as may be applicable.



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6.3. The Distribution Licensee shall give the Applicant a notice of not less than ten days prior to signing of the Open Access Agreement, after confirmation of completion of all works and fulfilment of all requirements under the Act and these Regulations for grant of Open Access to such Consumer, regarding the

- (a) date and time of the final meter reading of the Consumer, if applicable, and
- (b) date and time of termination of the agreement of supply, if applicable, and commencement of the Open Access Agreement for MTOA and LTOA;

Provided that the Applicant shall enter into the Open Access Agreement within 30 days of such notice, failing which Open Access may be terminated by the Nodal Agency unless sufficient cause is shown for the delay.

7. Categories of Open Access

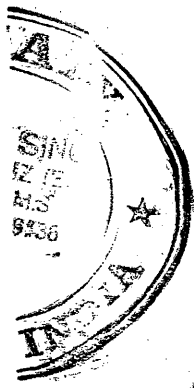
7.1. The application procedure, application fee and the time frame for processing applications for Open Access shall depend on the inter-se location of drawal and injection points, i.e. on whether

- (a) both are within the same Distribution System;
- (b) both are within the State but in different Distribution Systems;
- (c) both are in different States.

7.2. Duration of Open Access

The Open Access shall be categorised on the basis of its duration as follows:

Open Access Category	Duration
Long-term Open Access (LTOA)	Exceeding twelve years but not exceeding twenty-five years
Medium-term Open Access (MTOA)	Exceeding three months but not exceeding three years
Short-term Open Access (STOA)	Not exceeding one month



Provided that, for the period between three years and twelve years, the Applicant may seek multiple MTOA for a maximum period of three years at a time.

8. Nodal Agency and Application Procedure

- 8.1. An application for Open Access shall be made in the prescribed Form to the Nodal Agency along with application fees and any other charges as may be stipulated by the Commission from time to time:

Provided that the time periods specified in Regulations 9, 10 and 11 shall be applicable from the date of submission of an Application which is complete in all respects.

- 8.2. The Nodal Agency for Open Access and Connectivity to the Distribution System shall be the Distribution Licensee in whose area of supply the Consumer or Generator is located;

Provided that the Nodal Agency shall specify on its website the name, designation and contact details of the nodal officer who will be a single point contact for all Open Access and Connectivity related matters in accordance with these Regulations:

Provided further that, where the Consumer or Generating Station is connected or intends to connect to the network of a Transmission Licensee, then the Nodal Agency shall be as specified in the Regulations of the Commission governing Transmission Open Access or the relevant Regulations of the Central Commission, as the case may be.

- 8.3. Application Procedure for Open Access involving Inter-State Transmission System

Notwithstanding anything contained in Regulations 9, 10 and 11, the procedure for Inter-State Open Access shall be as per the Central Commission's Regulations:

Provided that, in case of a Consumer connected to a Distribution System seeking Inter-State Open Access, the MSLDC shall before giving its consent to the Regional Load Despatch Centre ('RLDC') as required under the Central Commission's Regulations, obtain the consent of the Distribution Licensee concerned in accordance with these Regulations.

8.4. The Nodal Agency and the documents required to accompany the application seeking Distribution Open Access shall be as specified in the Table below:

Consumers, Generating Station or Distribution Licensees seeking Distribution Open Access					
Sl. No.	Period	Injection point	Drawal point	Nodal agency	Documents to accompany the application
1.	Short-term Open Access	Any Distribution System within Maharashtra	Any Distribution System within Maharashtra	Distribution Licensee on whose Distribution System the Consumer is connected	Supply Agreement, copy of latest electricity bill of the Consumer
2.		Intra-State Transmission System within Maharashtra	Any Distribution System within Maharashtra	Distribution Licensee on whose Distribution System the Consumer is connected	Supply Agreement, copy of latest electricity bill of the Consumer
3.		Other than Maharashtra	Any Distribution System within Maharashtra	As per Central Commission Regulations	Consent from concerned SLDCs and Distribution Licensees as applicable; Supply Agreement, copy of latest electricity bill in case the Applicant is a Consumer of Distribution Licensee
4.		At Distribution System within Maharashtra and selling power to Power Exchange		Distribution Licensee where the Generator is connected	Power Exchange-related documents

Consumer or Generating Station or Distribution Licensee seeking Distribution Open Access					
Sr.	Period	Injection point	Drawal point	Local agency	Documents to accompany the application
5.			Consumer connected at Distribution System within Maharashtra and opting to avail power supply from Power Exchange	Distribution Licensee on whose Distribution System the Consumer is connected	Power Exchange-related documents; copy of latest electricity bill of the Consumer
6.	Medium-Term Open Access OR Long Term Open Access	Any Distribution System within Maharashtra	Any Distribution System within Maharashtra	Distribution Licensee on whose Distribution System the Consumer is connected	Copy of Supply Agreement
7.		Intra-State Transmission System within Maharashtra	Any Distribution System within Maharashtra	Distribution Licensee on whose Distribution System the Consumer is connected	Copy of Supply Agreement
8.		Other than Maharashtra	Any Distribution System within Maharashtra	Central Transmission Utility	Copy of Supply Agreement, Consent from concerned SLDCs and Distribution Licensees as applicable

Provided that the fees shall be payable in accordance with the Schedule of Charges approved by the Commission from time to time.

8.5. The Application shall be accompanied by the following documents also, where applicable:

- Consent from Seller if Buyer is the Applicant, or consent from Buyer if Seller is the Applicant
- Copy of Supply Agreement
- Proof of payment of Application fee
- Copy of Trading Licence
- Copy of relevant documents from the Power Exchange if power is sought through a Power Exchange (Registration/ Membership details, Member-Client agreement, etc.)

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- Copy of Memorandum of Association and Chartered Accountant's certificate of shareholding pattern, if power is sought under captive mode
- SEM-commissioning certificate, if already installed

8.6. The Distribution Licensee shall conduct testing of meter and associated equipment with the required specifications before commencement of Open Access.

8.7. In case of Open Access approved in respect of power from a Captive Generating Plant, the Consumer, Generating Station or Trading Licensee, as the case may be, shall inform the Nodal Agency, within ten days, of any change in the captive status resulting in levy of Cross-Subsidy Surcharge becoming applicable.

8.8. Where a Consumer connected to the Transmission System seeks Intra-State Transmission Open Access, any charges applicable and accruable to the concerned Distribution Licensee shall be payable by the Consumer to the Distribution Licensee in whose Licence area such Consumer is located.

8.9. The Supply Agreement to be furnished along with the Application shall also indicate the fixed and variable charge or composite charge for power supply so as to enable the MSLDC to run its Merit Order Dispatch.

8.10. The Nodal Agency shall grant Medium-term or Short-term Open Access if the resultant power flow can be accommodated in the existing Distribution System or the Distribution System under execution.

8.11. The Distribution Licenses shall provide the facility of on-line submission of Applications for Connectivity and Open Access Applications within ninety days from the notification of these Regulations.

9. Procedure for Long Term Open Access in the Distribution System(s) within Maharashtra

- 9.1. The procedure for Long term Open Access when the point(s) of injection or drawal are located in the same or different Distribution Systems in Maharashtra shall be in accordance with the provisions below.
- 9.2. The Application to the Nodal Agency for grant of Long-term Open Access shall be made in the form provided in Annexure-IV.
- 9.3. Where augmentation of the Distribution System(s) is likely to be required for the grant of Open Access but the quantum of power to be injected and drawn has not been finalized, the Applicant shall communicate the expected quantum of such power on an indicative basis.

Provided that the Applicant shall bear the cost of any augmentation of the Distribution System that may be required, even if the source of supply or off-take of power is not identified, where such cost is not recovered from the Generating Station as provided for in Regulation 5.6;

Provided further that the precise source of supply or destination of off-take, as the case may be, shall be intimated to the Distribution Licensee at least two years prior to the intended date of availing Long-term Open Access, or such other period as estimated by the Distribution Licensee to be required for augmentation of the Distribution System, whichever is lesser;

Provided also that, where augmentation of the Intra-State Transmission System is required, the precise source of supply or destination of off-take, as the case may be, shall be intimated to the Distribution Licensee at least three years prior to the intended date of availing Long-term Open Access, or such other period as estimated by the Distribution Licensee or the STU for augmentation of the distribution or Transmission System, whichever is lesser.

9.4. Where there is any change in location of either the drawal point or the injection point or an increase of more than ten percent in the quantum of power for Open Access using the Distribution System, a fresh Application shall be made.

9.5. Bank/Guarantee:

(a) A Bank Guarantee, in favour of the Nodal Agency, for the following amounts, or such other amounts as may be stipulated by the Commission, shall accompany the Application. An additional Bank Guarantee will be required before the start of construction:

Application Type	Bank Guarantee Amount per MW of Open Access
All except Renewable Energy based transactions	Rs 10,000/- (Rupees Ten thousand)
Renewable Energy based transactions	Rs 5,000/- (Rupees Five thousand)

(b) The Bank Guarantee shall be kept valid and subsisting till

- i. the execution of the Long-term Open Access Agreement, where augmentation of the Distribution System is required; or
- ii. till operationalization of Long-term Open Access, where augmentation of the Transmission System is not required.

(c) The Bank Guarantee will be returned to the Applicant within fifteen days

- i. of signing of the Long-term Open Access Agreement; or
- ii. of rejection of such Application.

(d) The Bank Guarantee may be encashed by the Nodal Agency

- i. if the application for Open Access is withdrawn by the Applicant; or
- ii. if the Long-term Open Access rights are relinquished prior to the operationalization of such rights, where augmentation of the Distribution System is not required;
- iii. Upon failure to submit the additional Bank Guarantee by the Applicant before the construction phase, where augmentation of Distribution System is required to be undertaken by the Licensee.

9.6. On receipt of the Application for Open Access, the Nodal Agency shall obtain all the permissions and clearances from the Distribution Licensees, MSLDC, STU and other agencies, as may be required, for the Open Access transaction.

9.7. The Nodal Agency shall convey its decision on the grant of Long-term Open Access within 120 days if system augmentation is not required, or within 180 days otherwise.

Provided further that no Application shall be rejected by the Nodal Agency without communicating the reasons in writing, including by electronic means.

9.8. Based on the system study, the Distribution Licensee shall indicate the distribution arrangements, including the augmentation, that would be required to provide Long-term Open Access; and shall communicate to the Applicant the date from which such Open Access shall be granted and the applicable charges.

9.9. The Applicant and the Distribution Licensee shall thereafter enter into an Open Access Agreement in accordance with these Regulations.

9.10. Immediately after grant of Long-term Open Access, the Distribution Licensee shall inform the MSLDC so that it is taken into consideration while processing requests for scheduling of power received under an Open Access Agreement.

9.11. Upon expiry of the period of Long-term Open Access, the Consumer, Generating Company or Licensee, as the case may be, shall not be entitled to any priority or preference for renewal of the term.

10. Procedure for Medium Term Open Access in the Distribution System(s) within Maharashtra

10.1. The procedure for Medium-term Open Access when the point(s) of injection and/or the point of drawal are located in the same or different Distribution Systems within Maharashtra shall be in accordance with the provisions below.



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10.2. The Application to the Nodal Agency for grant of Medium-term Open Access shall be made in the format provided in Annexure-IV.

10.3. The Application for grant of Medium-term Open Access shall be made to the Nodal Agency between 3 months to 12 months prior to the intended commencement of Open Access.

Illustration: Application for grant of MTOA commencing 1st August, 2016 shall be made between 1st August, 2015 and the last day of April, 2016.

10.4. On receipt of the Application for Open Access, the Nodal Agency shall obtain all the permissions and clearances from the Distribution Licensees, MSLDC, STU and other agencies, as may be required, for the Open Access transaction.

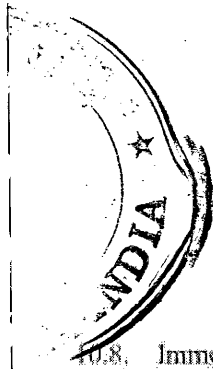
10.5. The Nodal Agency shall convey its decision to grant or refuse Medium-term Open Access within 60 days:

Provided that no Application shall be rejected by the Nodal Agency without communicating the reasons in writing, including by electronic means.

10.6. On being satisfied that the requirements specified under Regulation 8 are met, the Distribution Licensee shall grant Medium-term Open Access for the period stated in the Application:

Provided that, for reasons to be conveyed in writing, including by electronic means, the Distribution Licensee may grant Medium-term Open Access for a period less than that sought by the Applicant.

10.7. The Applicant and the Distribution Licensee shall thereafter enter into an Open Access Agreement in accordance with these Regulations:



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10.8. Immediately after grant of Medium-term Open Access, the Distribution Licensee shall inform the MSLDC so that it is taken into consideration while processing requests for scheduling of power received under an Open Access Agreement.

10.9. Upon expiry of the period of Medium-term Open Access, the Consumer, Generating Company or Licensee, as the case, may be shall not be entitled to any priority or preference for renewal of the term.

11. Procedure for Short-term Open Access in the Distribution System(s) within Maharashtra

11.1. The procedure set out below shall apply to Short-term Open Access when the point(s) of injection and/or the point of drawal are located in the same or different Distribution Systems within Maharashtra.

11.2. Open Access in Advance, other than Day-Ahead Open Access

(a) An Application seeking Short-term Open Access shall be made to the Nodal Agency, who shall send a copy, including by electronic means, immediately to MSLDC and the Distribution Licensee in whose area the Generation Station is situated.

(b) The Application may be made up to four months prior to the month of Short-term Open Access, but not later than the tenth day of the preceding month.

Illustration: Application for Short-term Open Access in the month of August shall be submitted between 1st April and 10th July.

(c) A separate Application shall be made for each month, and for each transaction in a month in case injection or drawal point(s) are different:

Provided that a Captive Generating Company may make a single Application with single injection and multiple drawal points.

(d) All Applications received till the tenth day of the month shall be treated as having been received at the same time.

(e) On receipt of the Application for Open Access, the Nodal Agency shall obtain all the permissions and clearances from the Distribution Licensees, MSLDC, STU and other agencies, as may be required, for the Open Access transaction.

(f) The decision of the Nodal Agency in respect of any perceived congestion shall be final and binding.

(g) In case the Nodal Agency anticipates congestion, it may invite electronic bids as per the Bidding Procedure for advance scheduling after the last date for submission of Applications.

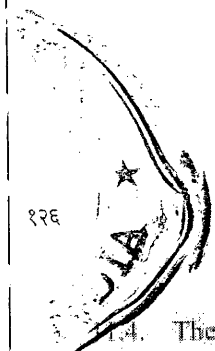
(h) Bidding Procedure

- i. The Nodal Agency shall convey to the Applicants the details regarding such congestion and its decision to invite bids, indicating the floor price in the format provided in Annexure III [Format-ST3].
- ii. The Nodal Agency shall also display the bidding information on its internet website.
- iii. The floor price of Wheeling Charges determined on the basis of the relevant Orders of the Commission shall be indicated in the format provided in Annexure III [Format-ST3].
- iv. The Bids shall be accepted in the format [Format-ST4], provided at Annexure III, up to the closing time indicated in the bidding invitation Annexure III [Format-ST3].
- v. No modification to a Bid, once submitted, shall be entertained.
- vi. The Application of an Applicant who does not participate in the bidding process shall be deemed to have been withdrawn.
- vii. The Nodal Agency shall not entertain any request for extension of time for submission of Bids.

- viii. The bidders shall quote their price (rounded-off to a whole number) in the denomination in which the floor price has been determined.
- ix. The quoted prices shall be arranged serially in descending order, and the allocation of available capacities shall be accorded in such order until the capacities are exhausted.
- x. If the same price is quoted by two or more Applicants, the allocation from any residual available capacity as at (ix) above shall be made in proportion to the capacity being sought by them.
- xi. All Applicants in whose favour full capacities have been allotted shall pay the highest price obtained in the bidding process.
- xii. Applicants who are allotted capacity less than that applied for shall pay the price quoted by them in the bidding process.
- xiii. The Nodal Agency shall reject bids which are incomplete, vague or not in conformity with the bidding procedure.
- xiv. The successful Bidders in favour of whom the capacities have been allocated shall pay Wheeling Charges, as determined in the bidding process.
- (j) The Nodal Agency shall convey grant of Open Access or otherwise in the format provided at Annexure III [Format-ST2], along with the schedule of required payments, to the Applicant within ten working days.
- (j) The Application Form for grant of Short-term Open Access is provided at Annexure III [Format ST-1].
- (k) No Application shall be rejected without reasons to be communicated in writing, including by electronic means.

11.3. Day-Ahead Open Access

Day-Ahead Open Access of Distribution System(s) shall be permitted only if surplus capacity is available in the concerned Distribution Licensee's system.



11.4. The Application for grant of Day-Ahead Open Access shall be made to the Nodal Agency only one day prior to the date of scheduling, up to 12:00 Hours, and all such Applications shall be treated as having being received at the same time and shall have the same priority.

Illustration: An Application for Day-Ahead transaction on 15th August shall be received only on 14th August up to 12:00 hours.

Provided that any Application received after 12:00 hours of the day immediately preceding the date of scheduling or on the day of scheduling shall be considered in case of contingency of the Applicant, and the fee for such contingency Applications shall be five times the otherwise applicable Application fees.

11.5. The Nodal Agency shall check for congestion and convey grant of approval or otherwise in the format provided in Annexure III [Format-ST2] by 14:00 Hours of the day preceding the date of scheduling of the transaction.

11.6. All other provisions applicable to Short-term Open Access shall apply to Applications for Day-Ahead Open Access.

11.7. The capacity reserved by a Short-term Open Access Consumer, Generating Station or Licensee, as the case may be, shall not be transferable.

11.8. Upon expiry of the period of Short-term Open Access, the Consumer, Generating Station or Licensee, as the case may be, shall not be entitled to any priority for renewal of the term.

Non-utilisation of Short-term Open Access

11.9. If the Consumer, Generating Company or Licensee, as the case may be, is unable to utilize for more than four hours the full or a substantial part of its allocated capacity, it shall inform the Nodal Agency, and may surrender the use of such capacity but shall pay transmission and Wheeling Charges applicable to the original reserved capacity and period. If the Nodal Agency is able to re-allocate this capacity, the entity who has

surrendered the capacity shall be refunded transmission and wheeling charges based on the amount and period of the reallocated capacity by the Nodal Agency.

11.10. The Nodal Agency may cancel or reduce the capacity allocated, to the extent that it is under-utilised and after giving notice to the affected parties:

- a) when such capacity is under-utilised for more than three days; or
- b) when the Consumer, Generating Company or Licensee, as the case may be, fails to inform the Distribution Licensee of its inability to utilise the allocated capacity.

11.11. The surplus capacity becoming available as a result of such surrender or reduction or cancellation of capacity may be allocated to any other Short-term Open Access Applicant in the serial order of pending Applications.

12. Consent by Distribution Licensee for STOA

12.1. Before giving consent for Open Access, and subject to the other provisions of these Regulations, the Distribution Licensee(s) shall verify the availability of

- (i) infrastructure necessary for time-block-wise energy metering and accounting in accordance with the provisions of the State Grid Code, and
- (ii) capacity in the Distribution System.

12.2. Where the availability of necessary infrastructure and capacity in the Distribution System has been established, the Distribution Licensee(s) shall convey its consent to the MSLDC within five working days of receipt of the Application; and MSLDC shall, within three working days of receipt of consent from the Distribution Licensee(s), convey its decision on grant of Short-term Open Access to the Nodal Agency.

12.3. In case the MSLDC, or Distribution Licensee other than the Nodal Agency, finds that the Application is incomplete or otherwise deficient, it shall communicate the

deficiency to the Nodal Agency by e-mail or fax within three working days of receipt of the Application.

12.4. In case the Nodal Agency finds that the Application is incomplete or otherwise deficient, or any deficiency is communicated by MSLDC or the other Distribution Licensee, it shall communicate the deficiency to the Applicant by e-mail or fax within five working days of receipt of the Application.

12.5. In case the Application is found to be in order but the Nodal Agency refuses to give consent, such refusal shall be communicated, with reasons, to the Applicant within five working days from its receipt, by e-mail or fax.

12.6. Subject to the provisions of Regulation 3.1 and Regulation 11, the Distribution Licensee shall provide its consent for Day-Ahead Open Access on the same day if there are no claims pending from the Consumer.

13. Allotment Priority

13.1. Except in case of STOA, where capacity is available in the Distribution System, the Nodal Agency shall consider applications for Open Access on a 'first come, first served' basis.

13.2. Where two or more Applications are received on the same day, their priority shall be in accordance with the Table below:

Priority for grant of Open Access	Allotment
Priority 1 – Highest	Distribution Licensee (irrespective of whether Open Access sought is for Long-term, Medium-term or Short-term)
Priority 2	Other Long-term Open Access Applicants
Priority 3	Other Medium-term Open Access Applicants
Priority 4 – Lowest	Other Short-term Open Access Applicants



Provided that two or more Applications for the same duration of Open Access received on the same day shall be treated pari passu for allotment and, if the available capacity is insufficient to accommodate all Applications, the Applicants shall be allotted shares in the available capacity proportionate to the capacities applied for.

Provided further that, when the quantum of STOA applied for is more than the available capacity, the Nodal Agency shall follow the procedures specified in Regulation 11.

Part D: OPEN ACCESS CHARGES

14. Billing

14.1. The bill for use of the Distribution System for wheeling of electricity in its network shall be raised by the Distribution Licensee on the entity to whom the Open Access is granted, and shall indicate the following:

- (i) Wheeling Charges;
- (ii) Cross-Subsidy Surcharge;
- (iii) Additional Surcharge on the charges for wheeling;
- (iv) MSLDC fees and charges.

Provided that, if the Distribution Licensee schedules power for the Open Access Consumer, Generating Company or Licensee, as the case may be, the MSLDC fees and charges payable by the Licensee shall be shared by them in the ratio of scheduled demand of Open Access sought to the total demand of the Distribution Licensee on a pro-rata basis for Long-term and Medium-term Open Access;

Provided further that the scheduling and other operating charges, as may be applicable, shall be levied by the Distribution Licensee on the Short-term Open Access Consumer, Generating Station or Licensee at the rate approved for Short-term Open Access by the Commission in its Order determining MSLDC Fees and Charges;



Provided also that any specific methodology for charging MSLDC fees and charges as may be approved by the Commission from time to time through separate Order or other Regulations shall be applicable.

(v) Transmission Charges:

Provided that a Partial Open Access Consumer, Generating Station or Licensee, as the case may be, shall pay the Transmission Charges to the Distribution Licensee instead of the Transmission Licensee for using a transmission network;

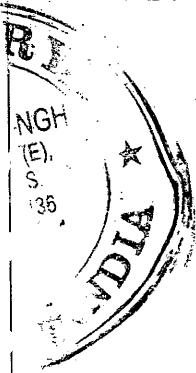
(vi) Any other charges, surcharge or other sum recoverable from the Consumer under the Act or any Regulation or Orders of the Commission.

14.2. Where Open Access is sought through a Power Exchange, the bill shall be raised by the Distribution Licensee on the Open Access Consumer, Generating Station or Licensee, as the case may be.

14.3. In case a Generating Station or a Licensee has accessed the Distribution System for sale of power to a Consumer eligible for Open Access or a Licensee or on the Power Exchange in accordance with these Regulations, the bill for use of the Distribution System for wheeling of electricity shall be raised on such Generating Station or Licensee, and shall indicate the following:

- (i) Wheeling Charges, recovered or recoverable from Consumers;
- (ii) Cross-Subsidy Surcharge, in case it is not being recovered by the Distribution Licensee from such Consumer;
- (iii) Additional Surcharge on the charges of wheeling, in case it is not being recovered by the Distribution Licensee from such Consumer;
- (iv) Any other charge or other sum recoverable from the Generating Station or Licensee under the Act or these Regulations or Orders of the Commission.

14.4. The bills shall be issued monthly, and shall be payable within such period as may be specified in the Electricity Supply Code.



14.5. The Distribution Licensee shall pay the Transmission Licensee, MSLDC and any other entity all the charges collected on their behalf from the Open Access Consumer, Generating Station or Licensee within seven days:

Provided that, without prejudice to any other action under the Act or Regulations thereunder, a late payment surcharge as per the Regulations of the Commission governing Multi-Year Tariff shall be levied on the payment delayed by the Distribution Licensee.

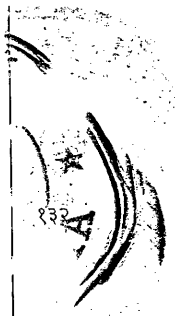
14.6. Wheeling Charge

- a. An Open Access Consumer, Generating Station or Licensee, as the case may be, using a Distribution System shall pay to the Distribution Licensee such Wheeling Charges, on the basis of actual energy drawal at the consumption end, as may be determined under the Regulations of the Commission governing Multi-Year Tariff;
- b. Wheeling Charges shall not be applicable in case a Consumer or Generating Station is connected to the Transmission System directly or using dedicated lines owned by the Consumer or Generating Station.

14.7. Cross Subsidy Surcharge

- a. A Consumer of a Distribution Licensee who has been granted Open Access, or a Consumer situated within the area of supply of a Distribution Licensee and/or receiving supply from a Generating Company using a dedicated transmission line, shall be liable to pay such Cross-Subsidy Surcharge as may be determined by the Commission.

Provided that such Surcharge shall not be levied in case Open Access is provided to a person who has established a captive generating plant, in



respect of his own captive generation, for carrying the electricity to a destination of his own use.

- b. The Cross-Subsidy Surcharge determined on a per Unit basis shall be payable on a monthly basis by the Open Access Consumer on the actual energy drawn at the consumption end during the month through Open Access
- c. The amount of Cross-Subsidy Surcharge shall be paid to the Distribution Licensee to whose Distribution System the Consumer is connected:

Provided that, in case of two Distribution Licensees supplying in the same area, the Licensee from whom the Consumer was availing supply shall be paid the Cross-Subsidy Surcharge

- d. The Cross-Subsidy Surcharge payable to the Distribution Licensee by a Consumer shall be as determined by the Commission in the Tariff Order in respect of the Distribution Licensee or any other applicable Order:

Provided that, in case the Open Access Consumer or Licensee, as the case may be, purchases power from a Renewable Source of energy, the Cross-Subsidy Surcharge shall be as determined by the Commission.

14.8. Additional Surcharge:

- a. An Open Access Consumer receiving supply of electricity from a person other than the Distribution Licensee of his area of supply shall pay to the Distribution Licensee an Additional Surcharge on the charges of wheeling and Cross-Subsidy Surcharge to meet the fixed cost of such Distribution Licensee arising out of its obligation to supply, as provided in sub-section (4) of Section 42 of the Act.
- b. The Additional Surcharge shall become applicable only when, due to the Open Access being granted or having been granted, the obligation of the

Distribution Licensee in terms of power purchase commitments has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such commitments.

c. The Distribution Licensee shall submit to the Commission, with its Petitions under the Commission's Regulations governing Multi-Year Tariff, detailed computations of the fixed cost which it is incurring towards its obligation to supply, and the actual expenses incurred vis-à-vis those approved by the Commission.

d. The Commission shall determine the category-wise Additional Surcharge to be recovered by the Distribution Licensee from an Open Access Consumer, based on the following principles:

- i. The cost must have been incurred by or be expected, with reasonable certainty, to be incurred by the Distribution Licensee on account of such Consumer; and
- ii. The cost has not been or cannot be recovered from such Consumer, or from other Consumers who have been given supply from the same assets or facilities, through Wheeling Charges, stand-by charges or other charges approved by the Commission;

Provided that such Additional Surcharge shall be applicable to all Consumers who have availed Open Access to receive supply from a source other than the Distribution Licensee to which they are connected.

e. The Additional Surcharge determined on a per Unit basis shall be payable monthly by the Open Access Consumer based on the actual energy drawn during the month through Open Access.

f. The Additional Surcharge shall not be payable by a Generating Station, Trading Licensee or Power Exchange.

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14.9. Additional Security for Wheeling

- a. The Distribution Licensee may require the Consumer, Generating Station or Licensee, as the case may be, to furnish an additional security deposit for wheeling equivalent to one month's billing for Wheeling Charge, Cross-Subsidy Surcharge and Additional Surcharge on the charges of wheeling, calculated in accordance with the terms and conditions of the Open Access Agreement:

Provided that, in case of Short-term Open Access, the Distribution Licensee shall collect an additional security deposit for wheeling commensurate with the duration of the Open Access instead of on the basis of one month's billing.

- b. Where the additional security deposit from the Consumer, Generating Station or the Licensee, as the case may be, is required at the commencement of the Open Access Agreement, it shall be calculated based on the anticipated use of the Distribution System for wheeling of electricity:

Provided that, where power is sought through a Power Exchange, the additional security deposit shall be provided by the Consumer;

Provided further that the amount of additional security deposit may be adjusted when the amount of additional security required or surplus security held exceeds ten per cent of the balance with the Distribution Licensee.

- c. The additional security deposit may, at the option of the person providing it, be by way of cash (including demand draft), irrevocable letter of credit or unconditional Bank Guarantee issued by a scheduled commercial bank:

Provided that, where the additional security deposit is in the form of cash, it shall earn interest at a rate equivalent to the Bank Rate of the Reserve Bank of India;

Provided further that the security shall be deposited within fifteen days from the receipt of notice from the Distribution Licensee.

15. Compliance with State Grid Code

Notwithstanding any other consequence to which it may be liable, failure of the Consumer or Supplier to comply with the provisions of the State Grid Code may render the Connection Agreement liable to revocation.

Part E: SCHEDULING, METERING, REVISION AND LOSSES

16. Scheduling

16.1. The scheduling of Inter-State Open Access transactions shall be in accordance with the provisions of the Indian Electricity Grid Code.

16.2. Intra-State Open Access transactions in respect of Full Open Access Consumers connected to Distribution System and all Generating Stations connected to Transmission System shall be scheduled by MSLDC in accordance with the provisions of the State Grid Code;

Provided that the Open Access Consumer, Generating Station or Licensee, as the case may be, shall also intimate its Day-Ahead schedule to the Distribution Licensee by 10:00 hours of the preceding day, for incorporation in the Distribution Licensee's schedule to be provided to the MSLDC;

Provided further that a Partial Open Access Consumer of a Distribution Licensee and Generating Stations connected to the Distribution System shall submit the schedule to such Distribution Licensee.



- 16.3. Renewable Energy generating plants identified as 'non-firm power' under the Commission's Regulations governing Renewable Energy Tariff shall be exempted from scheduling till such time as the Commission stipulates or specifies otherwise.

17. Metering and Communication

- 17.1. All Open Access Consumers and Generating Stations shall install Special Energy Meters ('SEM's):

Provided that any existing or prospective Consumer who has not sought Open Access but desiring it shall have the option to install such SEM at his premises.

- 17.2. Such Consumers or Generating Stations may procure the required SEM from any supplier in accordance with the standards and specifications stipulated in the Regulations of the Central Electricity Authority governing the installation and operation of meters.

- 17.3. The Consumer or Generating Station may also procure the required SEM from the Distribution Licensee:

Provided that, upon receipt of such request, the Distribution Licensee shall communicate the lead time for its procurement of such SEM in case it is not available with it so as to enable the Consumer or Generating Station to finalise its option for purchase:

Provided further that, if the Consumer or Generating Station chooses to purchase the SEM from it, the Distribution Licensee may require the payment of an advance not exceeding its price:

- 17.4. The Distribution Licensee shall test and install such SEM within sixty days from the receipt of a request from the Consumer or Generating Station, as the case may be.

17.5. The Distribution Licensee shall be responsible for reading the SEM at least once in every month:

Provided that the authorized representative of the Consumer, Generating Station or Licensee, as the case may be, shall be entitled to be present at the time of meter reading.

17.6. The SEM along with associated equipment shall be available for inspection by the Distribution Licensee at any time.

17.7. The metering points for provision of Open Access for the Consumer, Generating Station or Licensee, as the case may be, shall comply with the provisions of the State Grid Code.

17.8. All Full Open Access Consumers and Generating Stations connected to the Transmission System shall install, at their cost, Remote Terminal Units (RTU)-DC within six months from the notification of these Regulations, in accordance with specifications provided by the STU; and the MSLDC shall verify their installation for real-time monitoring:

Provided that the installed RTU-DCs shall be available for inspection by the Distribution Licensee or the MSLDC at any time:

Provided further that such Full Open Access Consumers and Generating Stations connected to Transmission Systems shall provide for or bear the cost of communication arrangements, the technical specifications of which shall be stipulated by the Distribution Licensee and/or MSLDC, for the purpose of real-time communication.

17.9. The Distribution Licensee to whom the Consumer or Generating Station is connected shall be responsible for providing the energy meter data to the MSLDC for the purpose of energy accounting.

17.10. If the Distribution Licensee establishes a distribution control centre similar to MSLDC, it may install communication and metering infrastructure at its own cost.

18. Energy Losses

18.1. Transmission losses:

18.1.1. Inter-State transmission losses:

The treatment of Inter-State transmission losses shall be as specified in the relevant Regulations of the Central Commission governing Open Access;

18.1.2. Intra-State transmission losses:

The buyer of electricity shall bear the approved Intra-State transmission losses as may be determined by the Commission from time to time;

Provided that the energy settlement shall be based on the normative loss in the Intra-State Transmission System.

18.2. Distribution System losses:

The buyer of electricity shall bear the approved wheeling losses of the Distribution System and not any part of the commercial losses as may be determined by the Commission from time to time.

Part F: IMBALANCE AND REACTIVE ENERGY CHARGES

19. Imbalance Charge

19.1. *Scheduling of transactions:* Scheduling of transactions pursuant to grant of Open Access shall be undertaken on Day-Ahead basis in accordance with the Indian

Electricity Grid Code in the case of Inter-State transactions, and in accordance with the State Grid Code or relevant Orders of the Commission in the case of Intra-State transactions:

Provided that, instead of the provisions of Regulation 19, the provisions regarding energy balancing and settlement contained in the Final Balancing and Settlement Mechanism or other such mechanism as may be stipulated by the Commission shall be applicable in the case of Open Access Consumers, Generating Stations and Licensees who are participants of the State Pool.

19.2. *Settlement of Energy at Drawal Point in respect of Open Access Consumer, or Trading Licensee on behalf of Open Access Consumer:* Deviations between the Contract Demand and the actual drawal in respect of an Open Access consumer shall be settled as follows:

19.2.1. Over-drawal:

Over-drawal by an Open Access Consumer shall be settled at the higher of the following:

- (i) the System Marginal Price ('SMP') plus other incidental charges (Net Unscheduled Interchange ('UI') charges, additional UI charges) or any other intra-State Availability-based Tariff ('ABT') settlement charges as identified under the mechanism operating in Maharashtra from time to time or;
- (ii) the Energy charge or Variable Charge of Temporary Tariff category, whichever is applicable, as determined by the Commission in respect of the Distribution Licensee;

Provided that the Consumer shall also be liable to payment of penalty for exceeding Contract Demand as provided in the Commission's Orders determining the retail tariff applicable to such Consumer.

19.2.2. Under-drawal:

In the event of under-drawal, the Open Access Consumer shall not be paid any charges by the Distribution Licensee:

Provided that penal charges, if any, applicable under the Inter-State Deviation Settlement Mechanism shall be recovered by the Distribution Licensee from the Open Access Consumer on a pro-rata basis.

19.3. *Settlement of deviations from schedule:* Deviations between the schedule and the actual injection in respect of Open Access taken by a Generating Company, or a Trading Licensee on behalf of a Generating Company, shall be settled as follows:

19.3.1. Over-injection

- a) In case injection exceeding that scheduled by the Generating Company results in benefit to the grid, such over injection shall be settled either at the UI charge applicable under the Inter-state ABT mechanism, or the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement charges under the mechanism operating in Maharashtra, or at the weighted average cost of long-term power purchase sources including meeting Renewable Purchase Obligation, excluding liquid fuel-based generation, of the Distribution Licensee, whichever is lower.
- b) If such over-injection is detrimental to the grid, the Open Access Generating Company shall pay to the State Pool either the UI charge applicable under the Inter-state ABT mechanism or the SMP plus other Incidental charges (Net UI charges, additional UI charges), or any other intra-State ABT settlement charges under the mechanism operating in Maharashtra, whichever is higher:

Provided that the Distribution Licensee shall levy and collect such charge from the Open Access Generating Company and credit it to the State Pool account stipulated under the intra-State ABT mechanism.

19.3.2. Under-injection

Any injection below that schedule by the Open Access Generating Company shall be met from the grid and will be paid for by that entity to the Distribution Licensee at the UI charge applicable under the Inter-state ABT mechanism or the SMP plus other Incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement charges stipulated under the mechanism operating in Maharashtra, whichever is higher, and also any congestion charge stipulated by RLDC and/or MSLDC as payable to the Distribution Licensee to fulfil the obligations of the Open Access Generating Station;

Provided that the distribution loss shall not be loaded on any Generating Station if it is connected directly to the intra-State Transmission System;

Provided further that, if the under-injection persists for a continuous period of two days, the MSLDC shall give notice to the Generating Station to revise its schedule;

Provided also that, if the Generating Station fails to inject according to the Open Access schedule and does not immediately revise its schedule, it shall be liable to a penalty equivalent to two times the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement charges stipulated under the intra-State ABT mechanism operating in Maharashtra, notwithstanding which it shall be liable to pay the Open Access charges for the full reserved capacity for the entire period.

19.3.3. In the event that a Generating Station in Maharashtra is declared as a State Pool Participant in the Intra-state ABT regime, the following would be applicable:

- a) Any generation up to 105% of the declared capacity in any time block of 15 minutes and averaging up to 101% of the declared capacity over a day shall not be construed as gaming, and the Generating Station shall be entitled to UI charges identified as the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement

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charges stipulated under the intra-State ABT mechanism operating in Maharashtra or the lowest variable cost of generation, whichever is lower, for such excess generation above the declared capacity of Scheduled Generation;

- b) The MSLDC shall investigate any generation beyond the prescribed limits; if gaming is found by MSLDC, the corresponding UI charges due to the Generating Station on account of such extra generation shall be reduced to zero and the amount shall be adjusted in the UI account of Beneficiaries in the ratio of their capacity share in the Generating Station;

Provided that this condition may be modified by the Commission by specific or general Order;

19.3.4. Where the Generating Station is connected to the Distribution System of a Distribution Licensee, the instruction to revise the schedule and power to investigate under Regulations 19.3.2 and 19.3.3 shall be with the Distribution Licensee to whom the Generating Station is connected.

19.4. The concerned constituents (including Licensees, Open Access Consumers or Generating Stations) shall pay the imbalance charges within seven days of the issue of the bill into a State Imbalance Pool account, operated by the MSLDC.

19.5. The person who has to receive the money on account of imbalance charges would be paid from the State Imbalance Pool account, within three working days.

19.6. If payment of imbalance charge is delayed by more than two days, i.e., beyond twelve days from the issue of the statement, the defaulting party shall be liable to pay simple interest @ 0.05% for each day of the delay.

Persistent payment defaults, if any, shall be reported by the Distribution Licensee to the Commission.

20. Banking of Renewable Energy generation

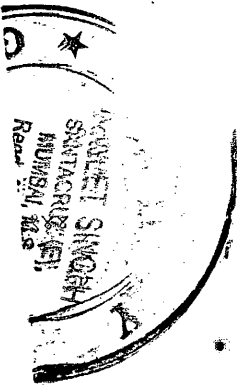
- 20.1. Regulation 19.3 shall not be applicable in case an Open Access Consumer obtains supply from a Renewable Energy Generating Station identified as 'non-firm power' by the Commission in its Regulations governing the Tariff for Renewable Energy.
- 20.2. The surplus energy from a 'non-firm' Renewable Energy Generating Station after set-off shall be banked with the Distribution Licensee.
- 20.3. The banking year shall be the financial year from April to March.
- 20.4. Banking of energy shall be permitted during all twelve months of the year:

Provided that the credit for banked energy shall not be permitted during the months of April, May, October and November, and the credit for energy banked in other months shall be as per the energy injected in the respective Time of Day ('TOD') slots determined by the Commission in its Orders determining the Tariffs of the Distribution Licensees.

Provided further that the energy banked during peak TOD slots may also be drawn during off-peak TOD slots, but the energy banked during off-peak TOD slots may not be drawn during peak TOD slots.

Illustration: Energy banked during:

- Night off-peak TOD slot (2200 hrs – 0600 hrs) may only be drawn in the same TOD slot
- Off-peak TOD slot (0600 hrs – 0900 hrs & 1200 hrs – 1800 hrs) may be drawn in the same TOD slot and also during Night off-peak TOD slot
(However, the energy banked during night off peak and off peak shall not be drawn during morning peak and evening peak)



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- Morning peak TOD slot (0900 hrs – 1200 hrs) may be drawn in the same TOD slot and also during Off-peak and Night off-peak TOD slots.
- Evening peak TOD slot (1800 hrs – 2200 hrs) may be drawn in the same TOD slot and also during Off-peak and Night off-peak TOD slots

20.5. Banking charges shall be adjusted in kind @ 2% of the energy banked.

20.6. The unutilised banked energy at the end of the financial year, limited to 10% of the actual total generation by such Renewable Energy generator in such financial year, shall be considered as deemed purchase by the Distribution Licensee at its Pooled Cost of Power Purchase for that year.

Provided that such deemed purchase shall not be counted towards the Renewable Purchase Obligation of the Distribution Licensee, and the Generating Station would be entitled to Renewable Energy Certificates to that extent.

21. Reactive Energy Charge

21.1. The methodology for payment for the reactive energy charges by an Open Access Consumer, Generating Station or Licensee with load of 5 MW or more shall be in accordance with the State Grid Code and the Regulations of the Commission governing Multi-Year Tariff or relevant orders of the Commission.

21.2. The reactive energy charges in respect of Open Access Consumers with load less than 5 MW shall be calculated on Power Factor basis as may be specified in relevant orders of the Commission.

21.3. The reactive energy charges in respect of Renewable Energy Generating Stations shall be in accordance with the charges approved by the Commission in its relevant Tariff Orders.

Part G: COMMERCIAL MATTERS

22. Billing, Collection and Disbursement

The charges payable under these Regulations shall be billed in accordance with the following procedure:

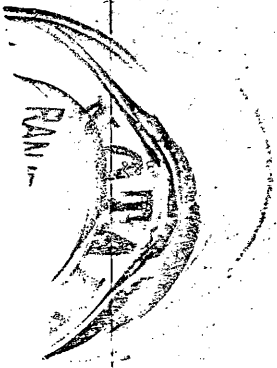
22.1. Inter-State transactions

(a) Short-term Open Access

- (i) Collection and disbursement of transmission charges for use of Central Transmission Utility ('CTU') and STU systems, and operating charges payable to RLDCs and SLDCs for Short-term Open Access shall be made by the nodal RLDC in accordance with the procedure specified by the Central Commission.
- (ii) The Short-term Open Access Consumer, Generating Station or Licensee, as the case may be, connected to the Distribution System of a Distribution Licensee shall pay charges to such Distribution Licensee in accordance with Regulation 14.1.

(b) Long-term and Medium-term Open Access

- (i) Billing, collection and disbursement of charges payable to the RLDC shall be in accordance with the procedure specified by the Central Commission.
- (ii) Bills towards the charges payable to MSLDC shall be raised by the MSLDC directly on the Open Access Consumer, Generating Station or Licensee, as the case may be, connected to the STU or to the Distribution System of the Distribution Licensee, before the 3rd working day of the succeeding calendar month.
- (iii) The Distribution Licensee shall raise the bill on the Open Access Consumer, Generating Station or Licensee, as the case may be, connected to it in accordance with Regulation 14.3 on receipt of the bill from MSLDC.
- (iv) The Open Access Consumer, Generating Station or Licensee, as the case may be, connected to the Distribution System shall pay the charges in accordance with Regulation 14.1; upon receipt of such payment, the



Distribution Licensee shall disburse the amounts payable to the STU or MSLDC monthly.

- (v) The Open Access Consumer, Generating Station or Licensee, as the case may be, connected to the STU shall pay the bills in accordance with Regulation 14.1.

22.2. Intra-State transactions

(a) Short-term Open Access

The Short-term Open Access Consumer, Generating Station or Licensee, as the case may be, connected to the Distribution System of a Distribution Licensee shall pay the charges specified in Regulation 14.1 to the Distribution Licensee in advance, within three days from the approval of Short-term Open Access or before commencement of the transaction, whichever is earlier.

(b) Long-term and Medium-Term Open Access

The MSLDC shall communicate to the Distribution Licensee the details of charges due to it by the 3rd day of the succeeding calendar month. The Distribution Licensee shall separately indicate these charges and raise the bill on the Open Access Consumer, Generating Station or Licensee, as the case may be, along with the charges receivable by it, if any, before the 5th day of the month, which shall pay the charges in accordance with Regulation 14.1. Upon receipt of payment, the Distribution Licensee shall disburse the charges payable to MSLDC monthly.

23. Late Payment Surcharge

In case the payment of any bill for charges payable under these Regulations is delayed by an Open Access Consumer, Generating Station or Licensee beyond the due date, and without prejudice to any other liability under the Act or other Regulations, a late payment surcharge as per the Regulations of the Commission governing Multi-year Tariff shall be payable.

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24. Default in Payment

24.1. In the event of default in payment of any charge or sum of money payable under these Regulations, the Distribution Licensee may discontinue Open Access after giving the Consumer, Generating Station or Licensee, as the case may be, notice of fifteen days, without prejudice to its right to recover such charges in accordance with the provisions of the Act.

24.2. In the event of default in payment of charges due to it, the MSLDC may refuse to schedule power to the defaulting Open Access Consumer, Generating Station or Licensee, as the case may be, and direct the Distribution Licensee to disconnect such entity from the grid.

25. Payment Security Mechanism

The Applicant for Long-term or Medium-term Open Access shall open an irrevocable revolving Letter of Credit in favour of the Nodal Agency to the extent of the estimated amount of the various charges payable for a period of two months.

26. Change in points of Injection and Drawal

26.1. An existing Long-term or Medium Term Open Access Consumer, Generating Station or Licensee, as the case may be, shall have the option to change the point of injection and/or point of drawal twice in a year, subject to the results of system impact studies to be carried out by the concerned Distribution Licensee at the request of the Applicant.

Provided that any expense on a system impact study or additional expense required to be incurred by the Distribution Licensee on account of such change shall be borne by the Applicant.

Provided further that a Medium-term Open Access Consumer, Generating Station or Licensee shall be eligible for such change only if it is availing of Open Access exceeding one year.

26.2. The Distribution Licensee may allow a Short-term Open Access Consumer to change the point of injection in the event of any contingency arising from outage of generation or its associated network, provided it is technically feasible:

Provided that any additional expense required to be incurred by the Distribution Licensee on account of such change shall be borne by the Consumer.

26.3. In case of Long-term and Medium-term Open Access, the application for change in point of injection and/or drawal shall be made to the Distribution Licensee at least thirty days in advance:

Provided that a second change may be permitted only six months after the first change becoming effective.

Part H: INFORMATION SYSTEM

27. Information System

27.1. Every Distribution Licensee shall provide the following information on its internet web-site (in downloadable format) within 3 months of the notification of these Regulations, and update it regularly:

- (a) The form of application, the procedure and manner of making the application, and the fee required;
- (b) The form of the Open Access Agreement;
- (c) The form of the Connection Agreement;
- (d) The applicable Wheeling Charge and Cross-Subsidy Surcharge;
- (e) Details of current Open Access Consumers, Generating Stations and Licensees, indicating:
 - (i) Name;

- (ii) Period of Open Access granted (dates of commencement and termination);
- (iii) Extent of Open Access approved;
- (f) List of Open Access Applications, with date of receipt, date of application admitted, action taken and status;
- (g) Details of rejected Open Access Applications, with reasons.

Part I: MISCELLANEOUS

28. Obligations of Transmission Licensee

Where the Consumer, Generating Station or Licensee, as the case may be, having been granted Open Access under these Regulations, obtains supply of electricity from a connection to the Intra-State Transmission System of a Transmission Licensee and the Distribution System of the Distribution Licensee is not used for such supply, the provisions of the Commission's Regulations governing Transmission Open Access shall be applicable:

Provided that Cross-Subsidy Surcharge and Additional Surcharge as may be applicable shall be payable if the Open Access Consumer is located within the area of supply of the Distribution Licensee.

29. Curtailment Priority

Subject to the provisions of the State Grid Code, if it becomes necessary to curtail the Open Access of the Consumer, Generating Station or Licensee in the event of technical constraints in the operation of the State grid, the MSLDC or the Distribution Licensee shall curtail the Open Access in the following order:

Curtailment order	Type of Transaction
First	Short-term Open Access
Second	Medium-term Open Access
Third	Long-term Open Access
Last	Short-term, Medium-term or Long-term Open Access of Distribution Licensee, in this order.

Provided that, amongst Short-term Open Access transactions, the curtailment order as between bilateral transactions and collective transactions shall be as specified by the Central Commission.

30. Existing Open Access Contracts

Anything done or purported to have been done or taken, including any existing contract or document or instrument issued or executed prior to the notification of these Regulations and which relates to the use of the Distribution System, shall be deemed to be valid and binding only insofar as it is not inconsistent with the Act.

31. Open Access Monitoring and Review Committee

31.1. The STU shall constitute and be the Convener of an Open Access Monitoring and Review Committee comprising one member each of MSLDC, STU, the Distribution Licensees, a person nominated by the Commission from among its officers and a Consumer Representative nominated by the Commission, which shall monitor the progress of Open Access and shall meet at least once in 6 months:

Provided that the Committee constituted under the previous Regulations shall continue until such time as the Committee under these Regulations is constituted.

31.2. The Distribution Licensees shall provide information on the Open Access granted, the applications pending / rejected by them, and any other information required by the Committee.

31.3. The Committee shall furnish its observations and suggestions to the Commission on the operation of the Regulations or any related aspect pertaining to Open Access at least once in every six months.



32. Disputes

Save as otherwise provided, any dispute under these Regulations shall be adjudicated upon by the Commission.

33. Force Majeure

33.1. Nothing contained in these Regulations shall be taken as requiring a Distribution Licensee to grant Connectivity or consent for Open Access if it is prevented from so doing by the occurrence of any Force Majeure event. Force Majeure events are:

- (i) Natural phenomena, including but not limited to floods, cyclone, droughts, earthquake and epidemics.
- (ii) War (whether declared or undeclared), mutiny, invasion, armed conflict or act of a foreign enemy, in each case involving or directly affecting India, revolution, riot, insurrection or other civil commotion, act of terrorism or sabotage in each case within India.
- (iii) nuclear explosion, radioactive or chemical contamination or ionizing radiation directly affecting the Generating Station, captive generating plant or Consumer, Inter-State or Intra-State Transmission System or any facility or system that is integral to and substantial for the performance of obligations.
- (iv) any event or circumstances of a nature analogous to any events set forth above, within India.

Provided that the Distribution Licensee shall, within 15 days from the occurrence of a Force Majeure event, notify the Applicant or Open Access Consumer, Generating Station or Licensee, as the case may be.

33.2. Notwithstanding anything to the contrary in these Regulations, the Distribution Licensee shall not be liable for any loss or obligations due to the occurrence of Force Majeure events.



34. Exemption

- 34.1. Nothing contained in these Regulations shall apply to a Local Authority engaged in the business of distribution of electricity before the appointed date.
- 34.2. Changeover Consumers shall be governed by the relevant orders of the Commission.

35. Issue of Orders and Practice Directions

Subject to the provisions of the Act, the Commission may issue Orders and Practice Directions with regard to the implementation of these Regulations.

36. Power to Amend

The Commission may, at any time, vary, alter, modify or amend any provisions of these Regulations.

37. Powers to Remove Difficulties

If any difficulty arises in giving effect to the provisions of these Regulations, the Commission may, by general or specific order, make such provisions, not inconsistent with the provisions of the Act, as may appear to be necessary or expedient for the purpose of removing such difficulty.

38. Repeal and Savings

38.1. Save as otherwise provided in these Regulations, the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2014, shall stand repealed from the date of notification of these Regulations.

38.2. Notwithstanding such repeal, anything done or purported to have been done under the repealed Regulations shall be deemed to have been done or purported to have been done under these Regulations.



38.3. Consumers, Generating Stations or Licensees, as the case may be, availing Open Access to the Distribution System in Maharashtra on the date of coming into force of these Regulations under an existing agreement or contract shall be entitled to continue to avail such access on the same terms and conditions as stipulated under such existing agreement or contract.

Provided that the provisions of these regulation relating to Banking under Regulation 20, the definition of Billing Demand, change in injection or drawal point under Regulation 26 and revision in Contract Demand under Regulation 4.2 shall be applicable to existing Open Access Agreements or contracts;

Provided further that a Consumer, Generating Station or Licensee who has applied for Open Access to the Distribution System in Maharashtra under the repealed Regulations and whose Application is under process on the date of coming into force of these Regulations, need not reapply, and such Applications will be processed under the provisions of these Regulations.

38.4. Nothing in these Regulations shall, expressly or impliedly, bar the Commission from dealing with any matter or exercising any power under the Act for which no Regulations have been framed.

Mumbai,
Date: 30 March, 2016

ASHWANI KUMAR
Secretary,
Maharashtra Electricity Regulatory Commission

महाराष्ट्र शासन राजपत्र असाधारण भाग चार-क, डिसेंबर ८, २०१५/अग्रहायण १७, शके १९३७

**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
(MULTI YEAR TARIFF) REGULATIONS, 2015**

ELECTRICITY ACT, 2003.

No.MERC/Legal/2015/1084.—In exercise of the powers conferred by clause (h), (i), (j), (l), (m), (d), (y), (zd), (ze), (zf), (zg), (zh) and (zp) of sub-section (2) of Section 181 read with the proviso to sub-section (1) of Section 36, sub-clause (ii) of clause (d) of sub-section (2) of Section 39, second proviso to sub-clause (ii) of clause (d) of sub-section (2) of Section 39, sub-clause (ii) of clause (c) of Section 40, second proviso to sub-clause (ii) of clause (c) of Section 40, first proviso to Section 41, first proviso to Section 51, Section 61, sub-sections (2) and (5) of Section 62, sub-sections (1) and (3) of Section 64, Section 65 and clause (b) of sub-section (1) of Section 86 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in that behalf, the Maharashtra Electricity Regulatory Commission hereby makes the following Regulations. These Regulations supersede the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011.

1. Short title, extent, applicability and commencement—

1.1 These Regulations may be called the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2015.

1.2 These Regulations shall extend to the whole of the State of Maharashtra.

1.3 These Regulations shall be applicable to existing and future Generation Companies, Transmission Licensees, Distribution Licensees, Maharashtra State Load Despatch Centre (MSLDC), and their successors for determination of Aggregate Revenue Requirement, Tariff, and Fees and Charges of MSLDC in all matters covered under these Regulations from April 1st 2016 upto March 31st 2020.

1.4 These Regulations shall come into force from the date of their publication in the *Official Gazette* :

Provided that for all purposes, including review matters pertaining to the period till March 31st, 2016, the issues relating to determination of Aggregate Revenue Requirement and Tariff shall be governed by the provisions of the Maharashtra Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2005 or Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011, including amendments thereto, as may be applicable.

2. Definitions—

2.1 In these Regulations, unless the context otherwise requires—

(1) "**Accounting Statement**" means for each Year, the following statements, namely :—

(i) balance sheet, prepared in accordance with the format prescribed by the Commission from time to time, with reference to each licensed or regulated business separately, duly certified by the statutory auditors ;

(ii) profit and loss account, prepared in accordance with the format prescribed by the Commission from time to time, with reference to each licensed or regulated business separately, duly certified by the statutory auditors ;

(iii) cash flow statement, prepared in accordance with the format prescribed by the Commission from time to time, with reference to each licensed or regulated business separately, duly certified by the statutory auditors ;

(iv) balance sheet, prepared in accordance with the form contained in the Companies Act, 1956 or Companies Act, 2013, as applicable ;

(v) profit and loss account, complying with the requirements contained in the Companies Act, 1956 or Companies Act, 2013, as applicable ;

(vi) cash flow statement, prepared in accordance with the applicable Accounting Standards of the Institute of Chartered Accountants of India ;

(vii) report of the statutory auditors ;

58.8 For such Transmission Licensees whose bays are installed in the premises of and maintained by another Transmission Licensee, the O and M expense for such assets shall be allowed in accordance with the norms applicable for the Transmission Licensee who performs the O and M of such assets :

Provided that the Transmission Licensees shall mutually agree on sharing of such allowed O and M expenses :

Provided further that Transmission Licensees shall project addition of such assets over the Control Period separately in their Capital Investment Plan.

59. Non-Tariff Income—

59.1 The amount of non-Tariff income relating to the Transmission Business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining the Annual Transmission Charges of the Transmission Licensee :

Provided that the Transmission Licensee shall submit full details of its forecast of non-Tariff income to the Commission in such form as may be stipulated by the Commission.

59.2 The Non-Tariff Income shall include :—

- (a) Income from rent of land or buildings ;
- (b) Income from sale of scrap ;
- (c) Income from investments ;
- (d) Interest income on advances to suppliers/contractors ;
- (e) Income from rental from staff quarters ;
- (f) Income from rental from contractors ;
- (g) Income from hire charges from contractors and others ;
- (h) Supervision charges for capital works ;
- (i) Income from advertisements ;
- (j) Income from sale of tender documents ;
- (k) Any other Non-Tariff Income :

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Transmission Licensee shall not be included in Non-Tariff Income.

60. Income from Other Business—

Where the Transmission Licensee has engaged in any Other Business under Section 41 of the Act for optimum utilisation of its assets, an amount equal to two-thirds of the revenues from such Other Business after deduction of all direct and indirect costs attributed to such Other Business shall be deducted from the Aggregate Revenue Requirement in calculating the Annual Transmission Charges of the Transmission Licensee :

Provided that the Transmission Licensee shall follow a reasonable basis for allocation of all joint and common costs between the Transmission Business and the Other Business and shall submit the Allocation Statement, duly certified by the Statutory Auditor, to the Commission along with its Petition for determination of Aggregate Revenue Requirement :

Provided further that where the sum total of the direct and indirect costs of such Other Business exceeds the revenues from such Other Business, no amount shall be allowed to be added to the Aggregate Revenue Requirement of the Transmission Licensee on account of such Other Business.

61. Determination of Intra-State Transmission Tariff—

61.1 The aggregate of the yearly revenue requirement for all Transmission Licensees shall form the "Total Transmission System Cost" (TTSC) of the Intra-State transmission system, to be recovered from the Transmission System Users (TSUs) for the respective year of the Control Period, in accordance with the following Formula :—

$$TTSC_{(t)} = \sum_{i=1}^n ARR_i$$

Where,

$TTSC_{(t)}$ = Pooled Total Transmission System Cost of year (t) of the Control Period

n = Number of Transmission Licensee(s) ;

ARR_i = Yearly revenue requirement approved by the Commission for i^{th} Transmission Licensee for the yearly period (t) of the Control Period :

Provided that in case of transmission system projects undertaken in accordance with the Guidelines for competitive bidding for transmission under Section 63 of the Act, the Aggregate Revenue Requirement as per the annual Transmission Service Charges (TSC) quoted by such projects, shall be considered, for aggregation under the TTSC.

61.2 The Commission shall approve yearly 'Base Transmission Capacity Rights' as average of Coincident Peak Demand and Non-Coincident Peak Demand for TSUs as projected for 12 monthly period of each year (t) of the Control Period, representing the 'Capacity Utilisation' of Intra-State transmission system and accordingly determine yearly 'Base Transmission Tariff', in accordance with the following formula :—

Base Transmission Capacity

Rights (Base TCR) for the

yearly period (t)

$$= \sum_{u=1}^n [(CPD_{(t)} + NCPD_{(t)}) / 2]$$

Where,

$CPD_{(t)}$ = Average of projected monthly Coincident Peak Demand for the yearly period (t) of Control Period for each Transmission System User (u)

$NCPD_{(t)}$ = Average of projected monthly Non-Coincident Peak Demand for the Yearly period (t) of Control Period for each Transmission System User (u) :

Provided that for the first year of the Control Period, the Base Transmission Capacity Rights for all Transmission System Users shall be determined based on average monthly CPD and NCPD of the Transmission System Users prevalent during the 12 months prior to date of coming into effect of these Regulations or 12 months prior to filing of the Petition by the Transmission Licensees, depending on availability of such data :

Provided further that the Allotted Capacity for long-term Open Access Users excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base Transmission Capacity Rights :

Provided also that the Yearly CPD and NCPD or the Allotted capacity, as the case may be, to be considered for determination of the subsequent yearly Base Transmission Capacity Rights shall be computed at the beginning of the Control Period based on the past trend and on the basis of demand projections made by various TSUs connected to the Intra-State transmission system as part of their MYT Petitions for the Control Period :

Provided also that on completion of each year of the Control Period, MSLDC shall submit the recorded CPD and NCPD data or the Allotted capacity, as the case may be, for past 12 months in respect of each Transmission System User and on the basis of the same, the Base TCR shall be suitably revised at the time of Mid-Term Review and at the end of the Control Period for the subsequent years.

61.3 Base Transmission Tariff for each Year shall be determined as ratio of approved 'TTSC' for intra-State transmission system and approved 'Base Transmission Capacity Rights' and shall be denominated in terms of "Rs/kW/month" (for long-term/medium-term usage) or in terms of "Rs/kWh" (for short-term bilateral open access transactions usage, short-term collective transactions over Power Exchange and for Renewable Energy transactions) in accordance with the following formula :

Base Transmission Tariff_(t)

(long-term/medium-term)

(Rs/kW/month or Rs/MW/day)

$$= TTSC_{(t)} / \text{Base TCR}_{(t)}$$

महाराष्ट्र शासन राजपत्र असाधारण भाग चार-क, डिसेंबर ८, २०१५/अग्रहायण १७, शके १९३७

$$\text{Base Transmission Tariff (Short-term) (Rs/kWh)} = \frac{\text{TTSC (t)}}{\sum_{i=1}^n (\text{Energy Transmitted by T} \times 1)}$$

Where,

TTSC_(t) = Pooled cost for InSTS for yearly period (t) of the Control Period ;

Base TCR_(t) = Base Transmission Capacity Rights for the yearly period (t) ;

n = Total number of Transmission Licensee(s) in that particular year of Control Period ;

Tx_i = ith Transmission Licensee :

Provided that the energy units transmitted by the Transmission Licensees shall be based on the energy input requirement of the Distribution Licensees at Generation-InSTS interface point, as projected by each Distribution Licensee as part of its MYT Petition for the Control Period and as approved by the Commission:

Provided further that any revisions in Base Transmission Capacity Rights and Base Transmission Tariff as determined in Regulations 61.2 and 61.3 due to the variation in the actual and approved CPD and NCPD shall be made at the time of Mid-Term Review and at the end of the Control Period for the subsequent years:

Provided also that in case new Transmission Licensees are added to the intra-State transmission network during the Control Period, then the TTSC, Base Transmission Capacity Rights and Base Transmission Tariff as referred under Regulations 61.1, 61.2 and 61.3 shall be re-determined for each remaining Year of the Control Period.

61.4 The Base Transmission Tariff shall continue to be billed at the Tariff approved by the Commission and applicable as on March 31, 2016 for the period starting from April 1, 2016 till approval of Base Transmission Tariff by the Commission in accordance with these Regulations.

62. Sharing of TTSC by long-term TSUs—

62.1 The long-term Transmission System Users shall share the TTSC of the intra-State transmission system in the proportion of Base Transmission Capacity Rights of each Transmission System User to the total Base Transmission Capacity Rights allotted in the intra-State transmission system.

62.2 The Annual Transmission Charge payable by Transmission System User shall be computed in accordance with the following formula :—

$$\text{ATC}(u)_{(t)} = \text{TTSC}_{(t)} \times \left(\frac{[\text{Base TCR}(u)]_{(t)}}{\sum_{u=1}^n [\text{Base TCR}(u)]_{(t)}} \right)$$

Where,

ATC(u)_(t) = Annual Transmission Charges to be shared by Transmission System User (u) for the yearly period (t) ;

$$\text{Base TCR (u)} = [\text{CPD}(u)_{(t)} + \text{NCPD}(u)_{(t)}] / 2$$

Where,

Base TCR represents the Base Transmission Capacity Right of each Transmission System User (u) for the yearly period (t) ;

CPD (u)_(t) = Average Coincident Peak Demand of the Transmission System User (u) for the yearly period (t) ;

NCPD (u)(t) = Average Non-coincident Peak Demand of the Transmission System User (u) for the yearly period (t) :

Provided that the Allotted Capacity for long-term Open Access Users, excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base TCR for such Open Access Users.

महाराष्ट्र शासन राजपत्र असाधारण भाग चार-क, डिसेंबर ८, २०१५/अग्रहायण १७, शके १९३७



$W_{il} & W_{cl}$ = Weightage factors for inductive & capacitive operation of l^{th} SVC

W_m = Weightage factor for m^{th} bus reactor

W_n = Weightage factor for n^{th} HVDC back to back block.

$T_i, T_j, T_k, T_l, T_{cl}$ = The total hours of i^{th} AC line, j^{th} HVDC pole, k^{th} ICT, l^{th} SVC (Inductive Operation), l^{th} SVC (Capacitive Operation), m^{th} Switched Bus Reactor & n^{th} HVDC back-to-back block during the period under consideration (excluding time period for outages not attributable to Transmission Licensee for reasons given in Para 6 of the procedure)

$T_{NAI}, T_{NAJ}, T_{NAK}$ = The non-availability hours (excluding the time period for T_{NAI} , outages not attributable to transmission Licensee taken as T_{NAI} , deemed availability as per Para 5 of the procedure) for i^{th} AC line, j^{th} HVDC pole, k^{th} ICT, l^{th} SVC (Inductive Operation), l^{th} SVC (Capacitive Operation), m^{th} Switched Bus Reactor and n^{th} HVDC back-to-back block.

Mumbai,
Dated the 8th December 2015.

ASHWANI KUMAR,
Secretary,
Maharashtra Electricity Regulatory Commission.



Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No.91 of 2016

In the matter of
**Transmission Tariff of Intra-State Transmission System for 3rd Control Period FY 2016-17
to FY 2019-20**

Coram

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

ORDER

Date: 22 July, 2016

1 Background of Transmission Pricing Framework in Maharashtra

In its Order dated 27 June, 2006 in Case No. 58 of 2005, the Commission had set out the Transmission Pricing Framework ('the Framework') for the State of Maharashtra in accordance with the principles outlined in that Order.

2 Framework for Transmission Tariff Determination for 2nd Control Period

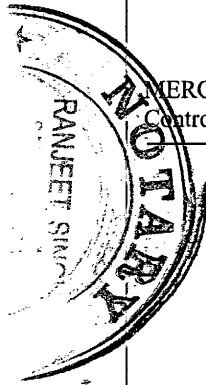
- 2.1 The Framework underwent modifications over time. Some of the principles relating to the methodology for determination of Total Transmission System Cost (TTSC), Base Transmission Capacity Rights (TCR), etc., were also set out in the MYT Regulations, 2011 which formed the basis for determination of Transmission Tariff in the 2nd Control Period of the MYT regime.
- 2.2 The Transmission Tariff for FY 2013-14 to FY 2015-16 of the 2nd MYT Control Period was approved vide Order dated 13 May, 2013 in Case No. 56 of 2013. The Transmission Tariff for FY 2014-15 and FY 2015-16 was amended vide Order dated 14 August, 2014 in Case No. 123 of 2014. The Transmission Tariff for FY 2015-16 was further amended vide Order dated 26 June, 2015 in Case No. 57 of 2015 ('the previous Transmission Tariff Order').

3 Framework for Transmission Tariff Determination for 3rd Control Period

- 3.1 The MYT Regulations, 2015, notified in December, 2015, are applicable for the 3rd Control Period from FY 2016-17 to FY 2019-20. Regulation 61 specifies the methodology and principles for determining the Transmission Tariff for the use of the InSTS and the Base TCR of Transmission System Users (TSUs).
- 3.2 Regulation 62 specifies the methodology and principles for sharing of TTSC among the long term TSUs and Regulation 63 outline the treatment for usage of InSTS by long term TSUs. Regulation 66 specifies the treatment of Transmission Losses of InSTS to be borne by TSUs.

4 Constituents of InSTS for determination of TTSC for 3rd Control Period

- 4.1 As outlined in the Framework, all the Transmission Licensees in the State form part of the InSTS, and their approved Aggregate Revenue Requirements (ARRs) are to be considered for determining the TTSC, as follows:
 - 1) Vidarbha Industries Power Ltd. – Transmission Licence (No. 1 of 2015) was granted to Vidarbha Industries Power Ltd. (VIPL-T) on 5 January, 2015. Its Capital Cost and ARR for FY 2014-15 and FY 2015-16 were approved vide Order dated 29 February, 2016 in Case No. 36 of 2015. The Commission also finalized the Truing up of VIPL-T’s ARR and Tariff of FY 2014-15, Provisional True-up for FY 2015-16 and ARR and determination of tariff for the 3rd Control Period vide its Order dated 10 June, 2016 in Case No. 21 of 2016. That Order has is now considered for the determination of Transmission Tariff in the present Order.
 - 2) Adani Transmission (India) Ltd. - In its Order in Case No. 189 of 2014, the Commission approved the assignment of the Transmission Licence No. 2 of 2009 of Adani Power Maharashtra Ltd. (APML-T) and its relevant Transmission assets in favor of Adani Transmission (India) Limited (ATIL). Hence, APML-T is referred to as ATIL in this Order. The True-up of ATIL’s ARR for FY 2012-13 to FY 2014-15, Provisional True-up for FY 2015-16 and projection of ARR for FY 2016-17 to FY 2019-20 was approved by videin Order dated 28 June, 2016 in Case No. 7 of 2016. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
 - 3) Maharashtra Eastern Grid Power Transmission Co. Ltd. (MEGPTCL) was granted Transmission Licence No. 1 of 2010. The capital cost as on the Commercial Operation Date (COD) of MEGPTCL’s Project, True-up of ARR for FY 2013-14 and FY 2014-15, Provisional True-up for FY 2015-16 and determination of ARR for 3rd Control Period was approved vide Order dated 5 July, 2016 in Case No. 50 of 2016. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.

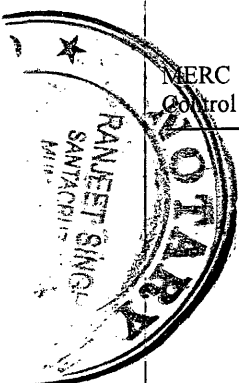


MERC Order on Determination of Transmission Tariff for Intra-State Transmission System (InSTS) for 3rd MYT Control Period (FY 2016-17 to FY 2019-20)

- 4) Jaigad Power Transmission Ltd. (JPTL) was granted Transmission Licence No. 1 of 2009. JPTL's ARR for FY 2014-15, Annual Performance Review of FY 2015-16 and MYT for the 3rd Control Period has been approved vide Order dated 27 June, 2016 in Case No. 12 of 2016. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
 - 5) Maharashtra State Electricity Transmission Co. Ltd. (MSETCL)'s ARR for FY 2014-15, Provisional Truing up of FY 2015-16 and ARR for the 3rd Control Period have been approved vide Order dated 7 July, 2016 in Case No. 31 of 2016. Accordingly, that Order has been considered for the present determination of the Transmission Tariff.
 - 6) Reliance Infrastructure Ltd. (Transmission Business) (RInfra-T)'s ARR for FY 2014-15, Provisional Truing up of FY 2015-16 and MYT for the 3rd Control Period have been approved vide Order dated 22 June, 2016 in Case No. 13 of 2016. That Order has been considered for the present determination of the Transmission Tariff.
 - 7) Tata Power Co. (Transmission Business) (TPC-T)'s ARR for FY 2014-15, Provisional Truing up of FY 2015-16 and MYT for the 3rd Control Period have been approved vide Order dated 30 June, 2016 in Case No. 22 of 2016. That Order has been considered by for the present determination of the Transmission Tariff.
 - 8) Amravati Power Transmission Co. Ltd. (APTCL)'s ARR Truing up for FY 2013-14 and FY 2014-15, Annual Performance Review for FY 2015-16 and MYT for the 3rd Control Period been approved vide Order dated 15 July, 2016 in Case No. 61 of 2016. That Order has been considered for the present determination of the Transmission Tariff.
 - 9) Sinnar Power Transmission Co. Ltd. (SPTCL) is yet to achieve the COD of its Transmission System, and has not filed its Petition for ARR approval for the 3rd Control Period. Accordingly, it has not been considered in the present Order.
- 4.2 In order to determine the TTSC and the Transmission Tariff for the 3rd Control Period, the following approved ARR of the Transmission Licensees forming the InSTS have been considered in the present Order.

Table 1: Transmission Licensee ARR approval Orders considered

Transmission Licensees	MYT Orders considered for TTSC of 3 rd Control Period
MSETCL	Case No. 31 of 2016
RInfra-T	Case No. 13 of 2016
TPC-T	Case No. 22 of 2016



MERC Order on Determination of Transmission Tariff for Intra-State Transmission System (InSTS) for 3rd MYT Control Period (FY 2016-17 to FY 2019-20)

Transmission Licensees	MYT Orders considered for TTSC of 3 rd Control Period
JPTL	Case No. 12 of 2016
ATIL (formerly APML-T)	Case No. 7 of 2016
MEGPTCL	Case No. 50 of 2016
VIPL-T	Case No. 21 of 2016
APTCL	Case No. 61 of 2016

4.3 The approved revenue gaps of previous years/past period recoveries on account of True-up of past years up to FY 2014-15, along with carrying cost/holding cost, and the stand-alone revenue gap/surplus for FY 2015-16 determined in the respective MYT Orders for recovery in FY 2016-17, have been considered while computing the TTSC for the 3rd Control Period.

5 TTSC of InSTS for 3rd Control Period

5.1 Regulation 61 of the MYT Regulations, 2015 specifies the methodology for the determination of TTSC for the 3rd Control Period:

“61. Determination of Intra-State Transmission Tariff

61.1 The aggregate of the yearly revenue requirement for all Transmission Licensees shall form the “Total Transmission System Cost” (TTSC) of the Intra-State transmission system, to be recovered from the Transmission System Users (TSUs) for the respective year of the Control Period, in accordance with the following Formula:

$$TTSC(t) = \sum_{i=1}^n (ARR_i)$$

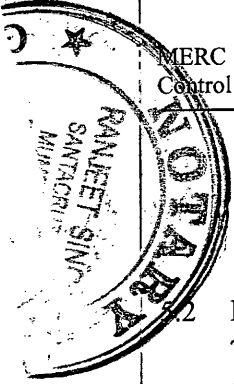
Where,

TTSC (t) = Pooled Total Transmission System Cost of year (t) of the Control Period;

n = Number of Transmission Licensee(s).

ARR_i = Yearly revenue requirement approved by the Commission for ith Transmission Licensee for the yearly period (t) of the Control Period:

Provided that in case of transmission system projects undertaken in accordance with the Guidelines for competitive bidding for transmission under Section 63 of



MERC Order on Determination of Transmission Tariff for Intra-State Transmission System (InSTS) for 3rd MYT Control Period (FY 2016-17 to FY 2019-20)

the Act, the Aggregate Revenue Requirement as per the annual Transmission Service Charges (TSC) quoted by such projects, shall be considered, for aggregation under the TTSC.

In view of the above, the approved ARR for the 3rd Control Period in respect of the above Transmission Licensees have been considered for arriving at the TTSC as summarized in the following Table.

Table 2: Stand-alone ARR approved in MYT Orders for 3rd Control Period (Rs. Crore)

Transmission Licensee	Commission approved				Reference Orders
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
MSETCL	3,346.97	3,499.03	4,189.74	4,277.18	Case No. 31 of 2016
TPC-T	624.99	661.68	711.08	745.89	Case No. 22 of 2016
RInfra-T	293.52	310.15	320.15	315.33	Case No. 13 of 2016
JPTL	92.83	89.88	86.93	83.82	Case No. 12 of 2016
ATIL	126.45	122.60	118.29	113.98	Case No. 7 of 2016
MEGPTCL	1,087.01	1,061.64	1,034.07	1,006.69	Case No. 50 of 2016
VIPL-T	6.29	5.64	5.51	5.38	Case No. 21 of 2016
APTCL	55.15	54.89	53.49	51.64	Case No. 61 of 2016
Total ARR	5,633.21	5,805.51	6,519.27	6,599.91	

5.3 In addition to the approval of stand-alone ARRs, in the respective MYT Orders the Commission has also approved the revenue gaps of previous years and past period recoveries in the True-up of past years upto FY 2014-15, along with the carrying cost/holding cost, and the stand-alone revenue gap/surplus for FY 2015-16 to be recovered in FY 2016-17. These have been considered while computing the TTSC for the 3rd Control Period.

5.4 Accordingly, the total ARRs considered for determination of TTSC and recovery of Transmission Tariff in the 3rd Control Period are as shown in the Table below:

MERC Order on Determination of Transmission Tariff for Intra-State Transmission System (InSTS) for 3rd MYT Control Period (FY 2016-17 to FY 2019-20)

Table 3: Break-up of total ARR approved in MYT Orders for FY 2016-17 (Rs. Crore)

Transmission Licensee	FY 2016-17		
	Stand-alone ARR approved for FY 2016-17	Past Period Gap/(Surplus) including Carrying Cost/(Holding Cost) approved for recovery in FY 2016-17	Total ARR approved to be recovered in FY 2016-17
MSETCL	3,346.97	-1,602.28	1,744.70
TPC-T	624.99	-62.88	562.11
R-Infra-T	293.52	-0.73	292.79
JPTL	92.83	2.59	95.42
ATIL	126.45	-13.81	112.64
MEGPTCL	1,087.01	559.11	1,646.12
VIPL-T	6.29	7.46	13.75
APTCL	55.15	73.58	128.73
Sum of ARR	5,633.21	-1,036.96	4,596.26

Table 4: Break-up of ARR approved in MYT Orders for FY 2017-18 to FY 2019-20 (Rs. Crore)

Transmission Licensee	FY 2017-18	FY 2018-19	FY 2019-20
	Stand-alone ARR approved for FY 2017-18	Stand-alone ARR approved for FY 2018-19	Stand-alone ARR approved for FY 2019-20
MSETCL	3,499.03	4,189.74	4,277.18
TPC-T	661.68	711.09	745.89
R-Infra-T	310.15	320.15	315.33
JPTL	89.88	86.93	83.82
ATIL	122.60	118.29	113.98
MEGPTCL	1,061.64	1,034.07	1,006.69

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Transmission Licensee	FY 2017-18	FY 2018-19	FY 2019-20
	Stand-alone ARR approved for FY 2017-18	Stand-alone ARR approved for FY 2018-19	Stand-alone ARR approved for FY 2019-20
VIPL-T	5.64	5.51	5.38
APTCL	54.89	53.49	51.64
Sum of ARRs	5,805.51	6,519.27	6,599.91

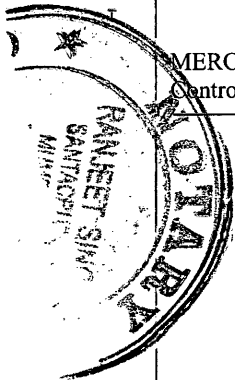
5.5 Thus, the approved TTSC for the 3rd Control Period, considering the approved ARR and revenue gaps/past period recovery/surplus and the carrying cost/holding cost of the respective Transmission Licensees, is as set out below:

Table 5: TTSC for FY 2016-17 to FY 2019-20 (Rs. Crore)

Transmission Licensee	Commission Approved			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
MSETCL	1,744.70	3,499.03	4,189.74	4,277.18
TPC-T	562.11	661.68	711.09	745.89
R-Infra-T	292.79	310.15	320.15	315.33
JPTL	95.42	89.88	86.93	83.82
ATIL	112.64	122.60	118.29	113.98
MEGPTCL	1,646.12	1,061.64	1,034.07	1,006.69
VIPL-T	13.75	5.64	5.51	5.38
APTCL	128.73	54.89	53.49	51.64
TTSC	4,596.26	5,805.51	6,519.27	6,599.91

6 Determination of Coincident Peak Demand, Non-Coincident Peak Demand and Base TCR Utilisation

6.1 Regulation 61.2 of the MYT Regulations, 2015 specifies Base TCR as the average of coincident peak demand (CPD) and non-coincident peak demand (NCPD) of the TSUs projected for the 12-monthly period of each year of the Control Period:



“61.2 The Commission shall approve yearly ‘Base Transmission Capacity Rights’ as average of Coincident Peak Demand and Non-Coincident Peak Demand for TSUs as projected for 12 monthly period of each year (t) of the Control Period, representing the ‘Capacity Utilisation’ of Intra-State transmission system and accordingly determine yearly ‘Base Transmission Tariff’, in accordance with the following formula:

$$\text{Base Transmission Capacity Rights (Base TCR) for the yearly period (t)} = \sum_{u=1}^n ([CPD(t) + NCPD(t)]/2)$$

Where,

CPD (t) = Average of projected monthly Coincident Peak Demand for the yearly period (t) of Control Period for each Transmission System User (u).

NCPD (t) = Average of projected monthly Non-Coincident Peak Demand for the Yearly period (t) of Control Period for each Transmission System User (u).

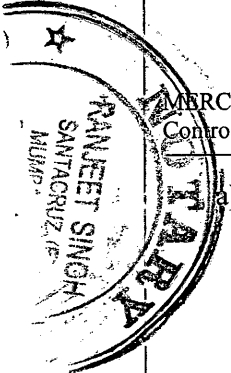
Provided that for the first year of the Control Period, the Base Transmission Capacity Rights for all Transmission System Users shall be determined based on average monthly CPD and NCPD of the Transmission System Users prevalent during the 12 months prior to date of coming into effect of these Regulations or 12 months prior to filing of the Petition by the Transmission Licensees, depending on availability of such data;

Provided further that the Allotted Capacity for long-term Open Access Users excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base Transmission Capacity Rights;

Provided also that the Yearly CPD and NCPD or the Allotted capacity, as the case may be, to be considered for determination of the subsequent yearly Base Transmission Capacity Rights shall be computed at the beginning of the Control Period based on the past trend and on the basis of demand projections made by various TSUs connected to the Intra-State transmission system as part of their MYT Petitions for the Control Period;

Provided also that on completion of each year of the Control Period, MSLDC shall submit the recorded CPD and NCPD data or the Allotted capacity, as the case may be, for past 12 months in respect of each Transmission System User and on the basis of the same, the Base TCR shall be suitably revised at the time of Mid-Term Review and at the end of the Control Period for the subsequent years.

- 6.2 The TSUs among whom the TTSC used to be shared are the four Distribution Licensees operating in the State viz., Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL), Tata Power Company Ltd. (Distribution Business) (TPC-D), Reliance Infrastructure Ltd. (Distribution Business) (RInfra-D) and Brihanmumbai Electricity Supply and Transport Undertaking (BEST).
- 6.3 In addition to these, the following two Deemed Distribution Licensees are currently operating in Maharashtra. Being long term TSUs, these Licensees are also required to share of the TTSC of the State:



a) Indian Railways (IR)

Indian Railways is a Deemed Distribution Licensee as per the Central Electricity Regulatory Commission (CERC) Order in Case No. 197/MP/2015 dated 5 November, 2015. (An Appeal against the CERC Order is pending before the Appellate Tribunal for Electricity.) For their 37 drawal points in Maharashtra, Indian Railways is procuring power from an Inter-State Generating Station, Ratnagiri Gas and Power Pvt. Ltd. (RGPPL) under an Open Access arrangement, and commenced its operations as a Deemed Distribution Licensee in Maharashtra from 26 November, 2015.

b) Mindspace Business Park Pvt. Ltd. (MBPPL)

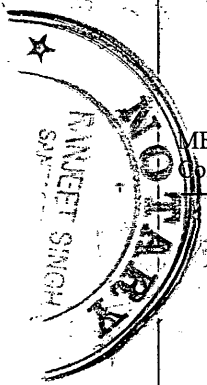
MBPPL is a Special Economic Zone (SEZ) Developer and, therefore, a Deemed Distribution Licensee under the provisions of the Electricity Act (EA), 2003. MBPPL started operations as a Deemed Distribution Licensee from 8 April, 2015. In its Order dated 26 February, 2016 in Case No. 10 of 2016, the Commission has approved its power procurement plan of 20 MW for five years from April, 2016.

6.4 There are other Deemed Distribution Licensees in the State such as Maharashtra Airport Development Company, Ixora Constructions Pvt. Ltd., Quadron Business Park Ltd. and Gigaplex Estate Pvt. Ltd. However, they have either not firmed up their medium/long term power sourcing scheme or have not yet established connectivity to the InSTS network. Hence, in the present Order, they have not been considered for the sharing of TTSC. However, as per the MYT Regulations, the Commission may consider additional TSUs that satisfy necessary conditions at the time of the Mid-Term Performance Review (MTR) of the 3rd Control Period for sharing the TTSC.

6.5 The Maharashtra State Load Despatch Centre (MSLDC) has provided month-wise CPD and NCPD details for the above TSUs for FY 2015-16. The Commission has considered the Base Transmission Capacity of 18,824 MW based on the 12-monthly average of CPD and NCPD of TSUs from April, 2015 to March, 2016 as summarized in the following Table:

Table 6: Month-wise Average CPD/NCPD of Distribution Licensees in FY 2015-16 (MW)

Month	MSEDCL	TPC-D	RInfra-D	BEST	IR	MBPPL	State
Apr-15	15,688	973	1,475	921	NA	13	19,070
May-15	15,946	965	1,458	912	NA	15	19,296
Jun-15	15,412	962	1,456	912	NA	14	18,756
Jul-15	15,791	963	1,395	873	NA	13	19,035
Aug-15	14,966	945	1,351	847	NA	13	18,122
Sep-15	15,278	933	1,418	872	NA	14	18,514
Oct-15	16,556	998	1,492	906	NA	15	19,966



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Month	MSEDCL	TPC-D	R/Infra-D	BEST	IR	MBPPL	State
Nov-15	16,127	953	1,315	836	NA	14	19,244
Dec-15	15,419	812	1,311	798	207	13	18,559
Jan-16	15,090	719	1,144	673	213	12	17,850
Feb-16	15,835	672	1,184	695	214	13	18,612
Mar-16	15,772	753	1,314	802	212	13	18,866
Average	15,657	887	1,359	837	211	13	18,824

- 6.6 As per Regulation 61, the Base TCR is to be computed at the beginning of the 3rd Control Period based on the past trend and demand projected by the TSUs connected to the InSTS as in their MYT Petitions.
- 6.7 However, as will be seen from the above Table, the data of average CPD and NCPD of Indian Railways is not available for the entire year (or for past years) as its operations as a Distribution Licensee started only later during the year. Therefore, for arriving at the Base TCRs of the various TSUs for FY 2016-17 and for its projection over the Control Period, different approaches have been considered, as summarized in the following Table.

Table 7: Basis of projection of Base TCR of TSUs

Average CPD and NCPD (MW)	Basis of projecting Base TCR			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Projection			
MSEDCL	Average of CPD and NCPD of past year	Projection as per escalation rate based on the past trend and demand projections by TSUs		
TPCL-D				
REL-D				
BEST				
MBPPL	As projected by MBPPL in its MYT Petition in Case No. 10 of 2016			
Indian Railways	Allotted capacity as per Bulk Power Transmission Agreement (BPTA) signed	Historical growth rate of consumption of Indian Railways has been considered over the Control Period		

- 6.8 MSLDC is directed to submit, upon completion of each year of the 3rd Control Period, data of the recorded CPD and NCPD data or the allotted capacity, as the case may be, for the past 12 months in respect of each TSU. On that basis, the Commission shall suitably revise the Base TCR projected above at the time of MTR and at the end of the 3rd Control Period for the subsequent years.
- 6.9 Accordingly, the Base TCR for TSUs for the 3rd Control Period has been projected as shown in the following Table:

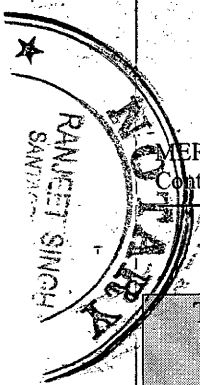


Table 8: Base TCR for FY 2016-17 to FY 2019-20

TSU	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Approved in this Order							
	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)
MSEDCL	15,657	82.37	16,663	82.62	17,734	82.86	18,874	83.08
TPC-D	887	4.67	973	4.82	1,067	4.99	1,170	- 5.15
RInfra-D	1,359	7.15	1,397	6.92	1,435	6.70	1,474	6.49
BEST	837	4.40	862	4.28	888	4.15	915	4.03
MBPPL	17	0.09	18	0.09	19	0.09	20	0.09
Indian Railways	250	1.32	255	1.26	260	1.22	265	1.17
TOTAL	19,007	100.00	20,168	100.00	21,404	100.00	22,719	100.00

6.10 As per Regulation 3 of the MERC (Implementation of Scheme for the Utilization of Gas-Based Power Generation Capacity) Regulations, 2015, Transmission Charges and Losses in respect of sourcing from gas-based power generation capacity have been exempted for FY 2015-16 and FY 2016-17:

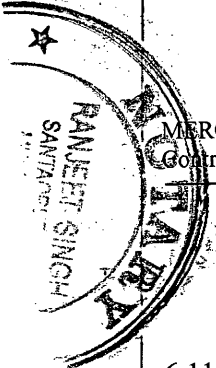
“3. Exemption of transmission charges and losses only for generation from the e-bid RLNG

3.1 No transmission charges for the use of InSTS network shall be charged to incremental gas based generation from e-bid Re-gasified Liquefied Natural Gas (RLNG) for the Financial Years 2015-16 and 2016-17 in accordance with the Scheme.

3.2 No transmission losses for the use of InSTS network shall be attributed to incremental gas based generation from e-bid RLNG for the Financial Years 2015-16 and 2016-17 in accordance with the Scheme.

3.3 Notwithstanding anything contained in these Regulations, the Transmission System Users who share the Total Transmission System Cost of InSTS on the basis of their respective contribution to average CPD and NCPD shall continue to pay their share as determined by the Commission from time to time in its Intra-State Transmission Tariff Orders.

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3.4 All other provisions of the Regulations of the Commission governing Transmission Open Access shall be applicable for use of the InSTS network for transmission of incremental Gas-based power generation from e-bid RLNG."

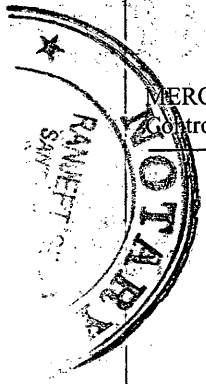
6.11 The Indian Railways (Central Railway) is procuring power under a PPA with RGPPL's gas-based Generating Plant at Dabhol, Dist. Ratnagiri for 620 MW of power, with effect from 14 October, 2015 or other date from which the Station starts running, whichever is later, under the PSDF support schemes. This arrangement will be in force upto 31 March, 2017. Central Railway (a constituent of Indian Railways) has been granted Long Term Open Access (LTOA) for transmission of power from RGPPL's Plant to various Railway Traction Sub-station (TSS) in Maharashtra for 250 MW, for which scheduling has started from 26 November, 2015.

6.12 Central Railway has also signed a BPTA for 25 years with the State Transmission Utility (STU) and RGPPL for 250 MW. Therefore, as per Regulation 3 of the Maharashtra Electricity Regulatory Commission (Implementation of Scheme for Utilization of Gas-based Power Generation Capacity) Regulations, 2015, the Central Railway is exempted from paying Transmission Charges for the gas-based power sourced from RGPPL. Accordingly, while computing the Base TCR for FY 2016-17, no contribution by Central Railway has been considered to the extent that it is sourcing power from RGPPL. This exclusion is only applicable in FY 2016-17, in accordance with the Regulations. While determining the Base TCR for the remaining years of the Control Period, i.e. FY 2017-18 to FY 2019-20, the contribution of Central Railways to the Base TCR has been considered based on the BPTA capacity of 250 MW, with appropriate annual escalation as provided in Table 8.

6.13 Accordingly, the revised Base TCR for TSUs for the 3rd Control Period is projected as shown in the following Table:

Table 9: Base TCR for FY 2016-17 to FY 2019-20

TSU	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Approved in this Order							
	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)
MSEDCL	15,657	83.47	16,663	82.62	17,734	82.86	18,874	83.08
TPC-D	887	4.73	973	4.82	1,067	4.99	1,170	5.15
RInfra-D	1,359	7.25	1,397	6.92	1,435	6.70	1,474	6.49
BEST	837	4.46	862	4.28	888	4.15	915	4.03



Provided further that any revisions in Base Transmission Capacity Rights and Base Transmission Tariff as determined in Regulations 61.2 and 61.3 due to the variation in the actual and approved CPD and NCPD shall be made at the time of Mid-Term Review and at the end of the Control Period for the subsequent years;

Provided also that in case new Transmission Licensees are added to the intra-State transmission network during the Control Period, then the TTSC, Base Transmission Capacity Rights and Base Transmission Tariff as referred under Regulations 61.1, 61.2 and 61.3 shall be re-determined for each remaining Year of the Control Period.

7.2 In line with Regulation 61.3 and based on the TTSC and Base TCR approved in this Order, the Commission has determined the Transmission Tariff for use of the InSTS for the 3rd Control Period as shown in the following Table:

Table 10: Transmission Tariff for FY 2016-17 to FY 2019-20 considering TTSC

TSU - Distribution Licensees	Units	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
		Approved in this Order	Approved in this Order	Approved in this Order	Approved in this Order
TTSC (approved)	Rs. Crore	4,596.26	5,805.51	6,519.27	6,599.91
Base TCR (approved)	MW	18,757	20,168	21,404	22,719
Transmission Tariff (long term/medium term)	Rs./kW/month	204.24	239.88	253.82	242.08
Transmission Tariff (short term/short term collective/renewable energy)	Rs./kWh	0.28	0.32	0.34	0.32

8 Sharing of TTSC among TSUs

8.1 Regulation 62 of the MYT Regulations, 2015 specifies the mechanism for sharing the TTSC among TSUs as follows:

“62. Sharing of TTSC by long-term TSUs

62.1 The long-term Transmission System Users shall share the TTSC of the intra-State transmission system in the proportion of Base Transmission Capacity Rights of each Transmission System User to the total Base Transmission Capacity Rights allotted in the intra-State transmission system.



62.2 The Annual Transmission Charge payable by Transmission System User shall be computed in accordance with the following formula:

$$ATC(u)(t) = TTSC(t) \times ([Base\ TCR(u)](t) / \sum_{u=1}^n (Base\ TCR(u))(t))$$

Where,

ATC(u)(t) = Annual Transmission Charges to be shared by Transmission System User (u) for the yearly period (t).

$$Base\ TCR(u) = [CPD(u)(t) + NCPD(u)(t)] / 2$$

Where,

Base TCR represents the Base Transmission Capacity Right of each Transmission System User (u) for the yearly period (t);

CPD(u)(t) = Average Coincident Peak Demand of the Transmission System User (u) for the yearly period (t);

NCPD(u)(t) = Average Non-coincident Peak Demand of the Transmission System User (u) for the yearly period (t);

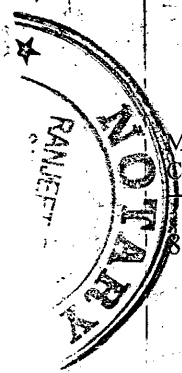
Provided that the Allotted Capacity for long-term Open Access Users, excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base TCR for such Open Access Users."

8.2 The TTSC over the 3rd Control Period has to be shared among the long-term TSUs comprising the Distribution Licensees in accordance with their contribution to the average of CPD and NCPD as summarized in the following Table:

Table 11: Annual Sharing of TTSC among TSUs for FY 2016-17 to FY 2019-20

TSU – Distribution Licensee	FY 2016-17			FY 2017-18			FY 2018-19			FY 2019-20		
	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC (Rs. Crore)
MSEDCL	15,657	83.47	3,836.58	16,663	82.62	4,796.59	17,734	82.86	5,401.63	18,874	83.08	5,482.99
TPC-D	887	4.73	217.40	973	4.82	280.07	1,067	4.99	325.00	1,170	5.15	339.93
RInfra-D	1,359	7.25	333.11	1,397	6.92	402.02	1,435	6.70	437.03	1,474	6.49	428.23
BEST	837	4.46	205.13	862	4.28	248.24	888	4.15	270.60	915	4.03	265.88
MBPPL	17	0.09	4.04	18	0.09	5.18	19	0.09	5.79	20	0.09	5.81
Indian Railways (Central Railway)	0	0.00	0.00	255	1.26	73.40	260	1.22	79.22	265	1.17	77.07
TOTAL	18,757	100.00	4,596.26	20,168	100.00	5,805.51	21,404	100.00	6,519.27	22,719	100.00	6,599.91

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8.3 This Transmission Tariff Order shall be applicable with effect from 1 July, 2016. The STU, i.e., MSETCL, shall collect the monthly Transmission Charges from the respective TSUs in the subsequent month, as provided in the Regulations, with the first monthly period commencing from 1 July, 2016, as follows:

Table 12: Monthly TTSC payable by TSUs in FY 2016-17 to FY 2019-20 (Rs. Crore)

TSU - Distributi on Licensees	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Approved in this Order		Approved in this Order		Approved in this Order		Approved in this Order	
	Annual	Monthly*	Annual	Monthly	Annual	Monthly	Annual	Monthl y
MSEDCL	3,836.58	319.71	4,796.59	399.72	5,401.63	450.14	5,482.99	456.92
TPC-D	217.40	18.12	280.07	23.34	325.00	27.08	339.93	28.33
RInfra-D	333.11	27.76	402.02	33.50	437.03	36.42	428.23	35.69
BEST	205.13	17.09	248.24	20.69	270.60	22.55	265.88	22.16
MBPPL	4.04	0.34	5.18	0.43	5.79	0.48	5.81	0.48
Central Railway	0.00	0.00	73.40	6.12	79.22	6.60	77.07	6.42
Total	4,596.26	383.02	5,805.51	483.79	6,519.27	543.27	6,599.91	549.99

* Applicable from 1 July, 2016.

8.4 The above Transmission Charges are payable by all long-term TSUs irrespective of their actual utilization recorded during their period of operation. Any difference between the actual utilisation of Transmission Capacity by a long-term TSU and the allocated Transmission Capacity (i.e., Base TCR) shall be governed by Regulation 63 of the MYT Regulations, 2015 which reads as follows:

"63. The charges for intra-State transmission usage shall be shared among various TSUs in the following manner:

- a) Long-term TSU with recorded demand up to Base TCR shall not be subjected to payment of short-term transmission charges.*
- b) Long-term TSU with recorded demand greater than Base TCR but lower than Contracted Capacity shall make payment of short-term Transmission charges for the recorded demand in excess of Base TCR.*
- c) Where the recorded demand of long-term TSU is greater than Contracted Capacity, the TSU shall bear additional transmission charges as specified in the Regulations of the Commission governing Transmission Open Access:*

Provided that short-term transmission charges and additional transmission charges, if payable or paid by long-term TSUs in accordance with the clauses (a), (b)



and (c) above, shall be adjusted during subsequent billing period upon availability of information regarding actual recorded demand by such long-term TSUs.”

8.5 In case any new long term or medium term OA consumer is granted TCR during the year, such TSU shall be liable to pay the Transmission Charges at the Transmission Tariff determined as per Table 10 of this Order, corresponding to the TCR. The Commission will decide the mechanism for inclusion of such TSUs in the process of recovery/sharing of the TTSC in its subsequent Transmission Tariff Order.

9 Recovery of ARR of Transmission Licensees for FY 2016-17 to FY 2019-20

9.1 In accordance with Regulation 61, the ARR of the Transmission Licensees are pooled to derive the TTSC, and each Licensee is entitled to recover its approved ARR from the Transmission Charges collected by the STU from the TSUs.

9.2 This Transmission Tariff Order is applicable from 1 July, 2016. The STU shall collect the Transmission Tariff for each calendar month from the TSUs as per the timelines provided in the Regulations, with the first monthly period commencing from 1 July, 2016. Each Transmission Licensee shall be entitled to recover its ARR, as considered in these TTSC workings, from the Transmission Tariff collected by the STU, on a monthly basis. The Transmission Licensees should claim recovery of their respective ARRs by raising monthly bills on the STU covering their component of Intra-State Transmission Charges as follows:

Table 13: Recovery of ARR of Transmission Licensees in FY 2016-17 to FY 2019-20 (Rs. Crore)

Transmission Licensee	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
MSETCL	1,744.70	145.39	3,499.03	291.59	4,189.74	349.15	4,277.18	356.43
TPC-T	562.11	46.84	661.68	55.14	711.09	59.26	745.89	62.16
RInfra-T	292.79	24.40	310.15	25.85	320.15	26.68	315.33	26.28
JPTL	95.42	7.95	89.88	7.49	86.93	7.24	83.82	6.99
ATIL	112.64	9.39	122.60	10.22	118.29	9.86	113.98	9.50
MEGPTCL	1,646.12	137.18	1,061.64	88.47	1,034.07	86.17	1,006.69	83.89
VIPL-T	13.75	1.15	5.64	0.47	5.51	0.46	5.38	0.45
APTCL	128.73	10.73	54.89	4.57	53.49	4.46	51.64	4.30
TTSC (InSTS)	4,596.26	383.02	5,805.51	483.79	6,519.27	543.27	6,599.91	549.99

The present Order shall be applicable from 1 July, 2016. Accordingly, the billing for the months of April, May and June, 2016 will be done by the Transmission Licensees based on the monthly Transmission Tariff approved by the Commission for FY 2015-16 in its previous Transmission Tariff Order in Case No. 57 of 2015. The billing from 1 July, 2016 will be done as per the Transmission Tariff approved in this Order. Any under- or over-recovery in FY 2016-17 on account of such billing would be addressed appropriately by the Commission during the True-up process in respect of each Transmission Licensee.

- 9.4 As regards the delays in payment of transmission charges by TSUs and the mounting dues on account of late payment surcharge (Delayed Payment Charge (DPC)), the Commission has expressed its serious concern in its previous Transmission Tariff Order, in which certain directives were given to the STU:

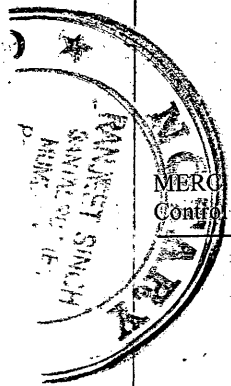
“77. Moreover, as mandated by the Commission, the STU has, in consultation with the GCC, laid down detailed procedures for settlement of intra-State Transmission Charges from time to time, including the modalities of bill collection and payment security.

78. The large arrears of late payment surcharge, which reflect recurring delays in payment of Transmission Charges over a long period, could not have accumulated had the above payment security mechanisms been implemented. The Commission can only conclude that the STU has consistently failed to do so, and has thus been a party to the defaults and consequent financial impacts on the concerned Transmission Licensees. It has also not approached the Commission for appropriate directions, if any were required, on any aspect on which it is not already sufficiently empowered by the Regulations, the BPTAs or its own procedural rules.

79. In this background, the STU is directed to approach the Commission, within 45 days of this Order, with its suggestions for dealing with past payment arrears and minimising future delays, through a Petition. MSLDC and the Distribution and Transmission Licensees may be impleaded as parties. With its Petition, the STU should submit all the relevant details, including but not limited to the following:

- **TSU-wise details of existing Letter of Credit (LC).**
- **Amount, period of validity, no. of months of Transmission charge payments to which it is equivalent.**
- **No. of occasions on which the LC amount has been revised in the last 3 years.**

(79)



- No. of occasions in the last 3 years on which LCs of TSUs have been encashed for non-payment of dues in time.
- If LC was not encashed by STU against payment default, the reasons therefor.
- No. of GCC meetings in the last 3 years at which the LC amounts were reviewed; whether the revisions decided upon were implemented, with reasons for non-implementation, if any.”

9.5 In addition to its overall responsibility in planning, coordination, execution and monitoring of the InSTS, the STU is also responsible for the settlement of Transmission Charges and operating a payment security mechanism so as to avoid the present situation of payment indiscipline by TSUs and mounting DPC of the Transmission Licensees. Vide letters dated 7 August, 9 September and 30 October, 2015 and 8 January, 2016, the STU has repeatedly sought deferment of filing its Petition as directed. Vide letter dated 28 January, 2016, the Commission had allowed time up to 29 February, 2016, but the STU has only submitted the status of ongoing discussions at various levels for resolution of the DPC issue.

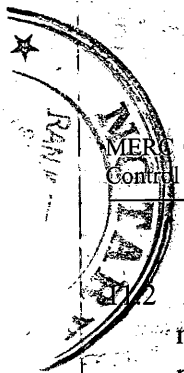
9.6 MSETCL is fully aware from the MTR Order that the Commission has considered the outstanding DPC as part of Non-Tariff Income under the MYT Regulations, 2011. Accordingly, the recovery of ARR for FY 2015-16 was reduced to that extent since the DPC due has been considered on an accrual basis. Its non-recovery in practice impacts both MSETCL as well as other Transmission Licensees since the amount is not actually available with them. Accordingly, it was in the interest of MSETCL both as a Transmission Licensee and as the STU to approach the Commission for resolution of this matter, but it has not done so. However, the Commission may pursue this separately.

10 Energy Accounting and Treatment of Transmission Loss

The Intra-State Transmission Loss as recorded and available for the full year from April, 2015 to March, 2016 has been submitted by MSLDC. The weighted average Transmission Loss for the InSTS in that period is 3.92% for a total energy input of 1, 41,766 MU and output of 1, 36,215 MU, and is accordingly approved for the 3rd Control Period.

11 Point of Connection-based Transmission Pricing Methodology

11.1 The existing Framework of Intra-State Transmission Pricing in Maharashtra is based on the 'Postage Stamp' method, which has served the needs of the system well. However, the National Electricity Policy and Tariff Policy stipulate that the National Transmission Tariff Framework should be sensitive to distance and direction and be related to the quantum of power flow. CERC has adopted the Point of Connection (PoC) methodology for sharing of Inter-State Transmission System (ISTS) costs.



11.2 As per Regulations 64 of the MYT Regulations, 2015, the existing Framework may be modified upon detailed study and due regulatory process in line with the CERC methodology at an appropriate time:

"The Commission may, after conducting a detailed study and due regulatory process, change the existing transmission pricing framework to one considering factors such as voltage, distance, direction and quantum of flow based on the methodology specified by the Central Electricity Regulatory Commission, as the Commission may deem appropriate."

11.3 For considering the introduction of the PoC methodology at the State level, several InSTS data inputs and preparatory steps are required. In this context, in its Order in Case No. 56 of 2013, the Commission had directed the STU to undertake a detailed study to evaluate and suggest steps for the introduction of the PoC methodology in Maharashtra. On 28 February, 2015, the STU submitted a report of the study conducted so far in collaboration with the Indian Institute of Technology (IIT), Mumbai. Subsequently, the STU and IIT also made presentations to the Commission during which various aspects of design and development of the PoC mechanism and implementation were discussed.

11.4 Transmission System development and pricing is a dynamic and evolving process. With increase in the number of Transmission Licensees and the proliferation of TSUs, including Open Access Users, Renewable Energy Generators, etc., energy accounting and assessment of Transmission System usage is becoming more complex and cumbersome. Besides, the new regulatory regime under the MYT Regulations for the 3rd Control Period and the recent notification of the Distribution and Transmission Open Access Regulations, 2016 would be put into operation during FY 2016-17 for the first time.

11.5 Any modification to the existing 'Postage Stamp' based Transmission Pricing Framework or transition to a 'PoC based' approach would require careful assessment of the potential impact on TSUs, and developing a road map for putting in place the pre-requisites in terms of data sharing infrastructure such as data requirements, data/information exchange protocol/process, formats, defining rôles/responsibilities of implementing agency, etc. along with timelines. The Commission also notes that the PoC mechanism is operational only at Regional/Inter-Regional level for the ISTS and not for Intra-State. During the public consultation process undertaken while framing the MYT Regulations, 2015, the stake-holders, including the STU, Transmission Licensees and TSUs did not express a need for revising the present mechanism. While it has received the STU's final report in February, 2016 for further study, at this stage the Commission is of the view that, in view of the considerations above, the existing 'Postage Stamp' based Framework needs to be continued for the time being.

12 Due date of payment of TTSC share by TSUs

12.1 Vide letter dated 7 May, 2016, the STU has stated that, pending the issue of this Order, it has raised bills in May, 2016 as per the Transmission Charges determined in the previous Transmission Tariff Order. However, there is a difference in the provisions regarding 'due date' in the present MYT Regulations, 2015 and the earlier Regulations of 2011. Regulation 68.2 of the MYT Regulations, 2011 specified that

"the monthly bill for transmission tariff for each calendar month shall be payable on 14th day of subsequent calendar month by TSUs",

whereas Regulation 65.2 of the MYT Regulations, 2015 specifies that

"the monthly bill for transmission tariff shall be payable within 30 days of receipt of bill by the TSUs".

12.2 The STU has asked whether to consider the due date as the 14th day of the subsequent calendar month (as per the previous Transmission Tariff Order), or within 30 days of receipt of the bill by the TSUs (as per the MYT Regulations, 2015).

12.3 The Commission clarifies that the provisions of the MYT Regulations, 2015 are applicable from 1 April, 2016, as specified in Regulation 1.3. Hence, since the bills were raised by the STU in May, 2016, the provisions of the MYT Regulations, 2015 are applicable, and those (and subsequent) bills are payable by the TSUs within 30 days of their receipt.

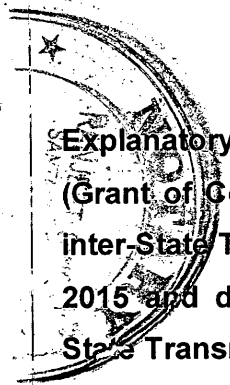
13 Applicability of Order

This Order shall be applicable from 1 July, 2016. The Transmission Tariff approved in this Order shall remain in effect till any subsequent revision.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member

Annexure D



Explanatory Memorandum to draft Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Sixth Amendment) Regulations, 2015 and draft Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, Fifth Amendment 2016.

A. Background

1. CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 are in vogue since 1.1.2010. Subsequently 5 amendments have been issued to Principal Regulations.
2. The market scenario since 2010 has undergone significant changes. The volume of short-term transactions has increased from 24.69 BUs in year 2008-09 to 63.96 Bus in year 2014-15. However the prices of electricity of short term transactions has come down from about Rs. 7.29/unit in year 2008-09 to Rs. 4.28/unit in year 2014-15 and it further came down in May 2016 to approx. Rs. 2.5 /unit. The trend is likely to cause more participants shifting towards short term transactions.
3. A number of petitions have been filed by stakeholders on various issues affecting them such as relinquishment of LTA, payment of transmission charges for dedicated lines etc. After the passage of Open Access Regulations of 2004 and 2008, the transmission planning process came to be largely driven by the Long-Term Access to the ISTS grid sought predominantly by generators. There are number of petitions and applications before CERC wherein the generators are relinquishing their LTA quantum but at the same time evacuating power under STO/MTOA markets. CTU has also stated that some generators have been evacuating their power only under MTOA/STOA which are granted on the margins available in the transmission system and as such no augmentation is carried out for the purpose of granting MTOA/STOA. As transmission planning is connected with LTA, this scenario is likely to lead to under building of transmission capacity and thereby may lead to congestion.



It is experienced from the recent trends that the power procurement by State utilities has moved from long term contracts of about 25 years to shorter/medium term contracts. Keeping in view the issues raised above and the futuristic market scenario, some amendments are proposed vide the sixth amendment for comments/observations from stakeholders. Further based on feedback from CTU regarding STOA/MTOA offset given to LTA customers and other billing related issues, few related amendments have been proposed to Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations.

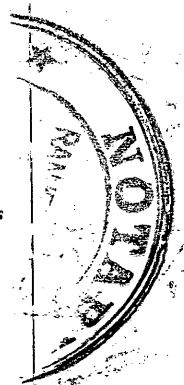
B. Proposed Amendments to CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters)

1. Provisions related to Long term Access

(1) Long term access is currently provided for a period of 12 years upto 25 years. It is proposed that minimum period of long term access be reduced from 12 years to a period of 7 years to align it with long term contracts as provided in "Guidelines for Determination of Tariff by Bidding Process for Procurement of Power by Distribution Licensees dated 19th January, 2005" which provides as follows:

"long-term procurement of electricity for a period of 7 years and above;"

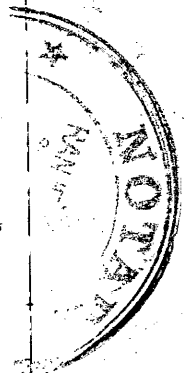
(2) Further it has been observed that LTA customer with target region may firm up buyer through signing of PPA subsequent to start of LTA. In such a case modalities of considering such PPA for scheduling of power is currently not provided explicitly in the Regulations. Hence a Clause has been added specifying the scheduling of power after firming up with beneficiaries. It has been proposed that PPA for not less than a year shall be considered for scheduling under Long term Access for LTA customer with target region. However there may be cases where CTU may not be able to accommodate firm LTA to some state within target region due to



non availability of last mile links. In such cases CTU shall commission last mile links within a timeframe of 3years from date of notifying firm PPA by Long term customer as per Clause 22.7 of detailed procedure under Connectivity Regulations as extracted below:

"For the balance capacity (not exceeding 50% of LTA sought for) for which exact source of supply or destination could not be firmed up on long-term basis, the augmentation/system strengthening further from the target region shall be taken up only after identification of exact source/destination. CTU shall be allowed up to 3 years time for such augmentation/system strengthening from the target region to the exact source/destination. During such period the applicant shall be liable to pay the transmission charges up to the target region."

- (3) On receipt of PPA, CTU shall process the same within reasonable time and advise concerned RLDC regarding scheduling. CTU must process the PPA within one month of the receipt of PPA.
- (4) It may happen that transmission capacity created for a LTA customer to target region has been allocated under MTOA/ STOA as per prevailing Regulations. Since LTA customer is liable to pay transmission charges for the capacity created for him, it must be given priority to avail such capacity when he is able to firm up buyer through PPA. Accordingly it has been provided that existing MTOA /STOA availing such corridor which was created for LTA customer shall be curtailed to accommodate scheduling for such LTA customer.
- (5) However in case MTOA granted over the corridor identified for LTA customer to target region has a period of 3 years remaining and the LTA customer to target region has firmed up PPA for suppose 1.5years, CTU shall not curtail MTOA for entire 3 year period since LTA is firmed up only for part period. In such a case MTOA customer may like to retain its status for remaining 1.5 years. However in case such MTOA customer does not wish to retain its right for remaining period it may do so and no



relinquishment charges shall be levied on MTOA customer in such a case. Similarly in case part capacity of MTOA is curtailed to accommodate scheduling for firmed up LTA, MTOA customer may not wish to retain its right for remaining capacity, then it may do so and no relinquishment charges shall be levied on MTOA customer in such a case.

(6) The curtailment of existing MTOA/STOA shall be done as - STOA first followed by MTOA as per curtailment priority provided in Regulations.

(7) In case LTA customer to target region firms up PPA for a period of less than a year, there shall be no curtailment of existing MTOA/ STOA. This is proposed to avoid too many uncertainties of access.

(8) Based on above discussions followings amendments are proposed:

i. Sub-clause (l) of clause (1) of Regulation 2 of the Principal Regulations shall be substituted as under:

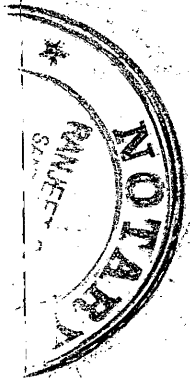
“(l) “long-term access” means the right to use the inter-State Transmission system for a period exceeding 7 years but not exceeding 25 years;”

ii. Following Clause shall be added after Regulation 15B of Principal Regulation:

“15B. FIRMING UP OF DRAWL OR INJECTION BY LTA CUSTOMERS:

The Long Term Access Customer who has been granted long term access to a target region shall, after entering into power purchase agreement for supply of power to the same target region for a period of not less than one year, notify the Nodal Agency about the power purchase agreement along with copy of PPA for scheduling of power under LTA:

Provided that scheduling of power shall be contingent upon the availability of last mile transmission links in the target region:



Provided further that on receipt of the copy of the PPA, CTU shall advise concerned RLDC for scheduling of power at the earliest, but not later than a period of one month:

Provided also that if the capacity required for scheduling of power under LTA has already been allocated to any other person under MTOA and/or STOA, then MTOA and/or STOA shall be curtailed in accordance with priority for curtailment in accordance with Regulation 25 of these Regulations corresponding to the quantum and the period of the PPA:

Provided also that when capacity under existing MTOA are curtailed for considering scheduling of power under the PPA of the Long term Access Customer, such MTOA customer shall be permitted to relinquish its MTOA without any relinquishment charges: "

2. Provisions related to MTOA period

- (1) In the present Regulations MTOA can be availed from 3 months to 3 years. The Statement of reasons issued vide Order dated 30.10.2009 provides as under

" The Commission has specified a period of more than 3 months and up to 3 year for medium term open access without any augmentation of transmission system having due regard to available transmission capacity. A period of 12 years and more is specified for Long term access with or without system augmentation with due regard to repayment obligation of the investors. It may not be desirable to provide open access for any intermediate period because this would discourage any entity in seeking long term access which is necessary to create additional redundancies and margins in the transmission system to further facilitate short term and medium term open access. As such, any entity desirous of open access for the period between 3 years to 12 years may opt for medium term open access and renew the same every three years or may go for long term access for 12 years and opt for early exit option after paying necessary



charges as per terms of the regulation any time before completion of open access period of 12 years."

It was explained vide above that provision of open access for intermediate period between 3 and 12 years was not kept since it would discourage an entity to seek long term access which is necessary to create redundancies.

- (3) GoI Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis dated 10.2.2016 provides regarding medium term procurement as follows:

"The application of these Guidelines shall be restricted to projects constructed and/or operated in accordance with an Agreement for procurement of power for a period of between one and five years, with a provision for extension of this period for the lower of 25% of the initial contract period and one year, with mutual consent."

- (4) Keeping in view the contracts in current market scenario, the period of MTOA has been proposed as 5 years. However in case PPA for a period of 6 years has been signed, an Applicant may take Long term Access for 7 years or it may obtain MTOA for 5 years subject to the condition that no overriding priority shall be provided for renewal on expiry of term of MTOA.

- (5) Based on above discussions following is proposed:

- i. Sub Clause (o) of clause (1) of Regulation 2 of the Principal Regulations shall be substituted as under:

"(o) Medium-Term Open Access means the right to use the inter-State Transmission system for a period equal to or exceeding 1 year but not exceeding 5 years;"

- ii. Clause (2) of Regulation 19 of the Principal Regulations shall be substituted as under:



"(2) The start date of the medium-term open access shall not be earlier than 5 months and not later than 2 years from the last day of the month in which application has been made."

3 Provisions related to grant of MTOA

(1) In the present Regulations, clause (2) of Regulation 9 provides that MTOA shall be granted if the resultant power flow can be accommodated in the existing transmission system or the transmission system under execution. During the proceedings of petition no. 92/MP/2014, the CTU has submitted that MTOA should be granted on the transmission system which have been commissioned and not on the transmission system under execution. The Commission in its order dated 16.02.2015 in petition no. 92/MP/2014 has observed as extracted below:

"33. CTU has submitted that on account of the uncertainties surrounding the execution of the transmission lines on account of various problems such as Right of Ways and environmental clearance issues, it is difficult to take into account the "transmission system under execution" while calculating the margin for the purpose of deciding the ATC for grant of MTOA. CTU has pleaded that MTOA should be granted on the transmission systems which have been commissioned as this will reduce the scope for error in calculation of ATC. We find strength in the submission of CTU. In our view, CTU's suggestion for granting MTOA on the existing margin needs deliberation. We direct the staff to examine the issue and submit the same for consideration of the Commission."

The CTU has submitted that on account of the uncertainties surrounding the execution of the transmission lines on account of various problems such as Right of Ways and environmental clearance issues, it is difficult to take into account the "transmission system under execution" while calculating the margin for the purpose of deciding the ATC for grant of MTOA. The Commission has also observed that in number of cases, CTU granted the MTOA subject to commissioning of upcoming transmission system, which got delayed due to many reasons such as ROW problems, delays in environment/forest clearances etc. Due to delays of



commissioning of transmission system under execution, there are delays in start of MTOA which may have commercial ramification for the applicant. We also find strength in the submission of CTU that the uncertainties in commissioning of transmission system under execution make it difficult to calculate margins while deciding ATC for grant of MTOA. Therefore it is proposed to delete the words "or the transmission system under execution" from clause (2) of Regulation 9 of the Principal Regulations. For the MTOA already granted by the CTU for the transmission system under execution shall not be disturbed.

(2) Based on the above discussion following amendment is proposed:

- i) In Clause (2) of Regulation 9 of the Principal Regulations, the words "or the transmission system under execution" shall be deleted.

4. Provisions related to Dedicated transmission lines

(1) In the present Regulations, clause (8) of Regulation 8 provides that a thermal generating station of 500 MW and above and a hydro generating station or a generating station using renewable sources of energy of capacity of 250 MW and above, other than a captive generating plant, shall not be required to construct a dedicated line to the point of connection and such stations shall be taken into account for coordinated transmission planning by the Central Transmission Utility and Central Electricity Authority. It is further provided that the construction of such dedicated transmission line may be taken up by the CTU or the transmission licensee in phases corresponding to the capacity which is likely to be commissioned in a given time frame after ensuring that the generating company has already made the advance payment for the main plant packages i.e. Turbine island and steam generator island or the EPC contract in case of thermal generating station and major civil work packages or the EPC contract in case of hydro generating stations for the corresponding capacity of the phase or the phases to be commissioned, subject to a minimum of 10% of the sum of such contract values. The regulation also provides that the transmission charges for such dedicated



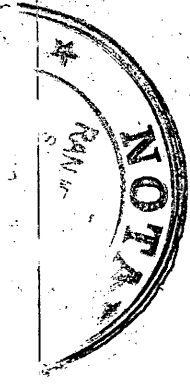
transmission line shall be payable by the generator even if the generation project gets delayed or is abandoned.

- (2) During the process of fourth amendment of Indian Electricity Grid Code, the POWERGRID has submitted its comments on the draft amendment Regulations as extracted below:

"In the Connectivity Regulations, 2009, the Commission included the dedicated transmission line as part of coordinated planning for generators having more than specified capacity. For implementation of dedicated line including transmission system strengthening, if required, Construction Bank Guarantee of only Rs.5 lakh/MW was also provided in the Regulations, which is very less compared to the cost of the Transmission line. Based on above provisions in the Connectivity Regulations, 2009, dedicated transmission lines for some IPPs are under implementation/ have been implemented by POWERGRID/under TBCB after taking regulatory approval from the Commission. In an effort to match the commissioning of dedicated transmission lines with that of generator, POWERGRID is continuously coordinating with the Generators regarding their progress. However, it has been seen that some of the Generators are inordinately delayed or are abandoning the projects despite their continuous insistence for materialisation of their generation as per indicated time schedule. After award of the contract for transmission line, it is not possible to inordinately delay the commissioning of assets due to contractual obligations."

- (3) The Commission in SOR to fourth amendment of Indian Electricity Grid Code Regulations has observed as extracted below:

"9.4.4 POWERGRID has stated that the bidders cannot be burdened with the risk of entering into an Implementation Agreement with the Generator and more so, meet the requirement to match the generation schedule. The bidder under TBCB is governed to deliver the system as per the dates and provisions of the TSA. We find merit in submission of POWERGRID in regards to provisions of Scheduled COD of the TSA under TBCB, where the bidder has to deliver transmission system as per the dates and provisions of the TSA. In our view, this situation can be avoided if the evacuation line from the generating station to the nearest pooling station are executed by the generator or by CTU if the



same has been included in the Coordinated transmission planning. This requires detailed deliberation and necessary changes in the Connectivity Regulations. We direct the staff to examine this aspect.

9.4.7 With respect to proposal of PGCIL that in future all the dedicated lines may be developed by respective generators, we are of the view that the same is beyond the scope of present amendment. However, the suggestion will be considered while dealing with the amendment to Connectivity Regulations."

(4) It is observed that a number of petitions have been filed before the Commission regarding mismatch of commissioning of generating station with the commissioning of dedicated transmission lines where the dedicated transmission lines are not executed by the generator. There are various reasons for delay in commissioning or abandonment of a generating station as well as for dedicated transmission system including land acquisition/ROW problem, delays in obtaining various clearances, fuel linkages etc. The progress of generating station and corresponding transmission system is monitored through Joint Coordination Committee (JCC) meetings. Still there are cases of mismatch between generating station and dedicated transmission line. As per POWERGRID, after award of the contract for transmission line, it is not possible to inordinately delay the commissioning of assets due to contractual obligations. Further the transmission licensees under TBCB are governed to deliver the transmission system as per the dates and provisions of the TSA. If the generator gets delayed, matching is difficult as the transmission licensee has to deliver the system by Scheduled COD as per TSA for start of recovery of its investment. Further in case the generator gets delayed or abandoned, the dedicated transmission line may not be utilized and remain stranded.

(5) Dedicated transmission line should be matched with generating station and it is best matched when the dedicated transmission line to the nearest pooling station is executed by the generator itself. However, the



specifications for these dedicated transmission line may be indicated by CTU while granting Connectivity/ Long term Access/Medium term Open Access.

- (6) APTEL vide Order in Appeal No. 145 of 2011 dated 23.5.2012 has observed as follows:

"It is declared that the generating company is governed by Section 10 of the Electricity 2003 Act and as such Generating Company alone is liable to construct transmission line at its own cost. It would, therefore, be appropriate to direct the Respondent Generating Company to get the dedicated transmission lines constructed at its own cost as per Section 10 of the 2003 Act. Accordingly directed.

52. In order to overcome the apprehended difficulty of laying down dedicated transmission line as per the mandate of Section 10 of the Act and avoid further delay, the generator may take the help of the Appellant transmission licensee to get the dedicated transmission lines erected by the Appellant on deposit work basis paying the full cost."

Hence APTEL has concluded that dedicated line should be constructed by generator at its own cost under the provisions of Act.

- (7) It is further observed that in some cases the nearest pooling station of transmission licensee is very far from the location of the switchyard of generating station especially in cases of hydro generating station. The length of dedicated transmission lines are generally 30-60 km, but in some cases, nearest pooling substation is as far as 150 to 200 km. There is a view that a limit on maximum length of dedicated transmission line should be there and accordingly CTU and CEA may plan the pooling substation of transmission licensee with a maximum limit on length of dedicated transmission line on case to case basis. Accordingly it is proposed that the maximum length of dedicated transmission line should not be more than 100 km from the nearest pooling substation of transmission licensee till the switchyard of the generating station.



8) In cases where dedicated transmission line are executed by the generator from its generating station to the nearest pooling station of the transmission licensee the terminating bays associated with the dedicated transmission line are part of dedicated transmission line for evacuation of power from the generating station. Since scope of dedicated transmission line is with the generator, it is proposed that tariff of bays associated with dedicated transmission lines terminating at substation of transmission licensee shall be borne by the applicant generator and shall not be considered for inclusion in POC pool. The generator may endeavour to commission the dedicated transmission line and the associated bays simultaneously as far as practicable and shall ensure the same through appropriate Implementation Agreement.

(9) For the existing cases where dedicated transmission lines have already been constructed or are under construction under coordinated planning by CTU, the transmission charges for such dedicated transmission line shall be payable by the generating company to the transmission licensee (including deemed transmission licensee) from the date of COD of dedicated line till operationalisation of LTA for the generator. The clause "(c) Provided also that the transmission charges for such dedicated transmission line shall be payable by the generator even if the generation project gets delayed or is abandoned" is deleted since it has been already provided that generator shall pay the charges till operationalisation of its LTA. In case a project gets abandoned it will have to bear the charges for the dedicated line. In case of abandonment of the generating project, the transmission licensee if it has not awarded the project already should endeavour that, it shall not execute the line and if it is already under construction but only minor works has been completed, it should endeavour to put dedicated transmission line for alternate use by relocating towers/conductors in view of national interest. In such a situation generator will bear the relocation cost & shall not be liable to pay the transmission charges.

(9) Based on the above following is proposed:

Clause (8) of Regulation 8 of the Principal Regulations shall be substituted as under:

"(8) The dedicated transmission line from generating station of the generating company to the pooling station of the transmission licensee (including deemed transmission licensee) shall be developed, owned and operated by the applicant generating Company. The specifications for dedicated transmission lines may be indicated by CTU while granting Connectivity/ Long term Access/Medium term Open Access:

Provided that in case of a thermal generating station of 500 MW and above and a hydro generating station or a generating station using renewable sources of energy of capacity of 250 MW and above, CTU shall plan the system such that maximum length of dedicated transmission line shall not exceed 100 km from switchyard of the generating station till the nearest pooling substation of transmission licensee.

Provided that where the dedicated transmission lines have already been constructed/are under construction by CTU under coordinated transmission planning,

(a) the transmission charges for such dedicated transmission lines shall be payable by the concerned generating company to the transmission licensee (including deemed transmission licensee) from the date of COD of the dedicated line till operationalisation of LTA of the generating station of the generating company:

(b) after operationalisation of the LTA, the dedicated transmission line shall be included in the POC pool and payment of transmission charges for the said dedicated transmission line shall be governed as per the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010 as amended from time to time."

5. Provisions related to Underutilization of LTA/ MTOA

(1) In a few cases reported to Commission it has been observed that there are cases where LTA has been operationalized but it is not utilized for scheduling by a generator may be because it is delayed or is under forced shutdown for a long period. In few of such cases the transmission capacity becoming available should be utilized for scheduling by other entities. We have perused para 17 (a) of detailed procedure to CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 which provides as follows:

a. Underutilization of transmission capacity In case it is observed by RLDCs that the MTOA customer request for scheduling is consistently (for more than 5 days) lower than the capacity granted by the Nodal Agency (i.e.; CTU), RLDC may issue a notice to such MTOA customer asking the reasons for such under-utilization. The MTOA customer shall furnish the reasons for such under-utilization and will provide such details like the reduced requirement, likely period, etc. by the following day. The unutilized transfer capability will then be released for scheduling of Short-term open access transaction.

The above provision provides for utilisation of capacity which is kept underutilised by MTOA customer. There is no such specific provision in the Regulations / detailed procedure in case of non utilisation of capacity by LTA customer. Accordingly a provision is proposed in the draft amendment to utilise such capacity. In cases where a generator is not able to schedule its power under LTA, the generator shall inform RLDC / CTU about the tentative period till which time it shall not be able to schedule its power. CTU/ RLDC may release this capacity under MTOA / STOA as the case may be depending on the period for which such capacity has become available. If such capacity is released under MTOA, generator will not be liable towards LTA charges for such reallocated capacity under MTOA. A draft amendment is proposed to utilise the underutilised capacity by LTA/ MTOA customer.

(2) Based on above discussions following amendment is proposed:

"16B. Underutilization of Long term Access and Medium term Open Access:

"In case it is observed by RLDCs that the LTA / MTOA customer request for scheduling is consistently (for more than 5 days) lower than the capacity granted by the Nodal Agency (i.e.; CTU), RLDC may issue a notice to such LTA/MTOA customer asking the reasons for such under-utilization. The LTA/MTOA customer shall furnish the reasons for such under-utilization and will provide such details like the reduced requirement, likely period, etc. by the following day. The un-utilized transfer capability will then be released for scheduling of Medium term and Short-term open access transaction depending upon the period of such underutilization with a condition that such transaction shall be curtailed in the event original LTA/MTOA customer seeks to utilize its capacity. "

6. Provisions related to Power to Relax and Power to Remove Difficulties

(1) There is no Regulation of Power to Relax and Power to Remove Difficulties in Principal regulations. As a result of this, it is not possible to meet the contingencies arising in the course of operationalisation of Connectivity Regulations. It is proposed to insert two new regulations in the Principal Regulations as given below:

"33A. Power to Relax:

The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an affected person to remove the hardship arising out of the operation of Regulation, applicable to a class of persons.

33B. Power to Remove Difficulty:

If any difficulty arises in giving effect to the provisions of these regulations, the Commission may, by order, make such provision not inconsistent with the provisions of the Act or provisions of other regulations specified by the Commission, as may appear to be necessary

for removing the difficulty in giving effect to the objectives of these regulations."

C. Draft Amendments to Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations

1. Introduction of Reliability Support Charge for Connectivity

(1) It has been observed that a number of generators are availing Connectivity but have not applied for LTA or MTOA or have applied for part LTA. It is provided vide Statement of reasons to CERC(Sharing of inter-state transmission charges and losses) Regulations 2010 while introducing Reliability support charge as follows:

"We agree with POSOCO that all the entities, be it a generator or load serving entity, are availing reliability support of the grid. We are of the view that any user who is connected to the Grid gets access to improved power quality, enhanced reliability and stabilized operation. The interconnected system (Electricity Grid as a whole) gives stability and provides inertia. Transmission system is a common carrier and every entity (whether an injecting or drawing utility) having connectivity to the transmission system avails its services."

(2) Hence the applicants should be liable to pay Reliability Support charge for the Connectivity quantum. However the applicants may enter into LTA/ MTOA with firm PPA in which case the transmission charges including Reliability support charge is being raised on withdrawal end. Hence the applicant shall be liable to pay Reliability support charge for the balance quantum of Connectivity for which there is no LTA/MTOA.

(3) The above is illustrated through a sample example:

Suppose a generator has Connectivity of 1000 MW from year 1.2018. Its LTA is to be operational from 21.1.2020 considering that it has sought Connectivity earlier for availing start up power. It shall have to pay Reliability support charge for 1000 MW from 21.1.2018 to 21.1.2020 provided that it got connected to grid on 21.1.2018.

Post 21.1.2020 following will be the treatment of Reliability charge: Suppose generator has 500 MW of LTA to target region, 100 MW MTOA (tied up), 200 MW LTA (tied up).

- Generator will have to pay Reliability charge for balance quantum of Connectivity for which there is no LTA/MTOA i.e. for 200 MW.
- Generator will pay Reliability charge towards LTA to target region for 500 MW.
- Reliability support charge for LTA(tied up) and MTOA (tied up) i.e. 300 MW, Reliability charges are billed only on drawal end.

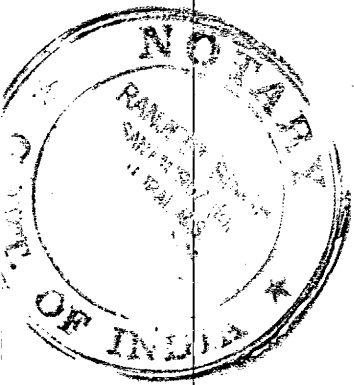
(4) Suppose the Generator had Connectivity for 1000 MW but did not have any LTA/MTOA and it does STOA for 100 MW it shall pay for Reliability charge for 1000 MW towards Connectivity. Additionally it shall be paying reliability charge towards STOA for 100 MW. IN such case generator will get offset for reliability charge paid towards STOA since total quantum for which reliability charge is to be paid is limited to quantum of Connectivity.

Accordingly amendments have been proposed to Regulations 7 (1)(q), Regulations 11(4) and para 2.8.1.c of Annexure to Sharing Regulations

(5) Based on above discussions following amendments are proposed:

(a) Following sentence shall be added at the end of Sub-clause (q) of Clause (l) of Regulation 7 of the Principal Regulations:

"Additionally, Reliability Support Charge shall also be payable by a DIC for the quantum of Connectivity granted by CTU from the date of



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physical Connection to ISTS including the case where DIC is not availing any LTA / MTOA provided that the total quantum for the purpose of Reliability Charge shall not exceed the quantum of Connectivity granted to a DIC.

Provided further that if Connectivity has been sought in a phased manner, Reliability charges shall be billed accordingly.

Provided also that Reliability Support Charge paid by a DIC under STOA shall be offset against the quantum covered under Connectivity."

(b) Following shall be added after sub para (2) of Para 4 of Regulation 11.

For Generators having Connectivity over and above LTA + MTOA. The MTOA shall be considered in addition to LTA only if it is over and above LTA.

$$\begin{aligned} & [\text{Reliability Support Rate in Rs / MW / month}] \times \\ & [(Connectivity Quantum - (LTA + MTOA))] \end{aligned}$$

(c) Amendment to Annexure of the Principal Regulations:

Sub clause (i) to Para 2.8.1.c shall be substituted as follows:

(i) Reliability Support Charges shall be 10% of the Monthly Transmission Charges. The Reliability Support Rate, in Rs/MW/month shall be as under:

Reliability Support Charge for Withdrawal DIC shall be obtained by multiplying the above rate (in Rs/MW/month) by Approved Withdrawal (LTA/MTOA). For Generator with Long term Access to

target region shall be obtained by multiplying these charges by Approved Injection. For Generators whose Connectivity is for quantum more than its LTA+MTOA, Reliability Support Charges shall be obtained by multiplying the above rate by [Connectivity quantum - (LTA+MTOA)].

The above principle shall also apply for additional MTOA.

2. Rates of STOA/MTOA

- (1) Open access was introduced in 2004 through notification of Open Access Regulations, 2004 and the short-term customers were charged at a minimum rate corresponding to 25% of the regional transmission charges for the previous year calculated in terms of Rs./MW/day. The Commission in SOR to Open Access Regulations, 2004 has observed that in an uncongested transmission corridor, the short-term customers should pay about 1/4th of the charges applicable to the long-term customers. The STOA charges were increased to 50% of the regional transmission charges for use of inter-regional systems through first amendment of Open Access Regulations in 2005. Subsequently, the STOA charges were changed from Rs./MW/day to Rs./MWh. The Commission in SOR to Open Access Regulations, 2008 has observed that transmission charges for short term open access should only be nominal and have, therefore, deliberately specified them on the lower side, and in Rs./MWh, for easy application. The STOA charges were further increased through notification of first amendment of Open Access Regulations, 2009. The Commission in SOR to first amendment, Open Access Regulations, 2009 has observed as extracted below:

"89. We have reviewed the comments received from different stakeholders and it is clear that most of the stakeholders urged against the increase proposed in transmission charges. It needs to be appreciated that the transmission capacity planning has become complex with the opening up of the power sector, providing for open

access under the Act. Huge merchant capacity has lined up whose buyers are yet not identified. The low transmission charges for the short-term open access do not induce these generators to commit long-term use of the networks. This may not only lead to congestion and higher losses in the existing transmission network but may also add considerable uncertainty in transmission capacity expansion whereas transmission system augmentation would be necessary to take into account these capacities. It is necessary to ensure that the transmission licensee recovers its transmission charges and at the same time long-term customers do not get burdened unnecessarily. Therefore, in the long run the transmission charges for the short-term customers and long-term customers have to converge. Further, the proposed transmission charges are about 50 % of the existing average transmission charges of the inter-State transmission system on all India basis and still a small fraction of the traded prices in open access (bilateral or at power exchange) and in unscheduled interchange charges. In view of this, we have retained the proposed amendment."

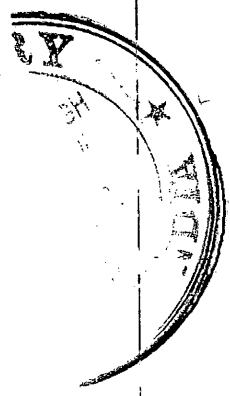
(2) The Sharing Regulations was notified in 2010. The STOA charges (Rs./MWh) were made equivalent to MTOA/LTA (Rs./MW/month) charges in accordance with Sharing Regulations through notification of second amendment of Open Access Regulations, 2013.

(3) After the passage of Open Access Regulations of 2004 and 2008, the transmission planning process came to be largely driven by the Long-Term Access to the ISTS grid sought predominantly by generators. Transmission System augmentation is taken up primarily for meeting the LTA requirement. It is experienced from recent trends that the power procurement by State utilities has moved from long term contracts of about 25 years to shorter term contracts. In the recent past, only few States have carried out Case-I bidding for procurement of power on long term and that too for much less quantum, however, on the other hand the procurement is mainly done for medium or short term basis. Further, the growing transactions at power exchange indicate that a shift

in preference from long term PPAs towards short or medium term PPAs. The generation projects are not sure about the long term takers of power from them and therefore they are not willing to remain committed for long term payment of transmission charges. As STOA charges are in Rs./MWh as compared to LTA/MTOA charges in Rs/MW/month, it is further beneficial for the generators which are running their units at lower PLF.

(4) The Connectivity Regulations provides for free connectivity and as a result many generators have applied for the LTA much lesser than their connectivity/Installed Capacity. Further, the generators who have applied for LTA quantum corresponding to their installed capacity intend to remain connected with the Grid but at the same time they are relinquishing the LTA in order to avoid the commitment for payment of transmission charges. There are number of petitions and applications before the Commission wherein the generators are relinquishing their LTA quantum but at the same time evacuating power under STOA/MTOA markets. This causes burden of higher transmission charges on other long term customers. The MTOA and STOA are granted only on the margins available in the transmission system and no augmentation is carried out for the purpose of granting MTOA/STOA. As our transmission planning is connected with LTA, this scenario is likely to lead to under building of transmission capacity thereby leading to instances of congestions.

(5) The volume of short-term transactions has increased from 24.69 BUs in year 2008-09 to 63.96 Bus in year 2014-15. However, the prices of electricity of short term transactions has come down from about Rs. 7.29/unit in year 2008-09 to Rs. 4.28/unit in year 2014-15. The same for the month of May 2016 is approx. Rs. 2.5 /unit. This trend may increase the volumes of short-term transaction in future. In this scenario, it is likely that generators may not apply for LTA and to evacuate power under STOA/MTOA or it is likely that there is less long term PPAs leading to lack of LTAs thereby inefficient transmission planning.



Therefore, there is a need to increase the rates for MTOA and STOA transactions by DICs who have not obtained LTA for that quantum. Keeping in view this requirement of transmission planning and at the same time ensuring that power market is affected minimally, it is proposed in draft amendment of Connectivity Regulations to increase the MTOA and STOA charges to 1.25 and 1.35 times respectively that for normal POC rates specified so that adequate capacity augmentation takes place. This also helps in alleviating problems of congestion.

(6) There are LTA customers to target region who are already paying transmission charges and are also applying for STOA based on sale of power from their stations. Such customers shall be charged at normal POC rates as specified by the Commission since they have already sought LTA and are liable to pay charges for same.

(7) Based on the above discussions following is proposed:

a. Sub-clause (l) of Regulation 9 of the Principal Regulations shall be substituted as under:

"(1) The transmission charges for MTOA customers who are not availing LTA to target region for the capacity under MTOA shall be charged 1.25 times of the LTA POC rates as notified by the Commission from time to time.

(2) The transmission charges for STOA customers who are not availing LTA to target region for the capacity under STOA shall be charged 1.35 times of the normal STOA POC rates as notified by the Commission from time to time:

Provided that the surplus charges collected under above clauses shall be reimbursed back to DICs paying charges under first bill in the next month."

b. Following shall be added after sub-para (1) of Para 4 of Regulation 11.

For DICs having MTOA over and above LTA:

$$\left[\text{PoC transmission rate of demand zone in Rs / MW / month} \right] \times [1.25] \times \left[\frac{\text{Approved withdrawal}}{\text{Approved injection}} \right]$$

3. ISTS charges and losses for wind and solar projects

(1) Tariff Policy notified by MoP dated 28.1.2016 provides at para 6.4 (6) as follows:

"In order to further encourage renewable sources of energy, no inter-State transmission charges and losses may be levied till such period as may be notified by the Central Government on transmission of the electricity generated from solar and wind sources of energy through the inter-state transmission system for sale."

(2) In this regard MoP had notified vide Notification dated 14.9.2016 regarding ISTS charges and losses for solar and wind based projects as follows:

"(i) For generation projects based on wind resources, no inter-State transmission charges and losses will be levied on transmission of the electricity through the inter-state transmission system for sale by such projects commissioned till 31.3.2019.

Provided that the above waiver will be available for a period of 25 years from the date of commissioning of such projects.

Provided further that such waiver will be available only for the projects entering into Power Purchase Agreements (PPAs) for sale of electricity to the Distribution Companies for compliance of their renewable purchase obligation.

For generation projects based on solar resources, no inter-State transmission charges and losses will be charged for use of inter-State transmission system (ISTS) network by such projects commissioned till 30.6.2017 as per the CERC (Sharing of Inter-State Transmission Charges and Losses) (Third Amendment) Regulations, 2015.

Provided that this waiver will be available for a period of 25 years from the date of commissioning of such projects.

Waiver will be allowed only to those solar and wind projects that are awarded through competitive bidding process."

(3) We observe that Regulations already provide for no ISTS transmission charges and losses for solar based projects commissioned upto 30.6.2017 for useful life of the project. The useful life of solar project under CERC Regulations in vogue is 25 years. Hence, there is no need of any further amendment with regards to Solar based generation.

(4) Based on above discussions following amendment is proposed for wind based generation:

(a) A New Sub clause (y) to Clause (1) to Regulation 7 of Principal Regulations shall be added as under:

"No transmission charges and losses for the use of ISTS network shall be attributed to wind based generation for the projects awarded through competitive bidding and commissioned till 31.3.2019. This shall be applicable for a period of 25 years from the date of commissioning of such projects.

Provided that such waiver will be available only for the projects entering into Power Purchase Agreements (PPAs) for sale of electricity to the Distribution Companies for compliance of their renewable purchase obligation."

4. Amendments in regards to third bill

(1) As per principal regulation, third part of the bill was to be used to adjust any variations in interest rates, FERV, rescheduling of commissioning of transmission assets, etc. as allowed by the Commission for any ISTS Transmission Licensee. This part of the bill was to be raised on first working day of September and first working day of March for the previous six months. Initially, for FY 2012-13, PoC Charges were determined on six monthly basis, which later changed to quarterly basis. In order, to have harmony with Calculation of PoC Rates and to adjust any variation as early as possible, it is necessary to raise the Bill-3 on quarterly basis coinciding with PoC Computations. Arrears arising out of various True up orders and final orders are being included in Bill-3, and same has been included in the draft amendment as follows:

Clause (6) of Regulation 11 of the Principal Regulations shall be substituted as under:

"The third part of the bill shall be used to adjust any variations in FERV, Incentive, rescheduling of commissioning of transmission assets etc. as allowed by the Commission for any ISTS Transmission Licensee. Total amount to be recovered / reimbursed because of such under recovery / over recovery shall be billed by CTU to each Designated ISTS Customer in proportion of its average Approved Injection / Approved Withdrawal Charges over the three months of PoC application period on quarterly basis. This part of the bill shall be raised on first working day of September, December, March and June for the previous PoC application period."

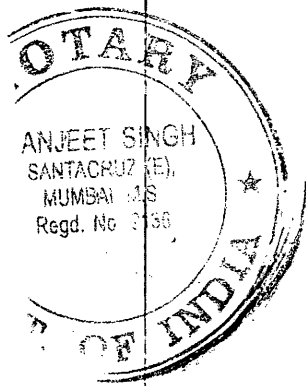
5. Amendments related to offset provided for charges paid under MTOA /STOA by LTA Customer

The Regulations provides that a DIC with LTA to target region shall be given offset for STOA/MTOA to any region. However, it is required that more clarity is required in the same to clarify following:

- (1) The offset shall be provided for the quantum only. A DIC may be paying an injection POC rate under LTA to target region which may be different from POC rates paid by it under STOA/ MTOA. A DIC shall be provided offset in the LTA bill of next month for the quantum for which it has already paid under MTOA /STOA in previous month.
- (2) Such an offset shall be provided only if DIC which is paying charges for LTA under target region does STOA/MTOA which effectively implies it has paid both for LTA and MTOA/STOA. In case a DIC (or a trader on its behalf) has not sought STOA/MTOA and has not paid charges towards MTOA/STOA it shall not be given offset for same. Offset is to be provided only to entity which is paying charges for the same quantum twice.
- (3) Accordingly draft amendments have been proposed to bring clarity in how the offset is to be provided. An example is provided below for clarity:

DIC "A" has LTA of 500 MW from WR to SR (Target Region). PoC Injection Rates (PoC + Rel. Supp. Charges + HVDC Charges) applicable to this DIC is Rs. 150000/- Per MW per Month. DIC will pay Rs. 75000000/-. In case DIC identifies beneficiary through MTOA for 200 MW and withdrawal rate of beneficiary identified is Rs. 200000/- Per MW per Month, then charges collected for MTOA of 200 MW from DIC is Rs. 40000000/-. In next month bill the DIC having LTA to target region have to pay PoC Charges for balance quantum of 300 MW after offsetting the quantum of MTOA of 200 MW @Rs. 150000 / MW i.e. next month's bill under LTA will be Rs. 45000000/-.

- (4) Accordingly following amendments have been proposed:



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- (a) Second proviso to clause (5) of Regulation 11 of the Principal Regulations shall be substituted as under:

"Provided further that while billing transmission charges for next month, the quantum of Medium-term Open Access to any region shall be adjusted against the quantum of Long-term Access to the target region without identified beneficiaries limited upto quantum of Long Term Access."

- (b) First, Second and third proviso to clause (9) of Regulation 11 of the Principal Regulations shall be substituted as under:

"Provided that a DIC which has been granted LTA to a target region and is paying injection charges for Long Term Access avails Short Term Open Access to any region, the quantum of Short Term Open Access shall be adjusted in the following month against the quantum of Long Term Access to target region limited to quantum of Long Term Access to the extent of the quantum for which DIC has paid charges.

Provided further that a DIC, which has been granted Long-term Access to a target region, shall be required to pay PoC injection/ withdrawal charge for the Approved Injection/Withdrawal for the remaining quantum after offsetting the quantum for Medium-term Open Access, and Short-term open access to the extent of the quantum for which DIC has paid charges.

Provided also that the Withdrawal PoC charges paid by DIC towards Short-term open access given to a DIC shall be offset against the corresponding Withdrawal PoC charges to be paid by the Withdrawal DICs for Approved Withdrawal limited to difference of Approved Withdrawal and Net withdrawal (load minus own injection) considered in base case, if Approved Withdrawal is less than the Net Withdrawal:

(c) Amendment related to returning back transmission charges collected towards start up power/infirm power.

Charges collected towards Start-up power/infirm power was to be adjusted against the YTC of next quarter. Since charges towards Start-up power/infirm power are part of Regional Transmission Deviation Account and CTU is raising Bill-4 for them, it is proposed to reimburse the charges collected towards Start-up power/infirm power to the DICs in the following month as in case of deviation charges. Further, adjustment against next quarter will result in delayed reimbursement to DICs. Accordingly, following amendment is proposed:

Fourth proviso to Clause (5) to Regulation 8 of Principal Regulations shall be substituted as under:

"Provided also that during the period when a generating station draws start-up power or injects infirm power before commencement of LTA, withdrawal or injection charges corresponding to the actual injection or withdrawal shall be payable by the generating station and such amount received shall be reimbursed to the DICs in the following month, in proportion to the monthly billing of the respective month."

6. Amendments with regard to POC Rates to be considered for billing DICs whose rate is not available

- (1) SRPC during 3rd Validation Committee Meeting held on 30.8.2016 sought a clarification on PoC rates to be considered for generators whose rate has not been notified. It has been recorded in the minutes of meeting dated 9.9.2016 of 3rd Validation Committee meeting for Q3 2016-17 as follows:

"Poc rates of generator whose rate has not been notified: Agenda by SRPC PoC rate for some generators having LTA without identified beneficiaries has not been computed since their LTA was not identified prior to beginning of PoC Quarter. RPCs are finding it difficult to apply the PoC rate to arrive the transmission charges payable by such generators. Representative from SRPC highlighted the point regarding the non-availability of PoC rate for TPCIL and SEPL for the month of Jun'16. In this regard, CERC representative clarified that there is a provision in the Sharing Regulations for new generating units.

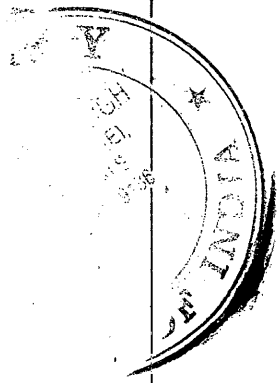
Proviso to Clause 5 of regulation 8 of Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) (Third Amendment) Regulations, 2015 provides as under:

"Provided that in case the commissioning of a generating station or unit thereof is delayed, the generator shall be liable to pay Withdrawal Charges corresponding to its Long term Access from the date the Long Term Access granted by CTU becomes effective. The Withdrawal Charges shall be at the average withdrawal rate of the target region."

In line with the above provision for new generators, it was agreed that generators which has been commissioned but for whom PoC rate have not been notified, may be charged at average withdrawal rate of the target region. Chief (Engg.) stated that CTU should provide LTA data prior to beginning of quarter prudently so that such cases do not arise."

(2) To formalize the above, following amendment is proposed:

A new Clause (7) shall be added after Clause (6) to Regulation 8 of Principal Regulations.



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"(7) For generators with LTA to target region whose POC rate has not been determined for the quarter, shall be billed at Average PoC rate of target region."

Annexure E

APPLICANT TYPE	TERM	GENERATION TYPE	CONSUMER NUMBER	CONSUMER NAME	OA PERIOD FROM DATE	OA PERIOD TO DATE	OA CAPACITY (MW) APPLIED
BUYER	SHORT TERM	THERMAL	037279017847	M/S MAHARASHTRA SEAMLESS LTD	01-NOV-2016	30-NOV-2016	5
SELF CAPTIVE	SHORT TERM	THERMAL	450019000856	M/S STEEL AUTHORITY OF INDIA LTD FERROALLC	01-NOV-2016	30-NOV-2016	20.89
SELF CAPTIVE	SHORT TERM	THERMAL	015519010981	M/S JSW STEEL COATED PRODUCTS LTD	01-NOV-2016	30-NOV-2016	11.5
SELF CAPTIVE	SHORT TERM	THERMAL	031699019499	M/S UTTAM GALVA STEEL LTD	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	184819020021	M/S ESSAR STEEL INDIA LTD.	01-NOV-2016	30-NOV-2016	12
SELF CAPTIVE	SHORT TERM	THERMAL	430019002670	M/S JSW STEEL COATED PRODUCTS	01-NOV-2016	30-NOV-2016	15
BUYER	SHORT TERM	THERMAL	038019025880	M/S INOX AIR PRODUCTS PVT. LTD. (EHV)	01-NOV-2016	30-NOV-2016	6.73
BUYER	SHORT TERM	THERMAL	028619018861	M/S LINDE INDIA LTD.	01-NOV-2016	30-NOV-2016	9.7
BUYER	SHORT TERM	THERMAL	170019036990	M/S SERUM INSTITUTE OF INDIA LTD.	01-NOV-2016	30-NOV-2016	10.5
SELF CAPTIVE	SHORT TERM	THERMAL	366589007050	SURYALAKSHMI COTTON MILLS LIMITED.	01-NOV-2016	30-NOV-2016	3.3
BUYER	SHORT TERM	THERMAL	186849005967	M/S SCHREIBER DYNAMIX DAIRIES LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	170019033630	M/S WNS GLOBAL SERVICES	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	275579009020	M/S VIRAJ SPINNERS LTD.	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	031129010081	M/S RELIANCE INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	8
BUYER	SHORT TERM	THERMAL	110019003221	M/S.RAYMOND LIMITED.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	003019038440	M/S D'DECOR EXPORTS	01-NOV-2016	30-NOV-2016	1.4
BUYER	SHORT TERM	THERMAL	110019004163	M/S JAIN FARM FRESH FOOD LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003019024840	M/S D'DECOR EXPORTS PVT.LTD.(WEAVING UNIT)	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	036249007468	M/S CLARIANT CHEMICALS (INDIA) LTD	01-NOV-2016	30-NOV-2016	1.5
GROUP CAPTIVE	SHORT TERM	THERMAL	420819011940	RAMSON INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	4.9
BUYER	SHORT TERM	THERMAL	170259000010	M/S VISHAY COMPONENTS INDIA PVT.LTD.	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	003019013579	M/S D C POLYSTER PVT LTD	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	410019004167	M/S RAMSONS CASTINGS PRIVATE LTD	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	176759054410	M/S. CORNING TECHNOLOGIES INDIA PVT. LTD	01-NOV-2016	30-NOV-2016	3
GROUP CAPTIVE	SHORT TERM	THERMAL	170149001771	M/S PUDUMJI PAPER PRODUCT LTD	01-NOV-2016	30-NOV-2016	5
BUYER	SHORT TERM	THERMAL	184029037350	M/S. INDUSTRIAL METAL POWDERS (I) PVT.LTD	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	176099030420	M/S KORES (INDIA) LTD CHAKAN FOUNDRY DN	01-NOV-2016	30-NOV-2016	3.15
BUYER	SHORT TERM	THERMAL	003019030640	M/S D'DECOR HOME FABRICS PVT. LTD.	01-NOV-2016	30-NOV-2016	2.1
BUYER	SHORT TERM	THERMAL	493149040240	M/S R.L STEEL AND ENERGY LTD.	01-NOV-2016	30-NOV-2016	8
BUYER	SHORT TERM	THERMAL	170149028130	M/S EMCURE PHARMACEUTICALS LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	003019034160	M/S D'DECOR HOME FABRICS PVT. LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	003019022430	M/S D'DECOR HOME FABRICS PVT.LTD.	01-NOV-2016	30-NOV-2016	1.4
BUYER	SHORT TERM	THERMAL	170149028130	M/S EMCURE PHARMACEUTICALS LTD.	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	184059022303	M/S BEKAERT INDUSTRIES PRIVATE LTD	01-NOV-2016	30-NOV-2016	7
BUYER	SHORT TERM	THERMAL	003019024100	M/S D'DECOR HOME FABRICS PVT.LTD.	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	262029051410	M/S BILTUBE INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	2.6
BUYER	SHORT TERM	THERMAL	530019003890	M/S ETCO INDUSTRIES PVT LTD	01-NOV-2016	30-NOV-2016	2.25
BUYER	SHORT TERM	THERMAL	000779012378	M/S BALMER LAWRIES-VAN-LEER LTD.	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	203739026360	NIPPO INDIA CORPORATION PVT. LTD.	01-NOV-2016	30-NOV-2016	2.8
BUYER	SHORT TERM	THERMAL	221029009570	M/S VINATI ORGANICS LTD	01-NOV-2016	30-NOV-2016	2.75
BUYER	SHORT TERM	THERMAL	018019053600	M/S. PRAAIR INDIA PVT. LTD.	01-NOV-2016	30-NOV-2016	6
BUYER	SHORT TERM	THERMAL	190569005691	M/S COOPER CORPORATION PVT. LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	190569021870	M/S COOPER CORPORATION PVT. LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	125019004330	M/S SUPREME INDUSTRIES LTD. UNIT NO - 3	01-NOV-2016	30-NOV-2016	5.5
BUYER	SHORT TERM	THERMAL	250389007090	M/S K. S. L. & INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	075949006646	M/S JINDAL SAW LTD.	01-NOV-2016	30-NOV-2016	7.2
BUYER	SHORT TERM	THERMAL	075949022590	M/S JINDAL SAW LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	184059038200	M/S. TATA AUTOCOMP.G.Y. BATTERIES PVT. LTD.	01-NOV-2016	30-NOV-2016	1.3
SELF CAPTIVE	SHORT TERM	THERMAL	003019005177	M/S TATA STEEL LIMITED	01-NOV-2016	30-NOV-2016	9
GROUP CAPTIVE	SHORT TERM	THERMAL	032949025860	AMBA RIVER COKE LTD	01-NOV-2016	30-NOV-2016	51.687
BUYER	SHORT TERM	THERMAL	181029042400	M/S. SHRINIWAS ENGINEERING AUTOCOMP PVT.L	01-NOV-2016	30-NOV-2016	6
BUYER	SHORT TERM	THERMAL	049069000834	M/S PERFECT CIRCLE INDIA LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	162019003354	M/S HOGANAS ANV PVT. LTD	01-NOV-2016	30-NOV-2016	3
SELF CAPTIVE	SHORT TERM	THERMAL	410039013420	Ultra Tech Cement Ltd (Unit Nagpur Cement Works)	01-NOV-2016	30-NOV-2016	7
BUYER	SHORT TERM	THERMAL	030749025370	Adlabs Entertainment Limited	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	049069002284	M/S CEAT LTD	01-NOV-2016	30-NOV-2016	5
BUYER	SHORT TERM	THERMAL	493019040750	M/S PEPSICO HOLDING PVT LTD	01-NOV-2016	30-NOV-2016	1.2
SELF CAPTIVE	SHORT TERM	THERMAL	032909026270	JSW Cement Limited	01-NOV-2016	30-NOV-2016	5
BUYER	SHORT TERM	THERMAL	010519039990	Kalisma Steel Pvt. Ltd.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	030909017951	M/S RUBY MILLS LTD	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	330249052450	M/S KIRLOSKAR FERROUS INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	279019006110	M/S MAHABAL METALS PVT. LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	251019054760	GHATAGE PATIL INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	490019004683	M/S SOUTH ASIA TYRES LTD.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	173619033340	M/S. CARGILL INDIA PVT. LTD.	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	251599005210	THE CMAN.MAHATMA PHULE MAGAS S. SOOT GR	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	036249007735	M/S ROHA DYE/CHEM PVT LTD	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	028619031580	REXAM HTW BEVERAGE CAN (INDIA) LTD.	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	028619031060	OMYA INDIA PVT. LTD.	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	000149006532	NOCIL RUB .CHE DIV	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	176759057670	M/s. Matheson K Air India Pvt. Ltd.	01-NOV-2016	30-NOV-2016	4.5
BUYER	SHORT TERM	THERMAL	170149001673	M/S MAHINDRA CIE AUTOMOTIVE LTD	01-NOV-2016	30-NOV-2016	2.4
BUYER	SHORT TERM	THERMAL	170019005677	M/S KALYANI TECHNOFORGE LIMITED	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003019009181	M/S BALKRISHNA SYNTHETICS LIMITED	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	089099005480	M/S J P NARAYAN SAHAKARI SUT GIRANI (UNIT-II)	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	176089030235	M/S SAINT GOBAIN SEKURIT (I) LIMITED	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	176029003638	M/S KALYANI LEMMERZ LIMITED	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	184059039260	M/S. KALYANI TECHNOFORGE LTD.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	251019054990	RAMOND LUXURY COTTONS LTD.(WEAVING UNIT)	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	251019050280	M/S SOKTAS INDIA PVT. LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	251019006710	M/S RAYMONDS LUXURY CO/TTONS LTD/(PROCES	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	186849005690	M/S. ISMT LTD.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	003019031170	M/S SIYARAM SILK MILLS LTD	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	340019008687	M/S SHETAKARI SAHAKARI SOOT GIRANI LTD	01-NOV-2016	30-NOV-2016	2.1
BUYER	SHORT TERM	THERMAL	003019038900	M/S SIYARAM SILK MILLS LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003019025610	M/S SIYARAM SILK MILL LTD	01-NOV-2016	30-NOV-2016	1

BUYER	SHORT TERM	THERMAL	203509020033	M/S ACG ASSOCIATED CAPSULES PVT LTD	01-NOV-2016	30-NOV-2016	1.85
BUYER	SHORT TERM	THERMAL	186849005550	M/S SPENTEX INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	2.1
BUYER	SHORT TERM	THERMAL	186849041700	M/S. SPENTEX INDUSTRIES LTD (UNIT B)	01-NOV-2016	30-NOV-2016	3.3
BUYER	SHORT TERM	THERMAL	176029030376	M/S BOSCH CHASSIS SYSTEMS INDIA LTD.	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	267419004050	M.D. ABHISHEK COTSPIN MILLS LTD.	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	162019000117	M/S SUN PHARMACEUTICAL INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	250499053870	M/S TRIMURTI SPINNING MILS PVT LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	031129021640	M/S CIPLA LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	252559304866	M/S INDIRA GANDHI MAHILA S SOOT GIRNI LT	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	173279039030	M/S. CIPLA LIMITED	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	251019055220	SUDARSHAN JEANS PVT LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	251019051290	M/S SUDARSHANA JEENS PVT. LTD.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	250389304235	M/S ICHALKARANJI COOP SPINNING MILLS LTD	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	028619020822	HIKAL LTD	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	250529304443	M/S NAV MAHARASHTRA SAHAKARI S GIRANILTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	178519036650	M/S. MEENAKSHI FERRO INGOTS PVT.LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	184819047770	M/S.ENKEI WHEELS INDIA LTD	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	170149025940	EMCURE PHARMACEUTICALS LTD	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	170019000438	M/S BHARAT FORGE LTD	01-NOV-2016	30-NOV-2016	12
BUYER	SHORT TERM	THERMAL	284679007872	M/S DINDAYAL MAGASWARGIYA SAHAKARI SOOT	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	186849040110	M/S. BHARAT FORGE LTD	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	331519054340	M/S. PRECISION CAMSHAFTS LTD. UNIT 2	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	331519050080	M/S PRECISION CAMSHAFT LTD.	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	331519004484	M/S CIMMCO SPINNERS (DIV OF SPENTEX IND LT	01-NOV-2016	30-NOV-2016	1.9
BUYER	SHORT TERM	THERMAL	052089006996	M/S THYSEEN KRUPP ELECTRICAL. STEEL INDIA	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	036489018777	M/S SUPREME PETROCHEM LTD	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	186849005495	M/S PIAGGIO VEHICLES PVT. LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	057469020390	M/S POLYGENTA TECHNOLOGIES LTD.	01-NOV-2016	30-NOV-2016	2.3
BUYER	SHORT TERM	THERMAL	490019001960	M/S ENDURANCE TECHNOLOGIES LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	490019040480	M/S ENDURANCE TECHNOLOGIES PVT LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	490019041660	M/S ENDURANCE TECHNOLOGIES PVT. LTD.	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	162019001105	M/S GKN SINTER METALS LTD	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	257109005080	M/S Fair Field Atlas Ltd.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	176029035740	M/S. ENDURANCE TECHNOLOGIES LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	178099033200	M/S. INDAPUR DAIRY & MILK PRODUCTS LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	181739030301	M/S ENDURANCE TECHNOLOGIES LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	005519011419	M/S ACG ASSOCIATED CAPSULES PVT.LTD.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	170149001363	M/S GKN SINTERE METALS PVT LIMITED	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	181029035950	M/S. JOB INDIA LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	251019402510	M/S EUROTEx INDUSTRIES & EXPORTS LTD	01-NOV-2016	30-NOV-2016	4.05
BUYER	SHORT TERM	THERMAL	022919000451	M/S.JOHNSON & JOHNSON PVT. LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	000279004442	M/S BHARAT GEARS LIMITED	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	197969022060	M/S HINDUSTAN MILLS LTD.(TEXTILE UNIT. POWE	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	028619003774	HINDALCO INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	7
BUYER	SHORT TERM	THERMAL	057559010342	M/S MEGA FINE PHARMA PVT LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	251019054190	M/S KOLHAPUR OXYGEN AND ACETYLENE PVT LT	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	176089037450	M/S. ENDURANCE TECHNOLOGIES PVT.LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	170019002848	M/S KALYANI CARPENTER SPECIAL STEELS LTD.	01-NOV-2016	30-NOV-2016	6
BUYER	SHORT TERM	THERMAL	036249018958	M/S DEEPAK NITRATE LTD APL DIVISION. ROHA	01-NOV-2016	30-NOV-2016	1.4
BUYER	SHORT TERM	THERMAL	041019018456	M/S SUDARSHAN CHEMICAL IND LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	028619022612	OWENS CORNING (INDIA) PRIVATE LTD	01-NOV-2016	30-NOV-2016	7.8
BUYER	SHORT TERM	THERMAL	091449006690	M/S GANESH TEXTILE & INFRASTRUCTURE (INDIA	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	420819008970	M/S KSL & INDUSTRIES UNIT II	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	038749024760	POSCO MAHARASHTRA STEEL PVT LTD	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	251019007070	M/S SOUND CASTNG PVT. LTD.	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	028989002505	M/S LONA INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	173619032920	M/S. CIPLA LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	184059021013	M/S CLASSIC AUTO TUBES LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	041019016313	M/S SHREE HARI CHEMICALS EXPORT LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	331519053020	M/S GUJRAT RECLAIM AND RUBBER PRODUCTS L	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	049069003639	M/S EPCOS INDIA (P) LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	510019000557	M/S PULGAON COTTON MILLS	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	251019402391	M/S ARVIND COTSPIN	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	176089045810	M/S.MAGNETI MARELLI MOTHERSON AUTO SYST	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003019026740	M/S G.M.SYNTEx (P) LTD	01-NOV-2016	30-NOV-2016	1.9
BUYER	SHORT TERM	THERMAL	162019001377	M/S EXIDE INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	003019009075	M/S G.M.SYNTEx PVT.LTD.	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	162019000401	M/S I.S.M.T. LTD	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	000159027530	SANDOZ PVT. LTD.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	041019019444	M/S SANDOZ PVT.LTD	01-NOV-2016	30-NOV-2016	3.07
BUYER	SHORT TERM	THERMAL	000199000535	SIEMENS LTD	01-NOV-2016	30-NOV-2016	5
BUYER	SHORT TERM	THERMAL	000089000513	M/S INDOFIL INDUSTRIES LIMITED	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	900039009850	JAWAHAR SHETKARI SAHKARI SOOT GIRNI LIMITE	01-NOV-2016	30-NOV-2016	1.65
BUYER	SHORT TERM	THERMAL	172039003380	M/S MORDE FOODS PVT.LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	091599000246	M/S JAWAHAR SHETKARI SAH SOOT GIRANI LTD	01-NOV-2016	30-NOV-2016	2.6
BUYER	SHORT TERM	THERMAL	137589002241	M/S FOUNDATION BRAKE MANUFACTURING PVT.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	184059032630	M/S. PEPSICO INDIA HOLDINGS PVT.LTD	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	330249002861	M/S JAMSHREE RANJITSINGHAJI SPG & WVG	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	003019031660	M/S KISAN MOULDING LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	170149001550	M/S SKF INDIA LIMITED	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	172939030617	M/S PARAG MILK FOODS PVT.LTD.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	187199004291	M/S JUBILANT LIFE SCIENCE LTD	01-NOV-2016	30-NOV-2016	4.5
BUYER	SHORT TERM	THERMAL	184819037730	M/S. NEOSYM INDUSTRY LTD.	01-NOV-2016	30-NOV-2016	5
BUYER	SHORT TERM	THERMAL	021529050390	M/S U.P.TWIGA FIBERGLASS LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	181739031530	M/S VARROC POLYMER PVT.LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	052789010129	M/S JINDAL POLY FILMS LTD	01-NOV-2016	30-NOV-2016	32.5
BUYER	SHORT TERM	THERMAL	251019006990	M/S INDO COUNT INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	251019007880	M/S INDO COUNT INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	251019007000	M/S INDO COUNT INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	250229305103	M/S PRANAVADITYA SPINNING MILLS LTD	01-NOV-2016	30-NOV-2016	1.5

BUYER	SHORT TERM	THERMAL	031009022660	M/S. KAMANI OIL INDUSTRIES PVT.LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	262079206151	M/S NAGREEKA EXPORTS LTD	01-NOV-2016	30-NOV-2016	3.7
BUYER	SHORT TERM	THERMAL	041019016071	M/S EMBIO LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	162019006110	M/S EATON INDUSTRIAL SYSTEMS.PVT.LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	052789023800	GLOBAL NONWOVENS LIMITED.	01-NOV-2016	30-NOV-2016	4.9
BUYER	SHORT TERM	THERMAL	023449019431	M/S NITCO LTD.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	030949005778	M/S INDIA STEEL WORK LTD	01-NOV-2016	30-NOV-2016	6
BUYER	SHORT TERM	THERMAL	094509003739	M/S PRIYADARSHANI SAH SOOT GIRNI LTD	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	094029005310	M/S PRIYADARSHANI SAKH SOOT GIRNI UNIT-II	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	000019023190	M/S. TATA CONSULTANCY SERVICES LTD	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	170149002009	M/S CENTURY ENKA LTD	01-NOV-2016	30-NOV-2016	10
BUYER	SHORT TERM	THERMAL	170019000519	M/S CUMMINS INDIA LTD.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	030809025240	M/S Frigorifico Allana Pvt Ltd	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	267249050740	M/S RAJIVAJI SAH. SOOT GIRANI LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003029023380	M/SWELSPNN SYNTAX LTD	01-NOV-2016	30-NOV-2016	2.2
GROUP CAPTIVE	SHORT TERM	THERMAL	493149040240	M/S R.L. STEEL AND ENERGY LTD.	01-NOV-2016	30-NOV-2016	8
BUYER	SHORT TERM	THERMAL	255619050520	M/S AJARA TALUKA S.S. SOOT GIRANI LTD.	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	022929010128	M/S CEAT TYRES OF INDIA LIMITED	01-NOV-2016	30-NOV-2016	4.4
BUYER	SHORT TERM	THERMAL	186849005533	M/S GTN ENGINEERING (INDIA) LTD.	01-NOV-2016	30-NOV-2016	2.5
BUYER	SHORT TERM	THERMAL	020129003287	M/S GHARDA CHEMICALS	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	203509020033	M/S ACG ASSOCIATED CAPSULES PVT LTD	01-NOV-2016	30-NOV-2016	1.85
BUYER	SHORT TERM	THERMAL	176029030376	M/S BOSCH CHASSIS SYSTEMS INDIA LTD.	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	170149022800	M/S AMCOR RIGID PLASTICS INDIA PVT. LTD.	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	031129021640	M/S CIPLA LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	173279039030	M/S. CIPLA LIMITED	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	030709019216	M/S POSITIVE PACAKING IND LTD	01-NOV-2016	30-NOV-2016	1.5
BUYER	SHORT TERM	THERMAL	033189019161	M/S H & R JOHNSON (INDIA) A DIVISION OF PRISM	01-NOV-2016	30-NOV-2016	2.7
BUYER	SHORT TERM	THERMAL	170149001975	M/S ATLAS CASTALLOY LTD.	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	170149002661	M/S GARWARE WALL ROPES	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	193019007441	M/S GARWARE WALLROPES LTD	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	049069000664	M/S BOSCH LIMITED	01-NOV-2016	30-NOV-2016	7
BUYER	SHORT TERM	THERMAL	203739024930	ASIAN PAINTS LTD.	01-NOV-2016	30-NOV-2016	1.7
BUYER	SHORT TERM	THERMAL	096799006740	M/S BEDMUTHA INDUSTRIES LIMITED	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	028619019069	Asahi India Glass Ltd.	01-NOV-2016	30-NOV-2016	3
BUYER	SHORT TERM	THERMAL	193019020930	M/S GARWARE BESTRECH LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	284109005610	M/S KASTURI FOUNDRY PVT LTD.	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	176029038790	M/S.MINDA CORPORATION LTD.	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	490019009910	CANPACK INDIA PVT LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	490019044110	CAN-PACK(INDIA) PVT LTD	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	031699025120	M/S ASIAN COLOUR COATED ISPAT LTD.	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	170149001991	M/S EXIDE INDUSTRIES L.T.D. CHINCHWAD	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	187279005573	M/S ISMT LTD	01-NOV-2016	30-NOV-2016	8
BUYER	SHORT TERM	THERMAL	490019000939	M/S LUPIN LIMITED	01-NOV-2016	30-NOV-2016	1.2
BUYER	SHORT TERM	THERMAL	031709017686	M/S VENUS WIRE INDUSTRIES PVT LTD	01-NOV-2016	30-NOV-2016	1.1
BUYER	SHORT TERM	THERMAL	430019003366	M/S HINDALCO INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	075949010261	M/S HINDUSTAN NATIONAL GLASS AND INDUSTR	01-NOV-2016	30-NOV-2016	10
BUYER	SHORT TERM	THERMAL	3433090054510	VITTHAL CORPORATION LTD	01-NOV-2016	30-NOV-2016	2.4
BUYER	SHORT TERM	THERMAL	036249005112	M/S SUDARSHAN CHEMICAL INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	3.5
BUYER	SHORT TERM	THERMAL	110019001150	M/S ORIENT CEMENT LIMITED	01-NOV-2016	30-NOV-2016	3.6
BUYER	SHORT TERM	THERMAL	036249006011	M/S EXCEL INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	1.7
BUYER	SHORT TERM	THERMAL	221029002025	M/S USV LIMITED	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	170019000438	M/S BHARAT FORGE LTD	01-NOV-2016	30-NOV-2016	12
GROUP CAPTIVE	SHORT TERM	THERMAL	021529054060	M/S. GODREJ INDUSTRIES LTD.	01-NOV-2016	30-NOV-2016	1.3
BUYER	SHORT TERM	THERMAL	173279005475	M/S CIPLA LTD.	01-NOV-2016	30-NOV-2016	2.5
SELLER	SHORT TERM	THERMAL	013012940542	Global Softech Ltd	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	003609022370	M/S RESPONSIVE INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	4
BUYER	SHORT TERM	THERMAL	028619020181	EXIDE INDUSTRIES LTD. (SF DVN)	01-NOV-2016	30-NOV-2016	2.2
BUYER	SHORT TERM	THERMAL	028619021110	GALAXY SURFACTANCES LTD	01-NOV-2016	30-NOV-2016	1.4
GROUP CAPTIVE	SHORT TERM	THERMAL	170019002821	MANAGING TRUSTEE GRANT MEDICAL FOUNDATI	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	003019024930	M/S DICITEX HOME FURNISHING PVT.LTD.	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	028619009276	TECHNOVA IMAGING SYSTEM PVT. LTD	01-NOV-2016	30-NOV-2016	2
SELF CAPTIVE	SHORT TERM	THERMAL	570019002220	INDIA CEMENTS LTS	01-NOV-2016	30-NOV-2016	5
GROUP CAPTIVE	SHORT TERM	THERMAL	490019004209	M/S BALKRISHNA INDUSTRIES LTD	01-NOV-2016	30-NOV-2016	1.9
BUYER	SHORT TERM	THERMAL	028619033260	TECHNOVA IMAGING SYSTEM PVT. LTD.	01-NOV-2016	30-NOV-2016	1.6
BUYER	SHORT TERM	THERMAL	088809002050	M/S J P NARAYAN SAHAKARI SUT GIRANI	01-NOV-2016	30-NOV-2016	1.8
BUYER	SHORT TERM	THERMAL	170019035310	M/S TATA COMMUNICATIONS LTD.	01-NOV-2016	30-NOV-2016	4
GROUP CAPTIVE	SHORT TERM	THERMAL	340229052760	M/S FABTECH PROJECTS & ENGRS LTD	01-NOV-2016	30-NOV-2016	1.7
GROUP CAPTIVE	SHORT TERM	THERMAL	490019007470	M/S STERILITE TECHNOLOGIES LIMITED	01-NOV-2016	30-NOV-2016	15.8
BUYER	SHORT TERM	THERMAL	184029020861	M/S ALICON CAST ALLOY LTD.	01-NOV-2016	30-NOV-2016	2
BUYER	SHORT TERM	THERMAL	030879025210	M/S NAMCOO INDUSTRIES PVT LIMITED	01-NOV-2016	30-NOV-2016	5
GROUP CAPTIVE	SHORT TERM	THERMAL	266519100096	M/S MENON AND MENON LTD VIKRAMNAGAR	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	190569006612	M/S MUTHA FOUNDERS PVT LTD	01-NOV-2016	30-NOV-2016	1.5
GROUP CAPTIVE	SHORT TERM	THERMAL	490539042670	M/S. STERILITE TECHNOLOGIES LTD.,	01-NOV-2016	30-NOV-2016	4.5
GROUP CAPTIVE	SHORT TERM	THERMAL	203759022000	M/S ASSOCIATED CAPSULES PVT LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	022929022910	M/S CHALET HOTELS PVT LTD.	01-NOV-2016	30-NOV-2016	2
GROUP CAPTIVE	SHORT TERM	THERMAL	490019004195	M/S COSMO FILMS LTD	01-NOV-2016	30-NOV-2016	7.2
BUYER	SHORT TERM	THERMAL	340139051690	SHETKARI MAHILA SAHAKARI VASTRA NIRMAN SO	01-NOV-2016	30-NOV-2016	1.2
GROUP CAPTIVE	SHORT TERM	THERMAL	490019007691	M/S AJANTA PHARMA LTD	01-NOV-2016	30-NOV-2016	1
BUYER	SHORT TERM	THERMAL	000119036670	M/S GODFREY PHILLIPS INDIA LTD.	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	193019023880	ATHARVA FOUNDRIES PVT. LTD.	01-NOV-2016	30-NOV-2016	2.5
GROUP CAPTIVE	SHORT TERM	THERMAL	203529022730	SONA ALLOYS PVT. LTD.	01-NOV-2016	30-NOV-2016	7
GROUP CAPTIVE	SHORT TERM	THERMAL	075949018580	M/S SWASTIK PULP AND PAPER PVT. LTD.	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	490039044080	COSMO FILMS LTD	01-NOV-2016	30-NOV-2016	4
GROUP CAPTIVE	SHORT TERM	THERMAL	430019003072	M/S WISAKA INDUSTRIES LTD WORKS SPINMNIN	01-NOV-2016	30-NOV-2016	4.5
GROUP CAPTIVE	SHORT TERM	THERMAL	190569021160	M/S MUTHA SPHEROCAST (I) PVT LTD	01-NOV-2016	30-NOV-2016	1
GROUP CAPTIVE	SHORT TERM	THERMAL	110019002360	M/S. SUPREME INDUSTRIES	01-NOV-2016	30-NOV-2016	1.5

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

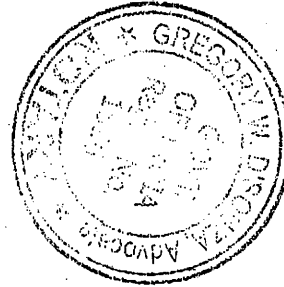
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO. 2294 OF 2014

Wind World (India) Ltd.

.....Petitioner/s

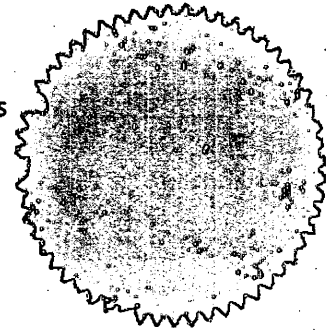
V/s.



Maharashtra Electricity Regulatory

Commission & Anr.

.....Respondents



AFFIDAVIT IN REPLY OF RESPONDENT NO.1

I, Dhrubajit Ghosh of Maharashtra Electricity Regulatory Commission having our office at, 13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai, do hereby declare and state on solemn affirmation as under:

1. I am currently holding the charge of Deputy Director (Legal) of the Respondent No. 1 Commission above named. I say that I am aware and well versed with the facts of the case from the records of the matter and I am able to depose the same on oath. I say that the statements, allegations and averments made in the Petition by the

promulgating a regulation while exercising its power as a delegated or subordinate legislation, an authority (Hon'ble Commission, in the present case) can only be guided by the existing orders/decisions or regulations or policy or the prevailing statutory provisions or other similar statute but by no stretch of imagination it can be said that the authority exercising such power is bound by those existing laws, regulations or decisions. While exercising such power, the authority has a right to expand its horizon and consider various aspects and angles of the matters and is also entitled to consider future eventualities.

B) Issue: Withdrawal of the banking of electricity for wind power generation and providing settlement of energy injection and energy used on the basis of 15 minutes time block basis (Regulation 26.8 of the impugned Open Access Regulations, 2014)

13) With regard to contentions of the Petitioner regarding the banking arrangements for wind power projects, the Respondent Commission submits that with intrastate ABT mechanism in place in the State, settlement of energy other than 15 minute time block basis would have adverse financial impact on utilities and also at times leads to implementation issues.

14) Further the Respondent Commission submits that in past, multiple cases related to banking facility has been filed before the Commission wherein the Distribution Licensees have raised the issue

of adverse financial impact on them on account of banking facility. Banking for energy results in 'non-firm' energy getting exchanged with 'firm' power of the Licensee simply because banked energy could be utilised any time of the banked period. Such exchange may put the Distribution Licensees in the State at a disadvantage with corresponding adverse impact on supply to consumers. The Respondent Commission, therefore, decided to discontinue the banking facility to non-firm Renewable Energy Generators, however, considering the intermittent generation pattern of wind power projects and as a promotional measure the Commission decided to introduce the settlement of excess generation after set off in case of self use under captive and third party sale from wind power projects under

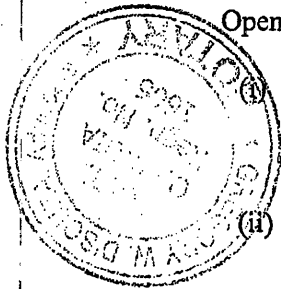
Open Access in the State with following conditions:

Credit for energy injected to be provided strictly on the basis of 15 minute time block basis.

(ii) The surplus energy after set off with Open Access Consumer's consumption in the same 15 minutes time block shall be purchased by the Distribution Licensee at the rate of approved Average Power Purchase Cost of the Distribution Licensee by the Commission for respective year.

(iii) Also, since Distribution Licensee is assuming risk pertaining to purchase of surplus infirm generation and hence, the Distribution Licensee is entitled to meet its Renewable Purchase Obligations through purchase of such surplus energy.

15) With regard to the submission the Petitioner that the banking is an inherent requirement and need to be provided in order to promote



APPC

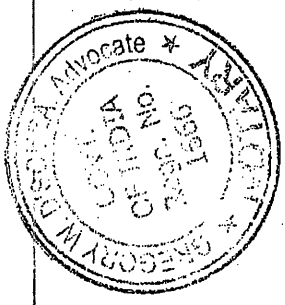
meet RPO

generation of electricity from wind sources as envisaged in section 86 (1) (e) of the Electricity Act, 2003, the Respondent Commission humbly submits that under the scheme and objectives of the EA, 2003, it is a mandatory for the Respondent Commission to promote co-generation and generation of electricity from renewable sources of energy and suitable regulatory measures to be taken by the Respondent Commission. Section 86(1)(e) of the EA, 2003 is reproduced as below:

"86. (1) The State Commission shall discharge following functions, namely -

...

(e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of total consumption of electricity in the area of distribution licensee". (emphasis added)



16) The Respondent Commission submits that the under the mandates of Section 86(1)(e), the Respondent Commission while promoting the Renewable Energy generation suitable measures need to be provided sale of electricity to any person. It may be noted that the Electricity Act, 2003 does not stipulates that banking is the only promotional measure that needs to needs to adopt while providing suitable measures for sale of electricity to any person. The Respondent Commission submits that it is not mandatory on it that all the benefits which that are possible should be provided and the

F) Issue: Procurement of Power from Power Exchange on week ahead basis (Regulation 3.1 of the impugned Open Access Regulations, 2014)

44) Further the Respondent Commission submits that in past, multiple cases related to procurement from Power Exchange has been filed before the Commission wherein various issues had been submitted the by the stakeholders. The various issues as submitted during various proceedings are summarized as under:

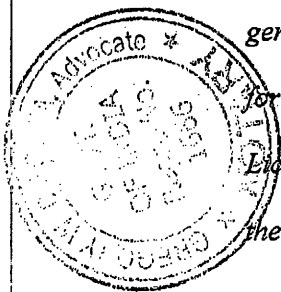
1. Disruption of supply by the generator:

There is a Regulatory requirement to provide Special Energy Meters at consumer end as well as at generator end having visibility of the generation and consumption at the SLDC.

Presently, there is no such facility to ensure visibility of each generator at SLDC. Therefore, if there is any disruption of supply, for whatever reason, at the generator end, neither the host Licensee nor the SLDC could get the information immediately and the consumer continues to draw Licensee's power.

2. Network congestion:

It may happen that the Open Access consumer gets power through Exchange from a remote State generator and due to congestion in the Grid, the same could not be transacted. The consumer in this case also will draw Licensee's power, hence it will lead to system instability and State's network congestion.



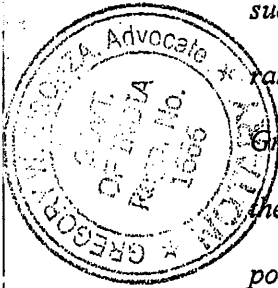
3. *Gaming: switch on/ switch off:*

Power rates at Energy Exchanges are volatile in nature over the year. They are low in rainy season and are high in summer season. Therefore, the consumers are keen to transact at Energy Exchanges in the rainy/monsoon season to explore the possibility of availing cheaper power. They intend to revert back to the host utility for rest of the seasons. Such switch on and switch off of load in respect of Open Access consumers purchasing power from Energy Exchange may severely damage the reliability and quality of supply measures of host Licensee.

4. *Operational Difficulty:*

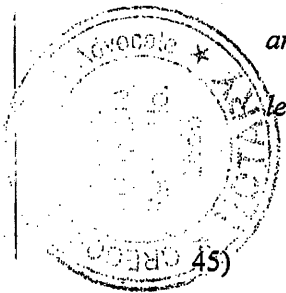
If consumer purchases power from a generator which is not a State Pool Participant (SPP) in FBSM, the crediting of energy will be on actual basis. If there are multiple consumers taking power from such a generator, calculation of energy to be credited is on pro rata basis will be a complex task. Further there could be impact on Grid management. In case of inter-state bilateral contracts, when there is a forced outage of unit, consumer will continue to draw power from the Grid. This could create operational difficulties for SLDC in real time as well as for the Discom.

Further this could lead to over drawl from, National Grid. Discom will have to carry out load shedding in the State for no fault of other consumers. The State in such situations may overdraw power



from the Grid which may call for heavy UI (Unscheduled Interchange) charges, UI penalties, transmission deviation charges, congestion charges, Grid indiscipline notice, opening of lines by RLDC, imposition of fine on SLDC etc. Stricter imposition on drawal of power through UI is now in place at Regional level. SLDC has to manage the Grid only with the power available through the contracts and not on the support from National Grid as per Regulations.

Further, if a consumer purchases power from a Power Exchange, the clearance of quantity of power may not be uniform over all time blocks of the next day (of actual power transaction). This information is made available from the Power Exchange only by around 6 pm of the previous day of actual power transaction. This leads to the Power management problem for the Discom.

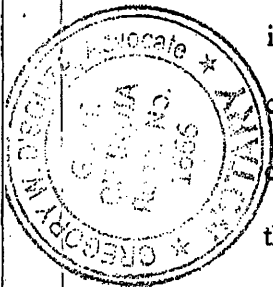


The Respondent Commission further submits that if the consumers are allowed to purchase the power from Power Exchange only during off peak hours when the demand of the distribution licensees are quite low, it will badly affect the load curve which is maintained as flattened by the distribution licensee by managing their power system demand. Moreover, the generating stations are required to back down, which will adversely affect the generation cost per unit of the generating station. Similarly, during the peak hours when the price in the exchange is higher, the open access customer desires not to purchase power from the market and try to remain dependent on the utilities, which also affect the utilities by way of paying higher

charges. The above facts will lead to increase in power purchase cost of the Distribution Licensees.

46) The Respondent Commission submits that the Distribution Licensees are required to maintain their daily load curve very close to flat, to economise on their power purchase costs. It is a well established fact that cost of market power during off-peak hours is much cheaper than that during peak hours. Some of the open-access consumers may like to procure the power from market only during the off-peak periods and may depend on the licensee for their peak period demands. This may lead to a situation where in the licensee may have to back down even the cheaper generation during the off-peak period and procure costlier lower during the peak periods. This would result in overall rise in the power purchase costs and pose additional burden on other consumers.

47) The plain reading of Section 42 (2) of the Electricity Act, 2003 indicate that, Open Access has to be introduced in the phases considering all the relevant factors which also include the operational constraints. The Section 42 (2) of the Electricity Act, 2003 specifies that "The State Commission shall introduce Open Access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of Open Access in successive phases and in determining the charges for



71) Moreover, it is submitted that such procedural requirement has been stipulated in order to avoid gaming aspects wherein a generator enters into multiple contracts of the same capacity with more than one consumer by entering into direct contract or through a trading licensee.

17. In view of the above, it is submitted that the reliefs sought by the Petitioner ought not to be granted and as such are liable to be rejected. It is further submitted that the interim order / reliefs sought by the Petitioner ought not to be granted and as such the Petition is liable to be rejected. I submit that there is nothing unjust or unconstitutional in the impugned regulation so as to consider a prayer for quashing of the impugned regulation. I submit that the impugned regulation pertain inter alia to reform / change and development of the renewable market which is a mandate under the EA, 2003, the Policies framed under Section 3 of the EA, 2003 and also the Constitution of India. I submit that provisions of the EA, 2003 has given sufficient regulatory powers to the Respondent no.1 to make the impugned regulation.

18. The Respondent No. 1 i.e. commission seeks liberty of this Hon'ble Court to file another detail parawise affidavit, as and when found necessary. In the circumstances aforesaid,

it is respectfully submitted and prayed that the Writ
Petition be dismissed in limine with costs.

Solemnly affirmed at Mumbai)

This ^{22nd} day of December, 2014)

BEFORE ME.

Identified by me

BEFORE ME

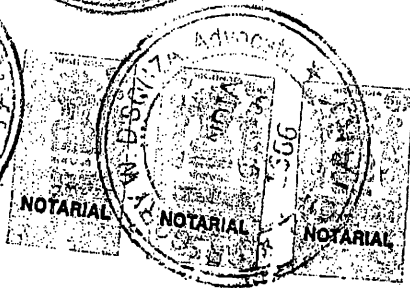
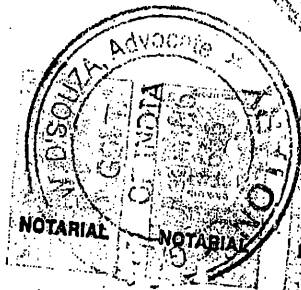
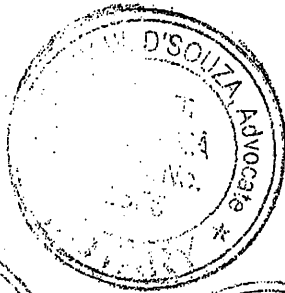
GREGORY M. D'SOUZA
ADVOCATE & NOTARY
Kalpat Estate, Sit. No. B-11,
Shop No. 40, 2nd Floor Hill
MUMBAI-400 037

Ratneskar Singh

Advocate for Respondent no.1

22 DEC 2014

Sr No 696
In Reg No 139



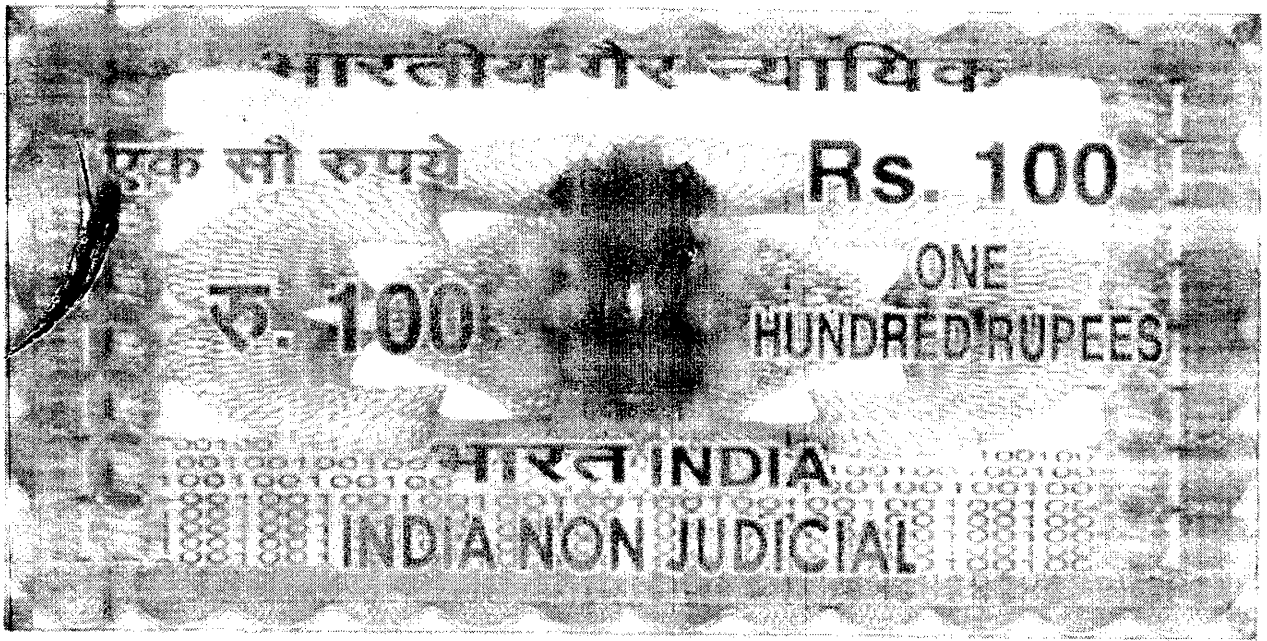
Annexure G

DATE: 17.10.16

Banked Unit Information from April 16 to August 16

CIRCLE	CONSUMER NUMBER	CONSUMER NAME	Last month banked units					Current month Over-Injected units (unadjusted)					Final Slot wise Banked Units carry forwarded					Final Banked Units
			A SLOT	B SLOT	C SLOT	D SLOT	E SLOT	A SLOT	B SLOT	C SLOT	D SLOT	E SLOT	A SLOT	B SLOT	C SLOT	D SLOT	E SLOT	
ARBAD (R)	490019007461	M/S AURANGABAD ELECTRICALS PVT.LTD.	3946	3252	0	418	0	0	0	0	3946	3252	0	418	0	7616		
ARBAD (U)	490019001803	M/S BALAJ AUTO LIMITED	1679811	126696	1538	69128	2146299	136721	68529	94296	336642	260683	68696	161538	3877759			
AH BAD (U)	4900190042170	M/S VARRO ENGINEERING PVT.LTD.	30957	9514	3034	73701	15911	0	0	30957	9514	3034	7372	50877				
AHMEDNAG4	150519007340	M/S Aam India Manufacturing Corporation.	296628	196196	10162	113701	321560	271390	48769	115086	567136	406559	48491	205216	1227402			
AHMEDNAG4	150839005730	M/S. PARAS MIRACLE POLY PRODUCTS PVT	28317	43124	1089	37118	99182	111709	21726	63768	116428	136900	2168	81108	356304			
AHMEDNAG4	155049004600	M/S D. J. MALPANI	721257	178490	38375	135043	545585	239528	72496	143591	1286482	379381	100908	263780	2030551			
BARAMATI	173229006071	M/S SAHYADRI INDUSTRIES LTD.	91864	131388	37930	64519	234967	262987	87041	116379	320238	385727	121830	177450	1005245			
BARAMATI	18405902231	M/S. ITC LTD	85556	647336	118033	580510	456140	253046	132751	305095	1226240	1080960	207745	857361	3372306			
BARAMATI	18405904180	M/S. EATON INDUSTRIAL SYSTEMS PVT.LTD	338619	317310	43037	166450	257584	253530	50382	116505	568932	526786	74210	263491	1433419			
BARAMATI	184059047220	M/S. I.T.C. LIMITED	804076	300787	30563	229492	377597	288478	21683	157502	1154364	454411	30563	332399	1971737			
BARAMATI	184169000143	M/S Z F STEERING GEAR (INDIA) LTD GAT N	624971	318707	16788	266633	843431	723229	146658	380225	1299917	907584	143725	551030	2902256			
BHANDARA	430019002106	M/S ASHOK LEYLAND LTD.	70938	11396	56	27780	0	0	0	0	70938	11396	56	27780	2802256			
GANESHKHIN	170149023940	M/S. WIPRO LTD.	998961	787997	148415	659453	580921	508035	136736	343222	1352825	951280	156682	887686	110170			
GANESHKHIN	170149061250	M/S EMITECH EMISSION CONTROL TECHNOC	4486	2724	330	622	0	0	0	4486	2724	330	622	8162	3348473			
GANESHKHIN	170149062620	M/S WIPRO LTD.	1139413	567911	96877	554489	1355268	1186819	324147	767755	2289748	1589664	361984	10629332	5304328			
GANESHKHIN	170149062660	M/S PERSISTENT SYSTEM LTD.	211297	77661	12431	87796	196786	182378	50361	106403	386663	235072	53511	164828	840074			
KOLHAPUR	250179053270	M/S ARVIND DYEING & BLEACHING MILLS	1478	10976	5390	5986	0	0	0	1478	10976	5390	5986	23830				
KOLHAPUR	250499304842	M/S ARVIND COTSN (INDIA) LTD	665204	531606	75746	413391	686195	694738	169118	372929	1267284	1125206	222212	736743	3351445			
KOLHAPUR	410019010790	M/S BESTECH HOSPITALITIES PVT. LTD.	466384	363663	83102	152130	427999	352191	99758	144151	855948	665887	169123	269239	1960197			
NAGPUR (U)	0949019001244	M/S UNI DERIVED CO.	17376	99093	15247	144711	114478	210423	54250	78550	113725	223972	54597	79852	472146			
NASK (U)	031129009224	M/S ALKYL AMINES CHEMICAL LTD	273083	304670	27539	144711	205610	240937	28239	105472	398981	446039	37974	214704	1097698			
PEN	041019017042	M/S PIDILITE INDUSTRIES LIMITED.	4525	4480	0	2762	3974	0	0	0	4525	4480	0	2762	11767			
PEN	041019020620	AQUA PHARMA CHEMICALS PVT. LTD	255047	259160	59330	168742	196818	213568	56858	105379	255047	259160	59330	168742	742279			
PUNE RURAL	176029033990	M/S. ENDURANCE TECHNOLOGIES PVT.LTD	737513	223115	20240	211390	496200	320960	64822	182888	1176252	448730	66064	355891	2046937			
PUNE RURAL	176099056690	M/S SIGMA ELECTRIC MANUFACTURING CC	44694	112038	19993	54010	71156	15466	31470	64373	20692	158005	31137	64354	324188			
PUNE RURAL	176119002720	M/S L'OREAL INDIA PVT. LTD.	1583678	1035536	268799	788090	745132	714639	206288	381543	2363169	1672920	441635	1193774	5671498			
PUNE RURAL	181739055820	M/S KSPG AUTOMOTIVE INDIA PVT.LTD	900279	333510	46692	288385	219718	188120	8800	74634	1066306	352559	46692	288385	1753942			
PUNE RURAL	182859031630	M/S. MUBEAA SUSPENSION INDIA. LTD	642	7556	0	1340	22388	0	0	0	22582	7556	0	1340	31478			
RASTAPETH	170019002163	M/S SIPOREX INDIA PVT LTD	89405	133221	5138	180683	74509	111809	3475	98030	93785	172615	5138	230004	501542			
RASTAPETH	170019002821	MANAANG TRUSTEE GRANT MEDICAL FOU	3110	12128	114	606	0	0	0	0	3110	12128	114	606	15958			
RASTAPETH	170019007801	M/S CLASSIC CITY INVESTMENT PVT LTD.	596219	456551	106568	281404	341549	365421	107963	165468	946839	795698	201826	439346	2383709			
RASTAPETH	170019009401	M/S BRAMHA BAZAAR HOTEL LTD.	66338	87457	78376	1026	58335	137360	109676	69057	146513	158341	158341	374937				
RASTAPETH	170019024890	M/S BHARTI CELLULAR LTD.	18702	18830	5690	32589	0	49976	32157	52347	18702	61486	33084	64044	177316			
RASTAPETH	170019035320	ASCENT HOTELS PRIVATE LIMITED	1647529	1037904	211869	821898	1299657	1106112	324239	570812	2948919	2079087	510743	1409479	6648228			
RASTAPETH	170019037380	M/S. CAPRICORN PLAZA PVT.LTD	153149	118868	28931	51915	166709	132160	37764	64675	298394	223987	58263	99193	679837			
RASTAPETH	170019037770	M/S. IHRH HOSPITALITY	393404	238741	49429	143536	369593	287494	76550	144999	726916	474564	105655	263393	1570528			
RASTAPETH	170019077700	BELAIRE HOTELS PVT LTD	40404	71384	23655	22718	275585	398450	145241	134154	310931	461649	165977	153671	1092228			
SANGALI	279249004477	M/S JSONS FOUNDRY PVT LTD	0	1170	92	674	0	0	0	0	0	1170	92	674	1936			
SANGALI	281579003374	M/S B G CHITTE	660652	242045	25820	211336	564978	335159	68933	189320	1211926	525747	82520	386892	2207085			
SATARA	190569024240	M/S COOPER CORPORATION PVT. LTD.	131618	90025	11421	75344	315649	295848	82956	168852	360369	337391	83401	200717	981878			
THANE (U)	000000000401	M/S JUPITER LIFE LINE HOSPITALS LIMITED	1581311	905751	159114	781055	954966	723726	152323	447833	2477058	1469648	262623	1201859	5411188			
THANE (U)	022929022760	M/S SMERIND HOSPITAL LTD	801350	569364	116769	371946	701842	567868	154298	312177	1457034	1067749	240861	664422	3430066			
WASHI	510019001103	M/S. MERIDIAN COLLEGE SAONGINGHE	9944	2552	3212	69881	0	0	0	9007	70092	2552	0	91493	817933			
WASHI	000289020080	STATE BANK OF INDIA	2721692	1253050	196028	1124489	998011	856443	198638	428957	3766934	1930014	301008	1564604	7662560			
WASHI	000489035510	M/S CHALET HOTELS	814478	733541	152136	389376	550366	526781	145353	243225	1348907	1228907	280950	624804	3483568			

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महाराष्ट्र MAHARASHTRA

2015

MY 328808

शुद्धीरणी

महामा फुले शुद्धीरणी वेदकाग

राजाराम बाबुराव सादकर

21.31.2015

900/-

900/-

दिनांक: 9/1/2015

महाराष्ट्र

S. Y. Joshi

मुद्रांक अधिकारी

Sub Office Treasury (Chalkarant)

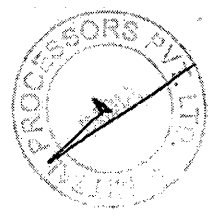
2015

Sub Treasury Officer (Chalkarant)

POWER SALE AND PURCHASE AGREEMENT
BETWEEN
MITTAL PROCESSORS PRIVATE LIMITED (MPPL)
AND

MAHATMA PHULE MAGASWARGIYA SAHAKARI SOOT GIRNI LIMITED (MPMSSGL)

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This agreement, dated as of 3rd August 2015, is executed by and between Mittal Processors Private Limited, a company incorporated under the Companies Act 1956 having its registered office at G T ROAD SEWAH, PANIPAT, HARYANA (hereinafter referred to as "MPPL" or "Trader", which expression shall, unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns)

And

Mahatma Phule Magaswargiya Sahakari Soot Girni Ltd, a company incorporated under the Companies Act 1956 having its registered office at P.B ROAD, WATHAR, TAL HATKANANGALE, DIST. KOLHAPUR- 416112 (hereinafter referred to as "Buyer" or "MPMSSGL", which expression shall, unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns) of the Second Part.

"MPPL" and "MPMSSGL" are individually referred to as the "Party" and collectively, referred to as the "Parties".

WHEREAS

- A. MPPL is a CERC approved trading licensee for trading of power. MPPL has tie-ups with different utilities and Generators and is in a position to supply power for meeting the requirement of the Buyer.
- B. Pursuant thereto, the Buyer is desirous of purchasing power from the Trader.

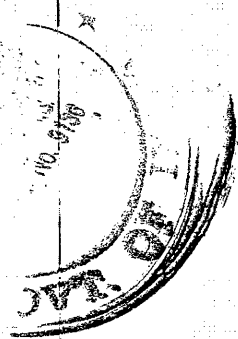
NOW THEREFORE, it is hereby agreed by and between the parties hereto as under:

Definitions and Interpretation

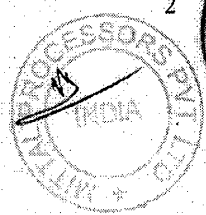
Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

- (i) "Agreement" means this Agreement and includes its recitals and the Schedules hereto, as may be amended from time to time in accordance with the provisions contained in this Agreement;
- (ii) "Applicable Law" means all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, injunctions, judgments, decrees or other requirements or official directive of any court of competent authority, or of any competent governmental authority, or of any person acting under the authority of any court of competent authority or of any competent governmental authority, that are effective and in force during the subsistence of this Agreement and are applicable to this Agreement;
- (iii) "Buyer's Premises" will mean Buyer's manufacturing unit located at P.B ROAD, WATHAR, TAL HATKANANGALE, DIST. KOLHAPUR- 416112
- (iv) "CERC" means the Central Electricity Regulatory Commission, as defined in the Electricity Act, 2003, or its successors;
- (v) "Change in Law" means the occurrence of any of the following during the subsistence of the Agreement
 - (a) The entry into force of any new Indian law, Regulation, Government Order that has applicability as to the subject matter of this Agreement including the performance by the Parties of their rights and obligations hereunder;



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- (b) The repeal or modification of any existing Indian law; or
- (c) A change in the interpretation or application of any Indian law by a judgment of a court of competent authority, which has become binding;
- (vi) "Contracted Capacity" shall have the meaning ascribed to it in Clause 1 hereof;
- (vii) "Scheduled Capacity" shall mean the approved capacity by the nodal agency (RLDC/SLDC), on a monthly basis;
- (viii) "Delivery Point" shall be the point of supply of buyer i.e., incoming of ABT meter of buyer.
- (ix) "Drawl Point" shall have the meaning ascribed to it in Clause 1 hereof;
- (x) "Due Date" shall have the meaning ascribed to it in Clause 6 hereof;
- (xi) "Force Majeure" or "Force Majeure Event" shall have the meaning ascribed to it in Clause 10;
- (xii) "MERC" means the Maharashtra Electricity Regulatory Commission, as defined in the Electricity Act, 2003, or its successors;
- (xiii) "MSETCL" means the Maharashtra State Electricity Transmission Company Limited.
- (xiv) "MSEDCL" means the Maharashtra State Electricity Distribution Company Limited
- (xv) "Non-performing party" shall have the meaning ascribed to it in clause 10 hereof;
- (xvi) "Open Access" means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any licensee or GENERATOR or CONSUMERS or a person engaged in generation in accordance with the regulations specified by the Appropriate Commission;
- (xvii) "Rescheduling Charges" shall mean the open access consumer who has requested for revision (downward) or cancellation of the accepted schedule as above, shall pay the Open Access charges as per originally accepted scheduled capacity, if the period of revision is up to 2 (two) days. If the period of revision (downward) or cancellation exceeds two (2) days, the Open Access charges for the period beyond two(2) days shall be payable as per the revised accepted schedule and for the first two(2) days as per original schedule.
- (xviii) "REC" shall mean Renewable Energy Certificate;
- (xix) "RPO" shall mean Renewable purchase obligation;
- (xx) "Settled Units" shall have the meaning ascribed to it in Clause 2(a)iii hereof.
- (xxi) "SLDC" means the State Load Dispatch Center, as defined in the Electricity Act, 2003, or its successors;
- (xxii) "RLDC" means the Regional Load Dispatch Center, as defined in the Electricity Act, 2003, or its successors;
- (xxiii) "Units" or "kwh" means Kilo Watt Hours;

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(xxiv) "Year" shall mean a period of 12 months.

Interpretation

In this Agreement, unless the context otherwise requires:

References to any statute or statutory provision include a reference to the statute or statutory provision as may be amended, consolidated or replaced from time to time and includes any subordinate legislation made under the relevant statute or statutory provision.

Any reference to a day shall mean a reference to a calendar day;

1. Sale and Purchase of Power:

Trader desires to sell 1.5 MW of power ("Contracted Capacity") at the Delivery point i.e. at the consumer end having 33 KV Express Feeder and Buyer agrees to buy the Contracted Capacity at P.B ROAD, WATHAR, TAL HATKANANGALE, DIST. KOLHAPUR- 416112 subject to Buyer meeting the following conditions:

- a. Buyer shall install ABT compatible interface metering system capable of energy accounting for each block of 15 minutes at Drawl Point and any other technical requirement as stipulated by MERC/MSETCL/SLDC/Discom or any other agency.
- b. Application will be submitted by the Buyer / Trader for scheduling of power under short-term open access/Medium-term open access for supply of power from Seller to Buyer. Scheduling and dispatch of power shall be coordinated by Trader with the respective DISCOM/SLDC as per relevant provisions of Grid code and the decision of SLDC/MSETCL /DISCOM and applicable MERC regulations.

2. Quantum of Power:

Trader shall make available Contracted Capacity within 20 days from the date the Buyer's Obligations are met and the Buyer shall buy such power in accordance with the following:

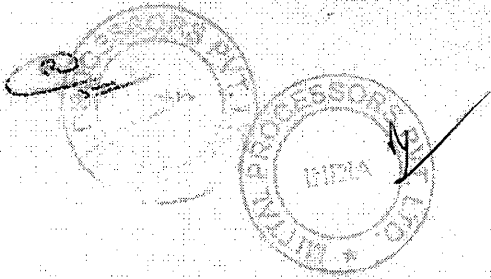
- a. The Buyer commits to purchase 100 % of the quantity of power scheduled by Nodal RLDC/ Agency during each 15 minute time block.
- b. Settled Units: The total number of power units of Contracted Capacity supplied by the Trader during a period at the Delivery Point will be calculated based on the Regional energy Account (REA) issued by the concerned RPC/RLDC/SLDC. This shall form the basis of final settlements.

3. Validity and Tenure:

The initial tenure is 13 Months from the date of execution of the PPA or from the date of actual scheduling of Power, whichever is later. Further the parties can mutually agree for an extension with revised rate, if any.

4. Tariff

- a. The Trader and the Buyer agree that the base rate during the Contract Period for each unit of power at the Delivery Point would be Rs. 5.80 per unit. Both the parties will negotiate



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for rate for the further period of agreement. If the negotiated rate is not acceptable to any party than the party shall have an option to terminate the Agreement.

- b. The rate shall be inclusive of all open access charges (Including Maharashtra State Transmission and wheeling losses, Transmission Charges, Cross subsidy, Wheeling charges and MSEDCL Operating charges, MSEDCL Application Charges, RPO, SLDC application and processing Fees), as imposed by MERC/SLDC/MSETCL/Discom. Any variation in imposition of any new/existing tax, duties, cess, losses, charges, surcharge etc. as mentioned above shall be on Buyers account if they are pertaining to within Maharashtra periphery
- c. Responsibility of fulfilling the Renewable Energy Obligation will be on Trader.
The current applicable losses, charges, duties etc. are as given in the below Table A:


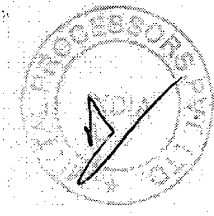
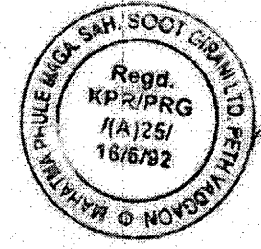

Sr.	Type	Value
1.	Maharashtra STU Losses	3.89%
2.	Maharashtra STU Charges	Rs 0.26/Unit
3.	Maharashtra Wheeling Losses at 33 kV voltage level	6%
4.	Maharashtra Wheeling Charges at 33 kV voltage level	Rs 0.15/Unit
5.	Cross Subsidy Surcharge at 33 kV Express Feeder	Rs 1.49/Unit
6.	SLDC & Scheduling & Operating Charges	Rs 60000 per Month
7.	SLDC Application Fees	Rs 5000 per Application
8.	MSEDCL Processing Fees per month	Rs 15,000 per application
9.	MSEDCL Operating Charges per month	Rs 10,000 per Month
10.	Renewable Purchase Obligation (RPO)	Rs 0.15/Unit
11.	Electricity Duty on Open Access Power Purchase Quantum	0
12.	Tax on Open Access Power Purchase Quantum	0

- d. In case Buyer fails to off-take any power scheduled by Trader pursuant to clause 2 (a), Buyer shall be obligated to pay for such power at the applicable Tariff as per clause 4 (a) above.
- e. In case the Trader fails to supply the power equal to 100% of the monthly approved Scheduled quantum, and due to non-supply or curtailed supply of power as against the power scheduled for the month, results in Temporary Tariff being levied on the Buyer for exceeding its revised Contract Demand and total cost for such power supply in that month after including Temporary tariff exceeds the MSEDCL cost of power for the consumer; the Trader will bear additional charges beyond the normal applicable tariff from MSEDCL during that month.

If the Consumer requires to re-schedule and in such an event Buyer's revised scheduled capacity falls below 90 % of original scheduled Capacity during a calendar month, Consumer shall be liable to pay to Trader, compensation at the rate of Rs. 2.00 per unit for the difference between the quantum of 90% of the initially approved scheduled Capacity and the actual revised Scheduled Capacity.

- f. Trader reserves the option to supply power through Power Exchange approved by CERC without any impact on the agreed tariff fixed as per 4 (a) above and both the Parties agree to abide by all the relevant laws, regulations and procedures applicable to Power exchange transaction.

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- g. In case Open Access Application is refused on the ground of no consent from STU, then the application fees (presently Rs. 15000) will be payable by Buyer.
- h. Trader will apply to book the corridor in advance basis for the first day of the month in order to ensure that the corridor is granted to supply power to the Buyer. For this Trader shall pay the corridor charges to the Nodal RLDC in advance as required by the Regulations. In case Buyer is not able to off-take power, then Buyer will reimburse the open access charges so incurred.
- i. The Schedule and Dispatch of power shall be coordinated with respective RLDCs/ SLDCs by MPPL as per the relevant provisions of Indian Electricity Grid Code, various statutory regulations / orders of RLDCs and RPCs.
- j. Buyer seeking re-scheduling of Power shall intimate to Trader before 60 (Sixty) hours prior notice.
- k. In case of change of feeder status from express to non-express or vice-versa, respective change in cross subsidy will be applicable to buyer as per laws and regulations.

5. Billing Cycle & Energy Accounting:

Trader will raise the provisional bills on Fortnightly basis on 16th and 1st of the next month for the billing period from 1st to 15th and 16th to last day of the month. The provisional invoices shall be raised on the basis of daily energy scheduled by the Trader pursuant to Clause 2(a).

Final bill for the month shall be raised on receipt of Regional Energy Account (REA)/Final Settlement by MSEDCL. In case of Faulty meter at either party end, Final bill shall be raised on the basis of Regional Energy Account (REA) or daily scheduled energy by Trader.

In the event, there is a difference between the total of invoices for the month and the final bill for such month, Trader will provide the adjustment in the next provisional invoice. Buyer agrees and undertakes to submit the Consumer Adjusted Report to Trader within 3 working days from the receipt from respective DISCOMs.

Energy accounting will be as per the applicable regulations and orders passed by MERC from time to time and the procedures adopted by MSETCL/SLDC/DISCOM.

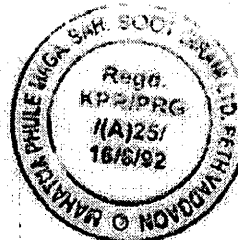
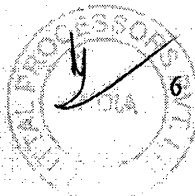
6. Payment Terms and Security.

- a. Buyer will make payment to Trader within 7(Seven) calendar days of the receipt of the invoices from Trader ("Due Date"). For any delay in payment beyond the Due Date, a late payment charge shall be payable by Buyer at the rate of 15 (Fifteen) percent per annum for the period of delay for the outstanding amount after due date as calculated on day-to-day basis.
- b. As a support to and to secure its payment obligations under this Agreement, Buyer shall furnish and maintain during the term of this Agreement, a standby, irrevocable, Bank Guarantee (BG) for an amount equivalent to 30 days of Contracted Capacity. Such BG, shall be issued at least 7 days before the start of supply of power under this Agreement and shall be valid till one month after the expiry of the Agreement. The BG shall be issued in favor of Trader or any other beneficiary nominated by the Trader.

The BG opening, amendment, extension, and any other charges related to BG shall be borne by Buyer.

- c. Pursuant to the expiry of the period of 3 (Three) days after Due Date for payment, and non-payment by Buyer of the invoice amount, Trader, by giving intimation to Buyer, shall encash the BG for the invoice amount.

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7. Representation And Warranties Of The Parties

Each Party represents and warrants to the other the following:

- a. It is duly constituted and validly existing company under the Indian laws.
- b. It has full power and absolute authority to execute and deliver this Agreement and to perform all of its duties, obligations and responsibilities arising or created under this Agreement.
- c. This Agreement when executed and delivered shall constitute valid and legally binding obligations, enforceable in accordance with the terms of this Agreement;
- d. The execution, delivery and performance of this Agreement does not conflict with, result in a breach of or default under any applicable law, order, writ, injunction or decree of any Court or statutory or regulatory authority, or any agreement, arrangement or understanding, written or oral, to which either Party is a party or by which either Party or any of its assets are bound;
- e. There is no litigation pending or, to the best of its knowledge, threatened against it, which questions the validity or enforceability of this Agreement or any of the transactions contemplated herein.

8. Events of Default and Consequences:

Any of the following events shall be considered as Event of Default:

- a. Buyer's failure to pay for a period of 7 days beyond the due date.
- b. Trader's failure to supply power for a continuous period of 15 days after the commencement of power supply except for Force Majeure reasons.
- c. Buyer's failure to consume power supplied by the Trader for a continuous period of 15 days or more, except for force majeure reasons.

In case of default by either party, the other party will issue a notice providing a period of 30 (thirty) days before terminating the Agreement. In the event of termination of this Agreement, accrued rights and obligations of the Parties shall survive termination of the Agreement.

In any case, either Party can terminate the Agreement by giving an advance notice of 30 days in concurrence with the policy of MS&DCL.

9. Indemnification

Each party shall indemnify, defend and hold harmless other party, its directors, members of the Board, partners, assigns, trustees, agents, officers and employees, against all claims, demand, judgments and associated costs and expense, related to property damage, bodily injuries or death suffered by third parties resulting from breach of its obligation by the other Party under this Agreement except to the extent that any such claim arises due to a negligent act or omission, breach of contract or breach of statutory duty on the part of the other Party, its contractors, servants or agents.

10. Force Majeure: -

The performance of their obligations by the Parties shall be subject to "Force Majeure" conditions, as defined in clause below

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"Force Majeure" means any event or circumstance or combination of events or circumstances, direct and/or indirect, which is or are beyond the control of a Party and that results in or causes the failure of that Party (the "Non-performing party") to perform any of its obligations under this Agreement, and includes: -

- (a) Act of war, invasion, armed conflict, blockade, revolution, riot, insurrection or civil commotion, terrorism, sabotage, fire, explosion or criminal damage;
- (b) Act of God, including fire, lightning, cyclone, typhoon, flood, tidal wave, earthquake, landslide, epidemic or similar cataclysmic event;
- (c) Non grant of open access by SLDC/RLDC/MSETCL/ MSEDCL or any other relevant agency for reasons other than attributable to actions/omissions of Generator or Trader.
- (d) Any curtailment/suspension/non availability of transmission capacity.
- (e) Ultimate closure of Trader or Buyer.
- (f) Change in Law /Change in Regulation significantly impacting the Generator or Trader obligations under this PPA.
- (g) Regulatory intervention as also orders from CERC/ SERCs/ Appellate Tribunal of Electricity/ High Courts/ Supreme Court /State Government/ SLDC/MSETCL/DISCOM significantly impacting the Generator or Trader obligations under this PPA. This will also include regulations / orders already issued but yet to be conclusively enforced.

Where a Non-performing party is unable to perform its obligations under this Agreement by reason of Force Majeure, the Non-performing party shall notify the other Party within a period of 2 days and if there is total disruption of communication, as soon as practicable of the occurrence of Force Majeure, identifying the nature of the event or circumstance of Force Majeure, the expected duration of such Force Majeure, the particular obligations of the Non-performing party which are affected by such Force Majeure and the period for which such obligations are expected to be so affected.

The obligations of the Parties under this Agreement shall be suspended only to the extent that:


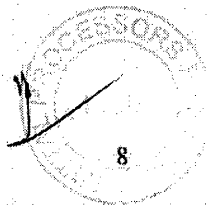
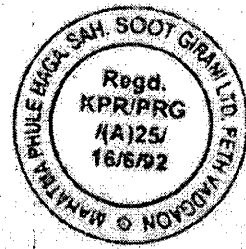

- a) Such suspension is of no greater scope and no longer duration than is required by the effects of the relevant event or circumstance of Force Majeure; and
- b) The Non-performing Party uses all reasonable efforts to remedy, as soon as practicable, its inability to perform the affected obligations.

11. General

- a) In case of changes in Law (including any change in transmission charges & open access charges and any change in taxes, duties, cess or introduction of any tax, duty, cess made applicable for supply of power by the seller) or restriction imposed by the Regulator (Central or State) on any aspect for sale or purchase of Power, the same shall be binding on both (MPPL & Buyer).
- b) In case any changes are required in the above terms for meeting the statutory requirements of SERC/CERC orders, etc. the same shall be binding on the parties and shall be mutually discussed and agreed to ensure compliance.

12. Dispute Resolution:-

- a. If any dispute or difference of any kind whatsoever shall arise between the Parties in connection with or arising out of this Agreement or out of the breach, termination or invalidity of the Agreement hereof, the Parties shall attempt to resolve through mutual discussions within 15 days.

b. Notwithstanding the existence of any Dispute except for non-payment without justification / dispute, the Parties hereto shall continue to perform their respective obligations under this Agreement throughout the Terms of this Agreement.

If the Parties are unable to resolve the dispute through mutual discussions, the parties are free to resolve it under the jurisdiction of Indian Court at Mumbai.

13. Notices and Correspondence: -

All notices for billing, load dispatch and correspondence must be delivered personally, by registered or certified mail or facsimile to the following addresses mentioned below:

For MPPI:
Address:
Mittal Processors Pvt. Ltd
Rajhans 2/12, KalashUdyan,
Plot No 23, Sector - 11,
Koparkhairane, Navi Mumbai - 400 709.
Telefax: 011 66666999

For Billing and other correspondence:
Attention: Mr. Rahul Jain (Regional Manager)
Telephone No - 011 66666999
Mobile No - 7710074909
Email Id - rahul.jain@mittalsgroup.com

For Mahatma PhuleMagaswargiyaSahakari Soot GiniLtd.
Address:P.B Road,Wathar,
Tal: Hatkanangale,
Dist: Kolhapur-416-112

Attention: Mr. Sanjay Kulkarni
Mobile No.: +91-99235-34747
E-mail: spkmahatmaspin@gmail.com

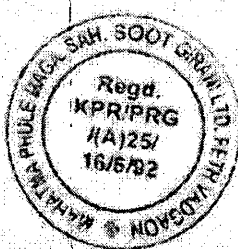
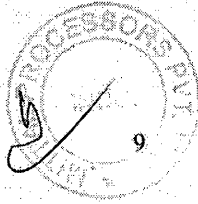
Attention: Mr. T. R. Buchade
Telephone: 02306619999
Mobile No.: +91-9922244169
E-mail: mphulemill@eth.net / mahatmaphulemill@gmail.com
FAX: 0230-2472228

13. Confidentiality: -

The Parties agree and undertake to treat this Agreement and each of its terms as confidential. Neither of the Party shall disclose to any third party about the existence or the terms of this Agreement or any confidential information acquired by the Party pursuant to the entering into this Agreement, without the prior written consent of the other Party. The obligations undertaken hereto shall not apply to the party who is under an obligation to provide such information to any Court, Statutory authority, regulatory authority etc. and such obligations shall survive the termination of this Agreement.

14. Amendment: -

This Agreement may be amended or modified with the mutual consent of the Parties and shall be reduced to writing.



15. Assignability:-

Either Party shall not assign their rights or obligations under this Agreement to a third party without the prior written consent of the other Party. However, if the consent is denied & assignment is required for any reasons whatsoever, the party denying consent shall have the right to terminate the agreement.

16. Severability:-

Any provision in this Agreement, which is or may become prohibited or unenforceable in any jurisdiction, shall as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in the same or any other jurisdiction. Without prejudice to the foregoing, the Parties will immediately negotiate in good faith to replace such provision with a proviso, which is not prohibited or unenforceable and has, as far as possible, the same legal and commercial effect as that which it replaces.

17. Entire Agreement

This Agreement represents the entire agreement between the Parties in relation to the terms of the matters contained in this Agreement and shall supersede and extinguish any previous drafts, agreements or understandings between all or any of the Parties (whether oral or in written) relating to the subject matter herein.

18. Counterparts

This Agreement has been signed in up to two counterparts, each of which shall be deemed to be an original.

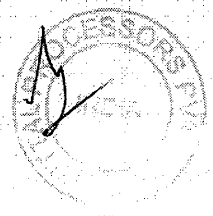
19. Independent Parties

The Parties are independent contracting parties and will have no power or authority to assume or create any obligation or responsibility on behalf of each other. This Agreement will not be construed to create or imply any partnership, agency or joint venture, or employer-employee relationship of any kind whatsoever.

20. Waiver

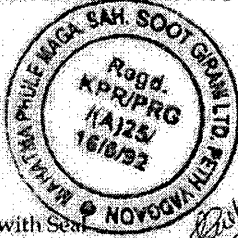
In the event of any waiver by any Party, the waiver shall be communicated to the other Party in writing.

In WITNESS whereof the duly authorized representatives of the Parties have signed on the.....day of2015 first herein before written.



For and on behalf of

MAHATMA PHULE
MAGASWARGIYA SAHAKARI
SOOT GIRNI LIMITED (MPMSSGL)



Name

Signature with Seal

Witnesses

- 1.
- 2.

For and on behalf of

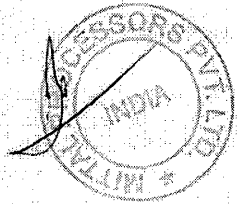
MITTAL PROCESSORS PRIVATE
LIMITED

Name

Signature with Seal

Witnesses

- 1.
- 2.



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प्रधान मुद्रिक कार्यालय, मुंबई
प. सं. वि. क्र. ३०००००९०
- 8 JAN 2016
सहायक अधिकारी

POWER SUPPLY FACILITATION AGREEMENT

This Power Supply Facilitation Agreement (hereinafter referred to as "Agreement") is entered into on this 10th day of February, 2016 (Two thousand and Sixteen) at Mumbai.

BY AND BETWEEN

Global Energy Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at - 207, Gera Imperium II, Patta Plaza, Panjim, North Goa, Goa - 403001, India and one of its offices at 103, 10th Floor, Maker Chamber VI, Nariman Point Mumbai - 400021 (hereinafter referred to as "Facilitator", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its administrators, successors and assigns)

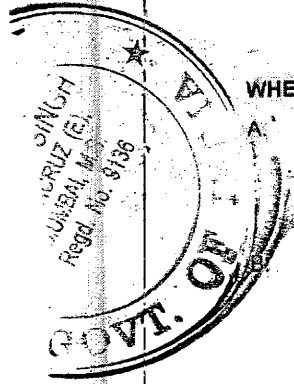
AND

Shree Hari Chemicals Export Ltd., a company incorporated under the Companies Act, 1956, having its registered office at A/8 MIDC Industrial Area Mahad, Dist Raigad, Pin Code 402309, Maharashtra, India (hereinafter referred to as "Consumer" which expression shall unless repugnant to the context or meaning thereof be deemed to include its administrators, successors and permitted assigns)

Each of Facilitator and Consumer shall be referred to individually as "Party" and collectively as "Parties" as the case may be.



Ramvivek



WHEREAS

The Consumer is connected to the distribution or transmission system being maintained and operated by the Distribution / Transmission Licensee and is desirous of procuring the Contracted Capacity, as an open access consumer under the provisions of the Electricity Act, 2003 ("Act") and Facilitator would facilitate the Consumer in getting the said desired Contracted Capacity from the market.

The Facilitator understands the dynamics of energy market in India and having expertise in facilitating the Consumer in getting the desired Contract Capacity within the ambit of rules and regulation as envisaged in the Electricity Act, 2003 and will facilitate in delivery of the Contracted Capacity to the Consumer, subject to the terms and conditions contained in this Agreement.

C. The Parties signed a Letter of Intent for purchase of power on 25/01/2016 (a copy of the Letter Of Intent dated 25/01/2016 is annexed hereto and marked as Annexure "A") and now the Facilitator is desirous of facilitate the Consumer in getting the desired Contract Capacity and the Consumer agree to take the Contracted Capacity through the Facilitator for self-consumption on the terms and conditions set out herein.

NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:

1. Definitions

1.1 In this Agreement, the following words and expressions, unless inconsistent with the context, shall bear the meanings assigned to them below:-

"Act" "Act" shall mean the Electricity Act, 2003, and Rules framed there under and include any modifications, amendments and substitution from time to time;

"Affiliate" "Affiliate" of any Party means any entity that controls the said Party or is controlled by said Party or is under common control with said Party, provided that for an entity to qualify to be an 'Affiliate' of a Party, that Party shall hold or control a minimum of 51 percent of the voting share capital or voting power of such entity or the entity which controls the said Party shall hold a minimum of 51 percent of the voting share capital or voting power of such Party; where "control" means power and ability to direct the management and policies of the controlled enterprise;

"Agreement" "Agreement" shall mean this Agreement, executed by and between the Facilitator and Consumer to facilitate by the Facilitator in getting the Contract Capacity of the Consumer at the Delivery Point on agreed terms and conditions;

"Applicable Law" "Applicable Law" shall mean and include the Electricity Act, 2003, electricity rules, Regulations and all statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, by-laws, notifications, guidelines, policies, directions, directives, clarifications and codes applicable to the Transaction and to the wheeling of the Scheduled Capacity from the Delivery Point to the Consumer's Premises;

"Appropriate Commission" "Appropriate Commission" shall mean the Central Electricity Regulatory Commission (CERC) referred to in sub-section (1) of section 76 or the State Electricity Regulatory Commission (SERC) referred to in section 82 or the Joint Electricity Regulatory Commission (JERC) referred to in Section 83 of the Electricity Act 2003, as the case may be, exercising jurisdiction over this Power


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Supply Facilitation Agreement between the Facilitator and Consumer;

- "Consents"** "Consents" shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, no objection certificate or concessions required to be obtained under Applicable Law for the purpose of delivering the Scheduled Capacity at the Delivery Point and for wheeling the Scheduled Capacity to the Consumer's Premises;
- "Contracted Capacity"** "Contracted Capacity" shall mean upto 1 MW of electricity, to be arranged by the Facilitator to the Consumer at the Delivery Point in terms of this Agreement;
- "Consumer's Premises"** "Consumer's Premises" shall mean A/8 MIDC Industrial Area Mahad, Dist Raigad, Pin Code 402309, Maharashtra, India;
- "Delivery Point"** "Delivery Point" shall mean agreed delivery point of the Consumer and Maharashtra STU/ DISCOM/ Region/ Any other agency/ franchisee as applicable; having meter no. 02811503.
- "Distribution Licensee"** "Distribution Licensee" shall mean MSEDCL (Maharashtra State Electricity Distribution Company Limited) a company incorporated under the Companies Act, 1956, having its registered office at Maharashtra State Electricity Distribution Company Limited, Hongkong Bank Building, M. G. Road, Fort, Mumbai-400001, or its franchisee, which is the licensee supplying electricity to consumers in the area where the Consumer's Premises is located;
- "Effective Date"** "Effective Date" means the date when this Agreement becomes effective in its entirety in accordance with clause 4.1;
- "Event Suspension"** of "Event of Suspension": - shall mean the duration of period that starts from the date when Facilitator applies for change of generator or source, if required, before any competent authority to till the time of approval from the competent authority and its implementation;
- "Grid Code" or "State Grid Code"** "Grid Code" or "State Grid Code" shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time, and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Subsection (1) of Section 86 of the Electricity Act 2003, as applicable;
- "NOC" or No Objection Certificate** "NOC" shall mean the No Object Certificate/ Open Access permission/ Approval issued by the Distribution Licensee/ SLDC/ Transco/ any other relevant authority as may be applicable from time to time ;
- "Open Access"** "Open Access" shall mean open access as defined in the Electricity Act 2003 and as may be amended from time to time;
- "Open Access Approved Scheduled Capacity"** "Open Access Approved Scheduled Capacity" shall mean the schedule of power approved by SLDC (incase of Intra-state power supply) or RLDC (incase of Inter-state power supply);

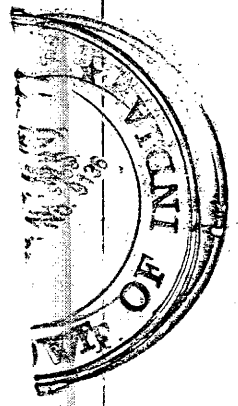
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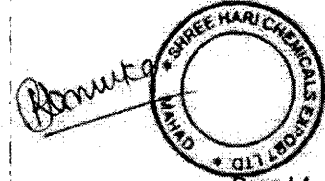
- "Payment Security Mechanism"** "Payment Security Mechanism" shall have the meaning as in Clause 11 as a mechanism adopted by Parties to secure fulfillment of any obligation or other liability of parties under this agreement;
- "Person"** "Person(s)" shall include any individual or association or body of individuals whether incorporated or not, company, firm, partnership, joint venture, association, syndicate or corporation;
- "Regulations"** "Regulations" shall include the regulations made or issued under Electricity Act 2003 and will also include but not limited to the Regulation made or issued by the Electricity Regulatory Commission and any circulars, directives, clarifications, policy matters issued by the Distribution Licensee, Transmission Licensee and SLDC relating to purchase of electricity under Open Access] by the Consumer;
- "RPC"** "RPC" means the Regional Power Committees set up by the Government of India under Section 55(2) of the Act for the Northern Region, Western Region, Southern Region, Eastern Region and Northeastern Region;
- "RLDC"** "RLDC" means the Regional Load Despatch Centre;
- "Rescheduling Charges"** "Rescheduling Charges" means charges applicable to transaction incase of re-scheduling by the Consumer as applicable under the specific NOC;
- "Scheduled Capacity"** "Scheduled Capacity" shall mean the capacity required to be delivered by Facilitator and required to be off taken by the Consumer at the Delivery Point, as per the schedule approved by the nodal agency (RLDC/SLDC) on a month ahead basis;
- "SLDC"** "SLDC" means the State Load Despatch Centre;
- "Statutory Cost"** "Statutory Cost" means the cost incurred by the Facilitator for delivery of the Scheduled Capacity at the Delivery Point by the Facilitator and for wheeling the Scheduled Capacity from and beyond the Delivery Point up to the Consumer's Premises, including inter alia open access charges, wheeling charges, cross subsidy surcharge, additional surcharge, transmission charges, losses, operation costs, RLDC charges, SLDC charges, securities, electricity duty, taxes and any other charges, payable under Applicable Law and as specified or implied in the NOC;
- "Rupees" or "INR"** "Rs." Or "Rupees" or "INR" means the currency in Indian Rupees;
- "Term"** "Term" shall have the meaning ascribed thereto in Clause 4;
- "Transaction"** "Transaction" means the understanding arrived at between the Parties for arranging the Scheduled Capacity by the Facilitator at the Delivery Point and its wheeling to the Consumer's Premises, in terms of this Agreement;
- "Tariff"** "Tariff" shall have the meaning ascribed to in Clause 7.

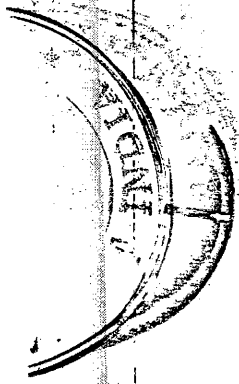
1.2 Interpretation

In this Agreement, unless the context otherwise requires or as otherwise expressly stated



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- (a) headings are for convenience only and shall not affect interpretation except to the extent, the context otherwise requires;
- (b) any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;
- (c) where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;
- (d) words importing the singular shall include the plural and vice versa;
- (e) words denoting individual shall include corporations and vice versa;
- (f) words denoting any gender shall include all genders;
- (g) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (h) any reference to day shall mean a reference to a calendar day;
- (i) any reference to month shall mean a reference to a calendar month;
- (j) unless otherwise stated, any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;

2. Arrangement of Contracted Capacity

2.1 The Facilitator agrees to facilitate the Consumer and the Consumer agrees to services of the Facilitator in getting the **Contracted Capacity** on a 24 hours round the clock basis (00:00 hours to 24:00 hours) at the Delivery Point: 1 MW, in accordance with the terms and conditions contained in this Agreement.

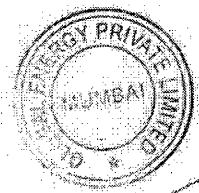
2.2

- (a) If Facilitator fails to arrange minimum 100% of the open access approved Scheduled Capacity in a calendar month, the Facilitator shall be liable to pay the Consumer, compensation at the rate of difference between Temporary tariff charged by Distribution Licensee (including all charges) and Tariff under this agreement, if any, actually paid by the Consumer to Distribution Licensee for difference between the 100% of the approved Scheduled Capacity and the quantum actually delivered at the Delivery Point;
- (b) If the Consumer require open access to re-schedule and in such an event fails to offtake minimum 90% of the approved Scheduled Capacity during a calendar month, Consumer shall be liable to pay the Facilitator, compensation at the rate of Rs. 5.35/kWH for the difference between the quantum of 90% of the open access approved Scheduled Capacity originally and the actual revised Scheduled Capacity;
- (c) For any compensation payable by Facilitator or Consumer (as the case may be), an invoice shall be raised and payment shall be made within 7 days from the date of receipt of the invoice.

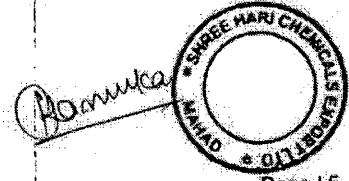
2.3 All Open Access transactions in the area of Maharashtra State Electricity Distribution Company Ltd (MSEDCL) are subject to the terms and conditions given by MSEDCL from time to time.

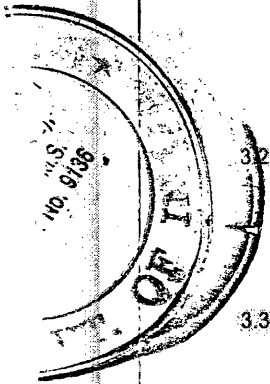
3. Scheduling and Despatch of Power

3.1 The Facilitator shall arrange the delivery of the open access approved Scheduled Capacity, as per agreed despatch schedule/quantum (MW) by the Consumer, at the Delivery Point and it shall be despatched in accordance with the Applicable Law including inter alia the Grid Code or State Grid Code.



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3.2 The Consumer shall request for reschedule of power to Facilitator not less than Three (3) days before the date of intended commencement of rescheduling incase of inter-state power supply and 5 hours in advance incase of intra-state power supply or as applicable as per rules & regulations from time to time, and Facilitator shall not withhold the consent subject to Consumer agrees to pay **Re-scheduling Charges**, as may be applicable from time to time, for the difference between the approved Scheduled Capacity and requested revision.

3.3 The Parties have agreed that any shortfall in off-take by the Consumer from the approved Scheduled Capacity by the Consumer, shall be to the Consumer's sole account and the Consumer shall in addition to the Re-scheduling Charges set out in Clause 3.2, shall also be liable to pay to the Facilitator the compensation under 2.2 (b).

3.4 The Facilitator shall have an absolute right to reschedule the Scheduled Capacity in the event of non- payment of energy bills by the Consumer within due date as per bills raised by the Facilitator or in case of not fulfilling any obligation by the Consumer as mentioned in Clause 11. In these circumstances penalty under Clause 2.2 (a) will not be attracted to the Facilitator.

4. Effectiveness and Term of Agreement

4.1 The Effective Date of this Agreement shall be on the occurrence of all of the following.

- (a) This Agreement is signed by both the Parties
- (b) The Consumer submits to Facilitator the Payment Security as defined herein into this Agreement
- (c) Date of start of open access power supply by the Facilitator

4.2 The Term for the facilitation to Power Supply of Contracted Capacity under this Agreement shall be of Thirteen (13) months from the Effective Date of this Agreement or from the first day of scheduling of the Scheduled Capacity, (hereinafter referred to as "Term"), unless terminated earlier in terms hereof or mutually agreed to extend thereafter..

5. Statutory Costs

5.1 The Statutory Costs, if any, up to the Delivery Point shall be borne by the Facilitator and beyond the Delivery Point up to the Consumer's Premises, if any, shall be the liability of and be borne solely by the Consumer.

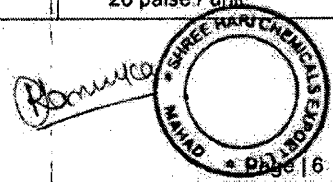
5.2 It is agreed that in case there is any change in the Statutory Costs (like wheeling charges, Wheeling losses, Transmission Charges, Transmission Losses, Cross Subsidy Surcharge, Electricity Duty, Taxes, any other duties or taxes etc.) incurred by the Facilitator, the same shall be passed on to the Consumer. If due to such change, the net landed Tariff becomes more than the MSEDCL tariff, it shall renegotiated by the Parties, through mutual discussions within seven days or a reasonable time. It is agreed between the Parties that renegotiated price shall be applicable from the date of change in Statutory Cost as intended above. It is also agreed between the Parties that if Parties do not arrive on mutual consent within seven (7) days of discussions then the Consumer shall bear the increased cost for approved scheduled power, and Facilitator shall have the right to reschedule the power to zero. It is further agreed that in such a situation, if the Facilitator reschedules the power to zero, the provisions of Clause 2.2 (a) shall not be applicable.

The prevalent applicable losses, charges, duties etc. as on date of this agreement as per MSEDCL circulars, MERC Orders and MSEDCL billing practices are as given in the below table:

Sr.	Type	Value
1.	Maharashtra STU Losses	3.89%
2.	Maharashtra STU Charges	26 paise / unit



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3.	Maharashtra Wheeling Losses at 11/22 kV voltage level	9%
4.	Maharashtra Wheeling Charges at 11/22 kV voltage level	83 paise / unit
5.	Cross Subsidy Surcharge at 11/22/132 kV	149 paise / unit
6.	LDCs Operating Charges	Rs 3000 per month
7.	Processing Fee	Rs 7,500 per month
8.	Application Fee	Rs. 10,000 per application
9.	MSEDCL Operating Charges	Rs 10,000 per month
10.	Electricity Duty on Open Access Power Purchase Quantum	0
11.	Tax on Open Access Power Purchase Quantum	0
12.	Renewable Power Obligation 9% (Non-Solar 8.5% & Solar 0.5%)	15 Paisa/kWH

5.3 The Consumer shall install ABT compliant/special energy meter as prescribed under relevant Regulations for availing Open Access during the Term of this Agreement at their own cost atleast before 7 days from the Effective Date of this Agreement. It is understood by the Parties that delay in such installation by the Consumer shall lead to delay in issuance of the NOC/ withdrawal of an issued NOC from the Distribution Licensee/ delay in scheduling of energy.

6. Consents

6.1 The Facilitator shall obtain and maintain at all times during the Term of this Agreement, the required Consents for delivering the Scheduled Capacity at the Delivery Point.

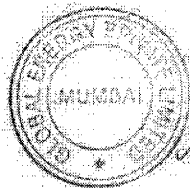
6.2 The Facilitator shall apply for NOC only after the Consumer consent. If any particular month if Consumer decides to no open access due to requirement is below 1MW, for same month this agreement will be treated as standby and no liabilities on either party for the same month.

7. Tariff

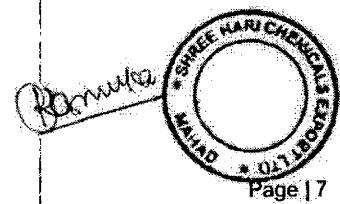
7.1 The Parties agree that during the Term of the Agreement, the Scheduled Capacity arranged by the Facilitator at the Delivery Point at a Tariff of Rs. 6.84/kWh ("Tariff") and Consumer shall pay at the said rate to the Facilitator.

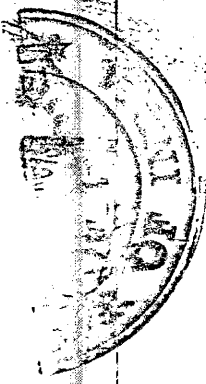
7.2 The Tariff includes the renewable purchase obligation to be fulfilled due to Open Access purchase of power. It would be the Facilitator's responsibility to get the renewable purchase obligation fulfilled at no extra cost, either through supply of renewable energy, or through purchasing Renewable Energy Certificates.

7.3 In the event of Non consumption of open access approved Scheduled Capacity by the Consumer such energy units will be considered as lapsed ("Lapsed Energy") and the Consumer shall be liable to pay to the Facilitator Tariff for such Lapsed Energy as per agreed Tariff. Notwithstanding the above, Facilitator shall not charge any of the charges imposed as a result of the regulation (like CSS, Etc.), on such Lapsed Energy from the consumer, as such charges are not payable by Facilitator to respective agency/DISCOM for the unconsumed scheduled units /Lapsed Energy.



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8. Energy Accounting

8.1 The Energy delivery measurement and accounting shall be in accordance with the prevalent norms and procedure of the Regional Power Committee (RPC)/RLDC/SLDC, whichever is applicable.

8.2 The measure of the open access approved Scheduled Capacity actually delivered at the Delivery Point during a month shall be based on the Regional Energy Account (REA) issued by the concerned RPC or Schedule approved by SLDC whichever is applicable and shall form the basis of final settlements, reconciliation and/or adjustments of billing for that month.

9. Billing Cycle

9.1 (a) The Open Access Charges shall be paid directly by the Consumer to RLDC on receipt of Approval of the Scheduled Contracted Capacity, during the preceding month. The current due date for such charges is within 3 days from issuance of the Approval by the RLDC. The Approval shall be treated as a proforma invoice and no separate document will be given by RLDC.

(b) The billing cycle shall be monthly for energy bills and the monthly bills shall be raised for the open access approved Scheduled Capacity, on a provisional basis, based on the implemented schedule of the concerned RLDC/SLDC.

9.2 Facilitator will raise provisional bills on a monthly basis as per the implemented schedule approved by Nodal agency for energy arranged to delivered/supplied during the preceding month. For the purpose of the monthly bills, each month shall be starting from 00:00 hours of the 1st day of the month to 24:00 hours of the last day of the month, respectively. The monthly bills shall be raised on or after the last day of the month and copy shall be sent through fax and mailed immediately and hard copy through courier, based on the implemented schedule of SLDC/ RLDC which shall be downloaded from its website for the Energy delivered at the Delivery Point. A monthly surcharge bill shall thereafter be raised by the Facilitator as and when the REA is received from the concerned RPC/SLDC or any other prevailing settlement provisions applicable in the state and this shall form the basis of final settlements, reconciliation and/or adjustments of billing for that month, if any.

9.3 The Consumer shall adjust the payment to RLDC as per clause 9.1 (a) from the first provisional bill of the same month for which the scheduling charges are paid. E.g. Payment to RLDC for scheduling power of October shall be made by Consumer in last week of September. This amount shall be adjusted by Consumer while settling the 1st provisional bill of October raised on 1st week of October.

10. Payment

10.1 The payment of the bills shall be made to the Facilitator by the Consumer within seven (7) days of the bill date ("Due Date") through RTGS, as per details notified to the Consumer by the Facilitator, and confirmation copy of all payments shall be sent through mail and hard copy of same through courier to the Facilitator. In case the Due Date falls on a national holiday and Bank holiday the next business day shall be deemed to be the Due Date.

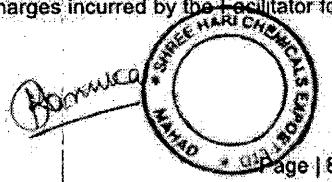
10.2 A delay payment surcharge of 1.5% per month shall be levied on all dues remaining unpaid after Due Date, to be calculated on daily basis, and to be paid and settled with the surcharge bill.

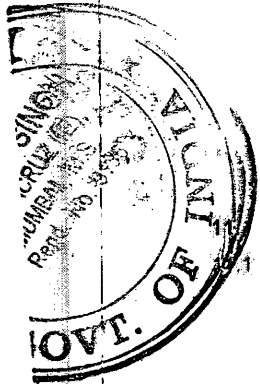
10.3 Further for any delays in compensation payment as referred in Clause 2.2 regarding minimum quantum to be scheduled, surcharge will be payable for the period of delay, at 1.5% per month charged on per day basis, to be paid and settled with the surcharge bill. However, it may be clarified that no rebate shall be applicable for timely payment on account of compensation.

10.4 If the payment remains unpaid by the Consumer for longer than fifteen (15) days from the date on which bill was raised then the Facilitator may stop supplying power under this Agreement with immediate effect. In such an event, the charges incurred by the Facilitator for



[Handwritten signature]





affecting changes in the approved Scheduled Capacity would be to the account of the Consumer

Payment Security Mechanism

To secure its payment obligations hereunder, the Consumer at the time of signing this Agreement or 15 days before the date of start of open access supply, shall furnish to Facilitator a [transferable Standby Letter of Credit in favour of the Facilitator/ Bank Guarantee] as per format provided in Annexure A to be drawn on State Bank of India or any other bank of equitable repute, for an amount equivalent to average 45 days billing of Facilitator.

11.2 The Payment Security may be invoked by the Facilitator, in full or in part, in the event the bills or any amounts payable by the Consumer remain outstanding beyond the Due Date, for recovering such amounts.

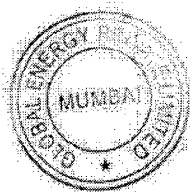
11.3 Upon invocation of the Security by the Facilitator in whole or in part, the Consumer shall, within three business days, replenish the security to its full amount agreed upon herein and failing which, the Facilitator may stop supplying power under this Agreement with immediate effect. In such an event, the charges incurred by the Facilitator for affecting changes in the approved Scheduled Capacity would be to the account of the Consumer

12. Force Majeure

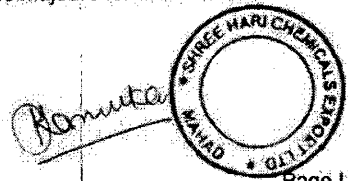
12.1 "Force Majeure" means any event or circumstance or combination of events or circumstances, direct and/or indirect, which is or are beyond the control of the affected Party and that results in or causes a material adverse effect on the ability of that Party (the "non-performing party") to perform any of its obligations under this Agreement, and which could not have been foreseen or prevented or avoided through reasonable care by the affected Party, and which having arisen could not have been reasonably avoided and includes:-

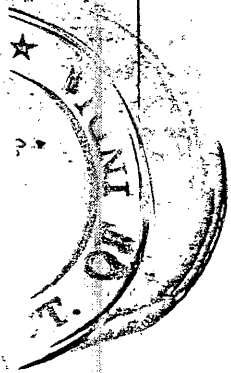
- (a) Act of war, invasion, armed conflict, blockade, revolution, riot, insurrection or civil commotion, terrorism, sabotage, fire, explosion or criminal damage;
- (b) Act of God, including lightning, cyclone, typhoon, flood, tidal wave, earthquake, landslide, epidemic or similar cataclysmic event;
- (c) Any event or circumstance where the Facilitator is unable to arrange for the Scheduled Capacity on account of termination and/or refusal on the part of the third party to sell power to the Facilitator as contracted under the power purchase agreement for any reason relating to force majeure event under that power purchase agreement;
- (d) Any other event or circumstance, which could not have been prevented by the exercise by the non-performing Party of reasonable skill and diligence or otherwise by the observance by the non-performing Party of prudent utility practices and including event of suspension;
- (e) The unlawful, unreasonable or discriminatory action, revocation or refusal to grant or renew, any Consent required by the Facilitator or Consumer to discharge its obligations herein;
- (f) Change in law, including regulatory/commercial Circulars/ statutory intervention in matters of open access, power trading etc. as also orders of CERC/ SERCs/ Appellate Tribunal of Electricity/ SLDC/ RLDC/ Distribution Licensee / Transmission Utility/ High Courts/ Supreme Court, particularly but not limited to clearances for open access, rates at which power can be sold/ purchased/ wheeled/ traded etc., and Regulations and orders that may be issued in future and/or already issued but yet to be conclusively enforced.
- (g) Any curtailment/suspension/non availability of transmission capacity, and/or any curtailment/suspension/ by concerned SLDCs and/or RLDCs, but not related to Distribution Company/ agency of the Consumer;

12.2 The Parties hereby clarify and agree that the Force Majeure shall not in any manner release Consumer from the obligation to pay Facilitator for the approved Scheduled Capacity already requisitioned and/ or approved for scheduling by Facilitator prior to the start of Force Majeure. It is clarified that inability to pay shall not constitute Force Majeure for the Consumer.



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12.3 Neither Party shall be liable for any claim nor any damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such failure is on account of Force Majeure.

12.4 Where a non-performing party is unable to perform its obligations under this Agreement by reason of Force Majeure, the non-performing party shall notify the other party as soon as practicable of the occurrence of Force Majeure but not later than 5 days, identifying the nature of the event or circumstance of Force Majeure, the expected duration of such Force Majeure, the particular obligations of the non-performing party which are affected by such Force Majeure and the period for which such obligations are expected to be so affected.

12.5 In the event of declaration of Force Majeure by either Party, either Party may issue a 30 days notice of Termination any time after such declaration. During such 30 days notice period, the Parties shall meet and endeavor to resolve the issue. In case the Force Majeure persists beyond 30 days of such notice, the Agreement shall be terminated as per provisions of this Agreement at the end of the 30 days notice period or as may be mutually agreed between the Parties.

12.6 The obligations of the Parties under this Agreement shall be suspended only to the extent that:

- (a) Such suspension is of no greater scope and no longer duration than is required by the effects of the relevant event or circumstance of Force Majeure; and
- (b) The non-performing party uses all reasonable efforts to remedy, as soon as practicable, its inability to perform the affected obligations.

13. Dispute Resolution

13.1 If any dispute or difference of any kind whatsoever ("Dispute") shall arise between the Parties in connection with or arising out of this Agreement or out of the breach, termination or invalidity of the Agreement hereof, the Parties shall resolve them by resort to the following in the order so mentioned:

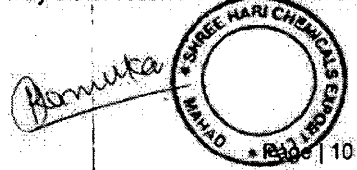
- (a) Parties shall attempt for a period of 30 days after receipt of notice by the other Party of the existence of a Dispute to settle such Dispute in the first instance by mutual discussions between the Parties.
- (b) In the event of such differences between the Parties failing settlement through mutual discussions amongst Parties concerned within one month, any Party may by a written notice of 30 days to the other Party or Parties refer the dispute for arbitration. The party having a grievance shall appoint an arbitrator of his own choice and serve a notice on the other party asking them to appoint an arbitrator of their choice within 30 days. The appointed arbitrators shall then appoint a Presiding Arbitrator.
- (c) The arbitration proceedings shall be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof. The arbitration proceedings shall be conducted in the English Language and the venue of the arbitration shall be Mumbai and the cost of arbitration proceeding would equally be shared by both the parties unless decided otherwise by the arbitration pursuant to award of Arbitration.
- (d) Courts in Mumbai shall have exclusive jurisdiction in respect of any dispute arising under this Agreement.

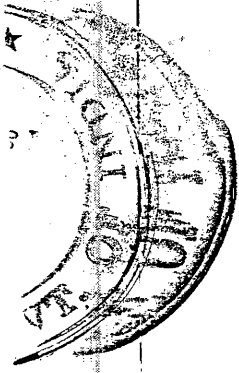
13.2 Notwithstanding the existence of any Dispute, whether referred to arbitration or not, the Parties hereto shall continue to perform their respective obligations under this Agreement throughout the Term of this Agreement and Consumer shall make the payments against the invoices, subject to the final outcome of the Dispute settlement procedure, as above.

13.3 For any dispute in invoice, the same shall be reported to the Facilitator by the Consumer within 2 days from receipt of the invoice. The Facilitator may either resolve the issue with an



[Handwritten signature]





explanation or correct the invoice to the mutual satisfaction of the Parties. In such an event the payments shall be made within 7 days from the date of receipt of the revised and corrected invoice, if any.

13.4 In case the Parties are unable to resolve the differences within 3 days from the day the dispute is reported by the Consumer, then the Consumer shall pay to the Facilitator such amount within the initial 7 days and both Parties shall work towards resolving the difference towards the disputed portion thereafter, Parties shall meet, if required and mutually discuss the issue to expedite resolution.

13.5 Notwithstanding the above, the Facilitator reserves the right to exercise the Payment Security Mechanism provided by the Consumer at any point of time during such an event, for dues pertaining to the power scheduled prior to the event of dispute.

14. Termination

14.1 Either Party may terminate this Agreement by giving a written termination notice of 30 days upon non-performance of this Agreement on account of a force majeure event or in the event as provided under this Agreement.

14.2 Termination of this Agreement shall be without prejudice to the accrued rights and liabilities of the Parties up to the date of termination, unless waived in writing by mutual agreement by the Parties.

15. Notice

15.1 All Notices required to be issued hereunder shall be delivered personally or by registered or certified mail or fax, or e-mail (upon successful transmission thereof) to the following addresses:

For Facilitator

Address : 6th Floor, Le Meridien Commercial Tower Raisina Road, New Delhi 110001
Attention : Managing Director
Facsimile No. : 011-43734466/77
Telephone No. : 011-43734400
Email : globalenergy@gmail.com

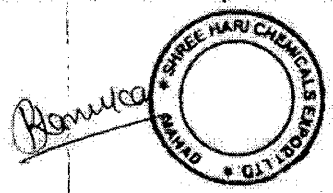
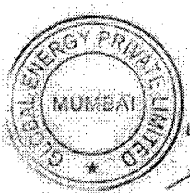
For Consumer

Address : 103/104, Unique Tower, S. V. Road, Near Karnat Club, Goregaon (W),
Mumbai 400 062
Attention : Managing Director
Facsimile No. : 022-28725033
Telephone No. : 022-28787081/82/83
Email : shreeharichem@gmail.com, mahad@shreeharichemicals.in

16. Representations and Warranties

16.1 Each Party hereby represents and warrants to the other Party that:

- (a) it is duly organised, validly existing and in good standing under the laws of the jurisdiction of its establishment or incorporation;
- (b) it has all requisite power, authority and approvals to enter into and perform its obligations under this Agreement;



- (c) its representative whose signature is affixed below hereto is fully authorised to sign this Agreement ;
- (d) this Agreement shall constitute the legal, valid and binding obligations of such Party, enforceable against it in accordance with its terms;
- (e) neither the execution of this Agreement, nor the performance of its obligations hereunder, will conflict with, or result in a breach of, or constitute a default under the articles of association or any other constitutional document of such Party, or any law, rule, regulation, authorisation or approval of any government agency or body, or of any agreement to which it is a party or is subject; and
- (f) there is no lawsuit, arbitration, or legal, administrative or other proceeding or governmental investigation pending or, to the best of the knowledge of such Party, threatened against it with respect to the subject matter of this Agreement or that would affect in any way its ability to enter into or perform its obligations under this Agreement.

16.2 The Parties agree that the representations and warranties in Clause 15.1 are true, accurate, complete and not misleading at the date of this Agreement.

16.3 The parties hereto covenant with each other that they will carry out the provisions of this Agreement in good faith and in the spirit it is executed.

17. Miscellaneous

17.1 This Agreement and its Annexures constitute the final, complete and exclusive statement of the agreement of the Parties with respect to the subject matter thereof. This Agreement constitutes the entire agreement of the Parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written. This agreement shall be read with all agreements, addendums, and modifications, supplement agreements, or any such documents duly signed by both the Parties subsequent to the date of this Agreement.

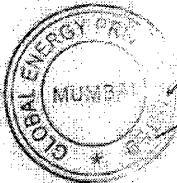
17.2 Confidentiality

The Parties will, at all times, maintain the utmost confidentiality of the "Confidential Information".

The Parties hereby unconditionally agree and undertake that they shall not disclose the terms and conditions of this Agreement except on the basis of written consent by the other Party.

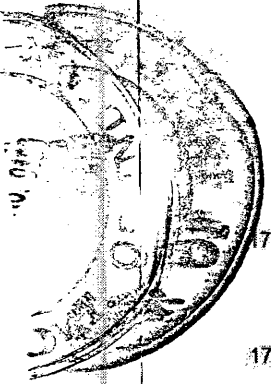
The confidentiality obligations contained herein shall not apply to (i) information that is already available in the public domain through no fault or action of the receiving party, or (ii) information that is received by a party from a third person without breach of a confidentiality obligation by such third person, or (iii) disclosure of any information by a party under any applicable law, rule, regulation or to a judicial, regulatory, quasi-judicial, administrative or governmental body or authority; failing which, Non Defaulting Party would have a right to charge appropriate compensation to Defaulting Party as may deem fit in the facts and circumstances by Non Defaulting Party.

"Confidential Information" for the purpose of this Agreement shall mean and include all communications and information whether written, visual or oral, and provided, sent, made or transmitted through physical, electronic, magnetic and whether or not marked as confidential, for or in relation to or in connection with this Agreement shall be 'confidential information'. Confidential information shall include, without limitation, the existence and terms of this Agreement and any discussions, summaries, analyses, studies, business plans, compilations or other documents, and further also includes all details, documents, data, applications, software, systems, papers, statements and business / customer information which is communicated in writing by either Party to the other.



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17.3 Assignment

The Parties shall not assign all or any part of the liability, obligation or benefit under this Agreement, without the express prior written consent of the other Party.

17.4 Amendment

This Agreement may be amended at any time by written agreement of the Parties. No variation shall be effective unless it is in writing and signed by duly authorised officer of each of the Parties.

17.5 No Agency

This Agreement shall not be construed by either party hereto as constituting an agent of the other.

17.6 Relationship

No provision of the Agreement shall be deemed to constitute a partnership or joint venture between the Consumer and the Facilitator.

17.7 Governing Law

This Agreement shall be governed by and construed in accordance with Applicable Law in India.

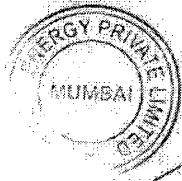
17.8 Non Circumvention

The Consumer agrees not to enter into any agreement or arrangement for supply of electricity, directly or indirectly, with a third party or for any other purpose appertaining to the foregoing during the Agreement Period and the Consumer further agrees not to enter into any agreement or arrangement, directly or indirectly with a third party from whom the electricity has/had been purchasing by the Facilitator upto Thirty Six (36) Months from the date of termination of this Agreement, without written consent from the Facilitator or subject to the terms and conditions decided by the Facilitator; failing which, Facilitator would have a right to charge appropriate compensation to Consumer as may deem fit in the facts and circumstances by the Facilitator.

Consumer agrees that monetary damages would not be sufficient remedy for a breach of this clause and that the Facilitator shall be entitled to specific performance or any other injunctive relief as a remedy in equity for any breach of this clause. The Consumer waives all its right to defend any action brought by the Facilitator for specific performance of injunctive relief. Any remedy shall not be deemed to be exhaustive or all inclusive and shall be in addition to any and other remedies which may be available to the Facilitator in law or equity. The Consumer agrees to deal exclusively with the Facilitator during the entire duration of contract, for any supply of power through Open Access.

17.9. Indemnification and Hold Harmless

Each Party shall indemnify, defend and hold harmless the other Party and its respective officers, directors, employees and agents and their nominees and Alternate Directors appointed by them (collectively the "Indemnified Persons") from and against any and all direct losses, claims, costs, liabilities, judgments, expenses or damages (including without limitation of reasonable attorney's fees) that the Indemnified Person may incur or suffer only as a direct result of or direct arising out of the breach of any representation, misrepresentation or obligation made by it under this Agreement.



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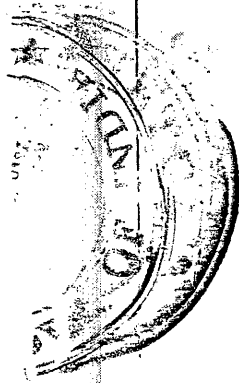
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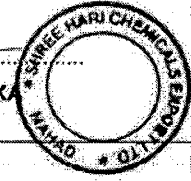
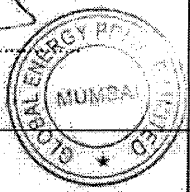
However, this limitation of liability shall not be applicable in case of gross negligence, willful misconduct or breach of any third party intellectual property rights by a party.

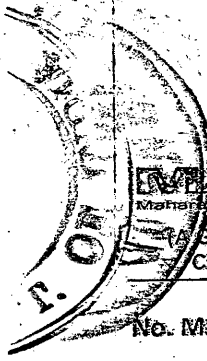
This Agreement is being executed in two counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed by their duly authorized representatives on the date and year first hereinabove written.



For and on behalf of Global Energy Private Limited  MIKHAIL DHAUL (Authorised signatory)	For and on behalf of Shree Hari Chemicals Export Limited  HANUMAN PRASAD RAMUKA (Authorised signatory)
In the presence of: Name: _____ Address: _____	In the presence of: Name: _____ Address: _____





MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
 Maharashtra State Electricity Distribution Co. Ltd.
 Govt. of Maharashtra Undertaking
 CIN: U40109MH2005SGC153645

Maharashtra State Electricity Distribution Co. Ltd.
 Office of the Chief Engineer (Commercial)
 "Prakashgad", 5th Floor, Station Road, Bandra (E), Mumbai -400 051.
 Tel: (P)26474753, (O) 26474211, Fax: (022) 26472366
 Email: cecomm@mahadiscom.in. Website: www.mahadiscom.com

No. MSEDCL/Comm/OA/

32044

Date: **21 OCT 2016**

To,
 The Secretary,
 Central Electricity Regulatory Commission,
 3rd & 4th Floor, Chanderlok Building,
 36, Janpath, New Delhi-110001.

Sub: Irregularities observed in open access electricity trading in Maharashtra State.
 Ref: 1. CERC (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009.
 2. CERC (Fixation of Trading Margin) Regulations, 2010 dated 11.01.2010.
 3. MERC (Distribution Open Access) Regulations, 2016.

Dear Sir,

In connection with above subject, it is to inform to this Hon'ble Commission that, the Electricity Trading Licence is granted by Hon'ble Central Electricity Regulatory Commission (CERC) subject to the terms and conditions contained in the Act and the Rules and Regulations framed there under from time to time.

The Electricity Trading Licence issued by this Honourable Commission pertinently mentions that, the trading margin in the inter-state trading of electricity fixed by CERC shall apply to the Trading Licensee.

Subsequently, this Honourable Commission felt necessary to fix trading margin for inter-State trading in electricity and accordingly notified the CERC (Fixation of Trading Margin) Regulations, 2010 dated 11.01.2010. These regulations are applicable to the short-term buy-short-term sell contracts for the inter-State trading in electricity undertaken by a licensee. As per these Regulations, the trading margin shall not exceed Rs. 0.04/0.07 per unit on the scheduled quantity of electricity under open access. The relevant extract is reproduced as follows:

Trading margin: The licensee shall not charge trading margin exceeding seven (7.0) paise/kWh in case the sale price is exceeding Rupees three (3.0)/kWh and four (4.0) paise/kWh where the sale price is less than or equal to Rupees three (3.0)/kWh. This margin shall include all charges, except the charges for scheduled energy, open access and transmission losses. The trading margin shall be charged on the scheduled quantity of electricity.

Further, as per the CERC (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009, amendment Dated the 11th October, 2012, it is

mandatory for electricity traders to submit the energy transacted by them to CERC. The relevant extract is reproduced as below:

(1) Clause (b) of Regulation 9 of Principal Regulations shall be substituted as under:
"(b) furnish monthly information in Forms IV-A, IV-B, IV-C, IV-D, IV-E, IV-F, IV-G and IV-H in respect of inter-State trading, intra-State trading, trading through power exchanges and long term trading, cross border trading and banking transactions so as to reach the Commission before 15th of the succeeding month.
Provided that the information sent to the Commission shall be posted on the website of the licensee by 15th of the succeeding month, and such report shall be available on the website for not less than two years."

It is to submit that, the traders trading electricity in Maharashtra have not been issued any license by the Hon'ble MERC and are rather trading in the state on the basis of the license granted by this Hon'ble Commission. We appreciate that by law these traders have been allowed to trade electricity throughout the country on the basis of the CERC license. However we humbly submit that if traders trade electricity using CERC license then the margins applicable to each such trader irrespective of the State in which they trade shall be applicable as fixed by this Hon'ble Commission and needs to furnish the information on the website.

However a reality check would reveal that most of these traders violate the mandatory margins, hence as per the license conditions, their licenses needs to be cancelled forthwith.

It is humbly submitted that, the Electricity trading licensees are not adhering to the above mentioned important Regulations and the information is not uploaded or partly uploaded. The details are as following:

Name of Trader	Website	Observation
M/s Mittal Processors Pvt. Ltd. 43/Trading/CERC dated 12.02.2009	www.mittalgroup.com	There are around eighty short term open access consumers applying on monthly basis. These STOA transactions are shown against long term contracts. Trading margin is not mentioned.
M/s Global Energy Pvt. Ltd. 41/Trading/CERC dated 28.11.2008		Information not uploaded on website.
M/s Manikaran Power Ltd.	www.manikaranpowerltd.in/cerc	The STOA transactions are shown against long term transactions. Trading margin is not mentioned.

It is to submit that, the Electricity Trading Licensees are executing the Supply Agreement with the consumers/ generators terming themselves as Facilitator to escape from their responsibilities which has been entrusted upon them vide various Regulations. The Supply Agreements are enclosed herewith for perusal. It is pertinent to mention that such an arrangement is nowhere envisaged under the Electricity Act, 2003.

It is to submit that, the Electricity Act, 2003 envisages for competition and benefit to the ultimate consumers/generators and this Honourable Commission has framed the Regulations accordingly. Prima facie it appears that, the trading licensees are not adhering to Regulations which is detriment to consumers/generators.

It is to submit that, the trading licensees are unlawfully generating windfall profits, was never the purpose of bringing competition in the market.

In view of above MSEDCL humbly request Hon'ble CERC to look into this matter and initiate appropriate action on these defaulting traders including revocation of the trading license.

Thanking you.

Yours faithfully,

(Signature) 21.10.16
Chief Engineer (Commercial)

Enclosure:

- Annexure 1: M/s Mittal Processors Pvt. Ltd is showing the short term transactions against long term and thereby not mentioning the trading margin.
- Annexure 2: M/s Manikaran Pvt. Ltd is showing the short term transactions against long term and thereby not mentioning the trading margin.
- Annexure 3: Sample Facilitation Agreement executed by M/s GEPL with consumer.

Copy s.w.r.s. to :-

1. The Director (Operations), MSEDCL, Mumbai.
2. The Executive Director (Commercial), MSEDCL, Mumbai.
3. M/s Mittal Processors Etd., G. T. Road Sewab, Panipat, Haryana.
4. M/s Adani Enterprises Ltd., Shikhar, Near Mithakali Circle, Navrangpura, Ahmedabad - 380009.
5. M/s Manikaran Power Etd., Kilburn Colony, P.O. Hinoo, Ranchi, Jharkhand - 834.002.
6. M/s Global Energy Pvt. Etd., 207, Gera Imperium II, Patta Plaza, Panjim, North Goa, Goa - 403001.
7. M/s JSW Power Trading Company Ltd., Upper Ground Floor, NBCC Tower 15 - Bhikaji Cama Place, New Delhi - 110066.
8. M/s PTC India Ltd., 2nd Floor, NBCC Tower, 15 - Bhikaji Cama Place, New Delhi - 110066.

Form IV D

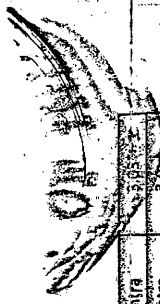
Long Term Inter State Transactions of Electricity by Trading Licensees

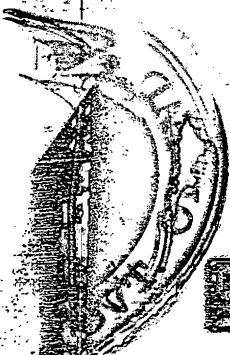
Mittra Processors Pvt Ltd
 43/Trading/CERC dated 12.02.2009, amended as Cat II license dated 11.08.2013 vide order dated 11.02.2013 (Pestion no. 256/RC/2012)

Month: June 2016

Sr.No.	Period of Power Delivery		Scheduled Volume (MWh)	Emphasised from		State	Name of the Buyer	Category	State	Sale Price (Rs./MWh)
	Start date (DD/MM/YYYY)	End date (DD/MM/YYYY)		Name of the Seller	Category					
A Inter State Trading Transactions										
1	01.06.2016	30.06.2016	1.04664	JPL	IPP	Chattisgarh	OMSSGL	Industry	Maharashtra	3.03*
2	01.06.2016	30.06.2016	1.57200	JPL	IPP	Chattisgarh	ENL	Industry	Maharashtra	3.03*
3	01.06.2016	30.06.2016	1.83600	JPL	IPP	Chattisgarh	ENL	Industry	Maharashtra	3.03*
4	01.06.2016	30.06.2016	0.34960	JPL	IPP	Chattisgarh	GWNL-Depe	Industry	Maharashtra	3.03*
5	01.06.2016	30.06.2016	0.4308	JPL	IPP	Chattisgarh	TPPL	Industry	Maharashtra	3.03*
6	01.06.2016	30.06.2016	1.0965	JPL	IPP	Chattisgarh	IGMSGL	Industry	Maharashtra	3.03*
7	01.06.2016	30.06.2016	1.224	OIL	IPP	Maharashtra	IGL Unit-3	Industry	Maharashtra	3.03*
8	01.06.2016	30.06.2016	1.1781	OIL	IPP	Maharashtra	IGL Unit-2	Industry	Maharashtra	3.03*
9	01.06.2016	30.06.2016	3.2688	JPL	IPP	Chattisgarh	TGL	Industry	Maharashtra	3.03*
10	01.06.2016	30.06.2016	2.06064	JPL	IPP	Chattisgarh	JSSGL	Industry	Maharashtra	3.03*
11	01.06.2016	30.06.2016	1.3998	JPL	IPP	Chattisgarh	JSSGL Unit 6	Industry	Maharashtra	3.03*
12	01.06.2016	30.06.2016	1.4598	OIL	IPP	Maharashtra	KFL	Industry	Maharashtra	3.03*
13	01.06.2016	30.06.2016	1.5350400	OIL	IPP	Maharashtra	KNLL	Industry	Maharashtra	3.03*
14	01.06.2016	30.06.2016	0.8328	JPL	IPP	Chattisgarh	KOPL	Industry	Maharashtra	3.03*
15	01.06.2016	30.06.2016	3.67968	JPL	IPP	Chattisgarh	MAIPL	Industry	Maharashtra	3.03*
16	01.06.2016	30.06.2016	3.024	JPL	IPP	Chattisgarh	NEL	Industry	Maharashtra	3.03*
17	01.06.2016	30.06.2016	1.67076	JPL	IPP	Chattisgarh	NITCO	Industry	Maharashtra	3.03*
18	01.06.2016	30.06.2016	1.6884	JPL	IPP	Chattisgarh	NOCL Ltd.	Industry	Maharashtra	3.03*
19	01.06.2016	30.06.2016	1.8936	JPL	IPP	Chattisgarh	RSSGL Unit-1	Industry	Maharashtra	3.03*
20	01.06.2016	30.06.2016	0.8496	JPL	IPP	Chattisgarh	VWPL	Industry	Maharashtra	3.03*
21	01.06.2016	30.06.2016	1.3032	JPL	IPP	Chattisgarh	GWRL Wal	Industry	Maharashtra	3.03*
22	01.06.2016	30.06.2016	2.24216	JPL	IPP	Chattisgarh	TESPL	Industry	Maharashtra	3.03*
23	01.06.2016	30.06.2016	0.74632	JPL	IPP	Chattisgarh	GPI	Industry	Maharashtra	3.03*
24	01.06.2016	30.06.2016	2.03912	JPL	IPP	Chattisgarh	GEIL	Industry	Maharashtra	3.03*
25	01.06.2016	30.06.2016	1.60524	JPL	IPP	Chattisgarh	HIKAL Ltd.	Industry	Maharashtra	3.03*
26	01.06.2016	30.06.2016	1.17392	JPL	IPP	Chattisgarh	IL	Industry	Maharashtra	3.03*
27	01.06.2016	30.06.2016	1.224	JPL	IPP	Chattisgarh	TCMPMSGL	Industry	Maharashtra	3.03*
28	01.06.2016	30.06.2016	1.73242	JPL	IPP	Chattisgarh	RSSGL Unit-2	Industry	Maharashtra	3.03*
29	01.06.2016	30.06.2016	2.382	JPL	IPP	Chattisgarh	RCPL	Industry	Maharashtra	3.03*
30	01.06.2016	30.06.2016	2.81456	JPL	IPP	Chattisgarh	RIL	Industry	Maharashtra	3.03*
31	01.06.2016	30.06.2016	0.923500	DIL	IPP	Maharashtra	ABATSS	Industry	Maharashtra	3.03*
32	01.06.2016	30.06.2016	2.4480000	JPL	IPP	Chattisgarh	BSW566GL	Industry	Maharashtra	3.03*

Sl. No.	Date	Particulars	Debit		Credit		Balance	Remarks
			Rs.	Paise	Rs.	Paise		
75	01.06.2016	30.06.2016	15,85,32,500					Industry - Maharashtra
77	03.06.2016	04.06.2016	0,56,99,525					Industry - Maharashtra
78	08.06.2016	30.06.2016	0,80,00,000					Commercial Hotel - Delhi
		TOTAL	150,22,25,525					





MERTZ MANIKARAN POWER LTD

Form IV-E
Intra-State Transactions of Electricity by Trading Licensees
Name of the Trading Licensee:- MANIKARAN POWER LTD.
Month:- DECEMBER, 2015

Sr.No	Total Transacted Volume (MUs)	State
Short Term Transactions		
1	2864400	GUJARAT
2	1723200	MAHARASTRA
2	0684000	ODISHA
Long Term Transactions		
1	4440000	GUJARAT
2	2162500	MAHARASTRA

2015 FEB 16



MAHARASHTRA © 2015 PA 520925

भारतीय न्यायिक प्रमाणित
 8 JAN 2015
 भारतीय न्यायिक प्रमाणित

POWER SUPPLY FACILITATION AGREEMENT

This Power Supply Facilitation Agreement (hereinafter referred to as "Agreement") is entered into on this 10th day of February, 2015 (Two thousand and Sixteen) at Mumbai.

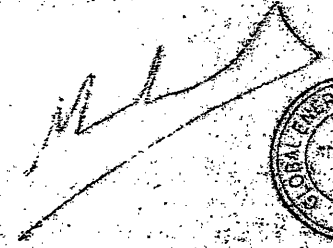
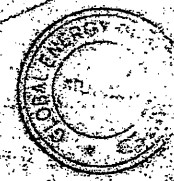
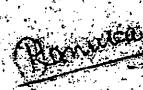

BY AND BETWEEN:

Global Energy Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at - 207, Gera Imperium II, Patis Plaza, Panjim, North Goa, Goa - 403001, India and one of its offices at 103, 10th Floor, Maker Chamber VI, Naaman Point Mumbai - 400021 (hereinafter referred to as "Facilitator", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its administrators, successors and assigns)

AND

Shree Hari Chemicals Export Ltd, a company incorporated under the Companies Act, 1956, having its registered office at A/8 MIDC Industrial Area Mahad, Dist Raigad, Pin Code 402309, Maharashtra, India (hereinafter referred to as "Consumer" which expression shall unless repugnant to the context or meaning thereof be deemed to include its administrators, successors and permitted assigns)

Each of Facilitator and Consumer shall be referred to individually as "Party" and collectively as "Parties" as the case may be.

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WHEREAS

The Consumer is connected to the distribution or transmission system being maintained and operated by the Distribution / Transmission Licensee and is desirous of procuring the Contracted Capacity, as an open access consumer under the provisions of the Electricity Act, 2003 ("Act") and Facilitator would facilitate the Consumer in getting the said desired Contracted Capacity from the market.

B. The Facilitator understands the dynamics of energy market in India and having expertise in facilitating the Consumer in getting the desired Contract Capacity within the ambit of rules and regulation as envisaged in the Electricity Act, 2003 and will facilitate in delivery of the Contracted Capacity to the Consumer, subject to the terms and conditions contained in this Agreement.

C. The Parties signed a Letter of Intent for purchase of power on 25/01/2016 (a copy of the Letter Of Intent dated 25/01/2016 is annexed hereto and marked as Annexure "A") and now the Facilitator is desirous of facilitate the Consumer in getting the desired Contract Capacity and the Consumer agree to take the Contracted Capacity through the Facilitator for self-consumption on the terms and conditions set out herein.

NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:

1. Definitions:

1.1 In this Agreement, the following words and expressions, unless inconsistent with the context, shall bear the meanings assigned to them below:-

"Act" "Act" shall mean the Electricity Act, 2003, and Rules framed there under and include any modifications, amendments and substitution from time to time;

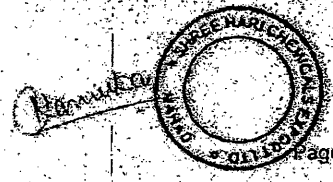
"Affiliate" "Affiliate" of any Party means any entity that controls the said Party or is controlled by said Party or is under common control with said Party, provided that for an entity to qualify to be an "Affiliate" of a Party, that Party shall hold or control a minimum of 51 percent of the voting share capital or voting power of such entity or the entity which controls the said Party shall hold a minimum of 51 percent of the voting share capital or voting power of such Party; where "control" means power and ability to direct the management and policies of the controlled enterprise;

"Agreement" "Agreement" shall mean this Agreement, executed by and between the Facilitator and Consumer to facilitate by the Facilitator in getting the Contract Capacity of the Consumer at the Delivery Point on agreed terms and conditions;

"Applicable Law" "Applicable Law" shall mean and include the Electricity Act, 2003; electricity rules, Regulations and all statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, notifications, guidelines, policies, directions, directives, clarifications and codes applicable to the Transaction and to the wheeling of the Scheduled Capacity from the Delivery Point to the Consumer's Premises;

"Appropriate Commission" "Appropriate Commission" shall mean the Central Electricity Regulatory Commission (CERC) referred to in sub-section (1) of section 76 or the State Electricity Regulatory Commission (SERC) referred to in section 82 or the Joint Electricity Regulatory Commission (JERC) referred to in Section 83 of the Electricity Act 2003, as the case may be, exercising jurisdiction over this Power

Handwritten signature of a party.





Supply Facilitation Agreement between the Facilitator and Consumer

"Consents"

"Consents" shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, no objection certificate or concessions required to be obtained under Applicable Law for the purpose of delivering the Scheduled Capacity at the Delivery Point and for wheeling the Scheduled Capacity to the Consumer's Premises;

"Contracted Capacity"

"Contracted Capacity" shall mean upto 1 MW of electricity to be arranged by the Facilitator to the Consumer at the Delivery Point in terms of this Agreement.

"Consumer's Premises"

"Consumer's Premises" shall mean A/B MIDC Industrial Area Mahad, Dist Raigad, Pin Code 402309, Maharashtra, India;

"Delivery Point"

"Delivery Point" shall mean agreed delivery point of the Consumer and Maharashtra STU/ DISCOM/ Region/ Any other agency/ franchisee as applicable, having meter no. 02811503;

"Distribution Licensee"

"Distribution Licensee" shall mean MSEDCL (Maharashtra State Electricity Distribution Company Limited) a company incorporated under the Companies Act 1956, having its registered office at Maharashtra State Electricity Distribution Company Limited, Hongkong Bank Building, M. G. Road, Fort, Mumbai-400001, or its franchisee, which is the licensee supplying electricity to consumers in the area where the Consumer's Premises is located;

"Effective Date"

"Effective Date" means the date when this Agreement becomes effective in its entirety in accordance with clause 4.1.

"Event of Suspension"

of "Event of Suspension" - shall mean the duration of period that starts from the date when Facilitator applies for change of generator or source, if required, before any competent authority to till the time of approval from the competent authority and its implementation;

"Grid Code" or "State Grid Code"

"Grid Code" or "State Grid Code" shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time; and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Subsection (1) of Section 86 of the Electricity Act 2003, as applicable;

"NOC" or No Objection Certificate

"NOC" shall mean the No Object Certificate/ Open Access permission/ Approval issued by the Distribution Licensee/ SLDC/ Transco/ any other relevant authority as may be applicable from time to time;

"Open Access"

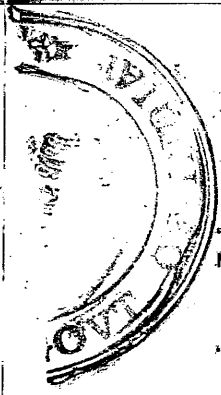
"Open Access" shall mean open access as defined in the Electricity Act 2003 and as may be amended from time to time;

"Open Access Approved Scheduled Capacity"

"Open Access Approved Scheduled Capacity" shall mean the schedule of power approved by SLDC (in case of Intra-state power supply) or RLDC (in case of Inter-state power supply);

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Official circular stamp with text 'STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED' and 'MUMBAI'.



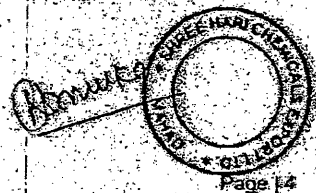
- "Payment Security Mechanism"** "Payment Security Mechanism" shall have the meaning as in Clause 11 as a mechanism adopted by Parties to secure fulfillment of any obligation or other liability of parties under this agreement.
- "Person"** "Person(s)" shall include any individual or association or body of individuals, whether incorporated or not, company, firm, partnership, joint venture, association, syndicate or corporation.
- "Regulations"** "Regulations" shall include the regulations made or issued under Electricity Act 2003 and will also include but not limited to the Regulation made or issued by the Electricity Regulatory Commission and any circulars, directives, clarifications, policy matters issued by the Distribution Licensee, Transmission Licensee and SLDC relating to purchase of electricity under Open Access by the Consumer.
- "RPC"** "RPC" means the Regional Power Committees set up by the Government of India under Section 55(2) of the Act for the Northern Region, Western Region, Southern Region, Eastern Region and Northeastern Region.
- "RLDC"** "RLDC" means the Regional Load Despatch Centre.
- "Rescheduling Charges"** "Rescheduling Charges" means charges applicable to transaction in case of re-scheduling by the Consumer as applicable under the specific NOC.
- "Scheduled Capacity"** "Scheduled Capacity" shall mean the capacity required to be delivered by Facilitator and required to be off taken by the Consumer at the Delivery Point, as per the schedule approved by the nodal agency (RLDC/SLDC), on a month ahead basis.
- "SLDC"** "SLDC" means the State Load Despatch Centre.
- "Statutory Cost"** "Statutory Cost" means the cost incurred by the Facilitator for delivery of the Scheduled Capacity at the Delivery Point by the Facilitator and for wheeling the Scheduled Capacity from and beyond the Delivery Point up to the Consumer's Premises, including inter alia open access charges, wheeling charges, cross subsidy surcharge, additional surcharge, transmission charges, losses, operation costs, RLDC charges, SLDC charges, securities, electricity duty, taxes and any other charges payable under Applicable Law and as specified or implied in the NOC.
- "Rupees" or "INR"** "Rs." or "Rupees" or "INR" means the currency in Indian Rupees.
- "Term"** "Term" shall have the meaning ascribed thereto in Clause 4.
- "Transaction"** "Transaction" means the understanding arrived at between the Parties for arranging the Scheduled Capacity by the Facilitator at the Delivery Point and its wheeling to the Consumer's Premises, in terms of this Agreement.
- "Tariff"** "Tariff" shall have the meaning ascribed to in Clause 7.

1.2 Interpretation

In this Agreement unless the context otherwise requires or as otherwise expressly stated



M. L.





- (a) headings are for convenience only and shall not affect interpretation except to the extent the context otherwise requires;
- (b) any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;
- (c) where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;
- (d) words importing the singular shall include the plural and vice versa;
- (e) words denoting individual shall include corporations and vice versa;
- (f) words denoting any gender shall include all genders;
- (g) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (h) any reference to day shall mean a reference to a calendar day;
- (i) any reference to month shall mean a reference to a calendar month;
- (j) unless otherwise stated, any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates.

2. Arrangement of Contracted Capacity

2.1 The Facilitator agrees to facilitate the Consumer and the Consumer agrees to services of the Facilitator in getting the Contracted Capacity on a 24 hours round the clock basis (00:00 hours to 24:00 hours) at the Delivery Point 1 MW, in accordance with the terms and conditions contained in this Agreement.

2.2

- (a) If Facilitator fails to arrange minimum 100% of the open access approved Scheduled Capacity in a calendar month, the Facilitator shall be liable to pay the Consumer, compensation at the rate of difference between Temporary tariff charged by Distribution Licensee (including all charges) and Tariff under this agreement, if any, actually paid by the Consumer to Distribution Licensee for difference between the 100% of the approved Scheduled Capacity and the quantum actually delivered at the Delivery Point;
- (b) If the Consumer require open access to re-schedule and in such an event fails to off-take minimum 90% of the approved Scheduled Capacity during a calendar month, Consumer shall be liable to pay the Facilitator, compensation at the rate of Rs. 5.35/kWh for the difference between the quantum of 90% of the open access approved Scheduled Capacity originally and the actual revised Scheduled Capacity;
- (c) For any compensation payable by Facilitator or Consumer (as the case may be), an invoice shall be raised and payment shall be made within 7 days from the date of receipt of the invoice.

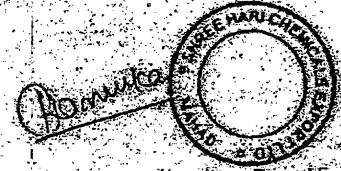
2.3 All Open Access transactions in the area of Maharashtra State Electricity Distribution Company Ltd (MSEDCL) are subject to the terms and conditions given by MSEDCL from time to time.

3. Scheduling and Dispatch of Power

3.1 The Facilitator shall arrange the delivery of the open access approved Scheduled Capacity, as per agreed dispatch schedule quantum (MW) by the Consumer, at the Delivery Point and it shall be despatched in accordance with the Applicable Law including inter alia the Grid Code or State Grid Code.



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3.2 The Consumer shall request for reschedule of power to Facilitator not less than Three (3) days before the date of intended commencement of rescheduling in case of inter-state power supply and 5 hours in advance in case of intra-state power supply or as applicable as per rules & regulations from time to time, and Facilitator shall not withhold the consent subject to Consumer agrees to pay Re-scheduling Charges, as may be applicable from time to time, for the difference between the approved Scheduled Capacity and requested revision.

3.3 The Parties have agreed that any shortfall in off-take by the Consumer from the approved Scheduled Capacity by the Consumer, shall be to the Consumer's sole account and the Consumer shall in addition to the Re-scheduling Charges set out in Clause 3.2, shall also be liable to pay to the Facilitator the compensation under 2.2 (b).

3.4 The Facilitator shall have an absolute right to reschedule the Scheduled Capacity in the event of non-payment of energy bills by the Consumer within due date as per bills raised by the Facilitator or in case of not fulfilling any obligation by the Consumer as mentioned in Clause 1.1. In these circumstances penalty under Clause 2.2 (a) will not be attracted to the Facilitator.

4. Effectiveness and Term of Agreement

4.1 The Effective Date of this Agreement shall be on the occurrence of all of the following:

- (a) This Agreement is signed by both the Parties
- (b) The Consumer submits to Facilitator the Payment Security as defined herein into this Agreement
- (c) Date of start of open access power supply by the Facilitator

4.2 The Term for the facilitation to Power Supply of Contracted Capacity under this Agreement shall be of Thirteen (13) months from the Effective Date of this Agreement or from the first day of scheduling of the Scheduled Capacity, (hereinafter referred to as "Term"), unless terminated earlier in terms hereof or mutually agreed to extend thereafter.

5. Statutory Costs

5.1 The Statutory Costs, if any, up to the Delivery Point shall be borne by the Facilitator and beyond the Delivery Point up to the Consumer's Premises, if any, shall be the liability of and be borne solely by the Consumer.

5.2 It is agreed that in case there is any change in the Statutory Costs (like wheeling charges, Wheeling losses, Transmission Charges, Transmission Losses, Cross Subsidy Surcharge, Electricity Duty, Taxes, any other duties or taxes etc.) incurred by the Facilitator, the same shall be passed on to the Consumer. If due to such change, the net landed Tariff becomes more than the MSEDCL tariff, it shall renegotiated by the Parties through mutual discussions within seven days or a reasonable time. It is agreed between the Parties that renegotiated price shall be applicable from the date of change in Statutory Cost as intended above. It is also agreed between the Parties that if Parties do not arrive on mutual consent within seven (7) days of discussions then the Consumer shall bear the increased cost for approved scheduled power, and Facilitator shall have the right to reschedule the power to zero. It is further agreed that in such a situation, if the Facilitator reschedules the power to zero, the provisions of Clause 2.2 (a) shall not be applicable.

The prevalent applicable losses, charges, duties etc. as on date of this agreement as per MSEDCL circulars, MERC Orders and MSEDCL billing practices are as given in the below table:

Sl.	Type	Value
1.	Maharashtra STU Losses	3.69%
2.	Maharashtra STU Charges	26 paise/unit



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3.	Maharashtra Wheeling Losses at 11/22 KV voltage level	9%
	Maharashtra Wheeling Charges at 11/22 KV voltage level	83 paise / unit
	Cross-Subsidy Surcharge at 11/22/132 KV	149 paise / unit
6.	LTDS Operating Charges	Rs. 3000 per month
7.	Processing Fee	Rs. 7,500 per month
8.	Application Fee	Rs. 10,000 per application
9.	MSEDCL Operating Charges	Rs. 10,000 per month
10.	Electricity Duty on Open Access Power Purchase Quantum	0
11.	Tax on Open Access Power Purchase Quantum	0
12.	Renewable Power Obligation-9% (Non-Solar 8.5% & Solar 0.5%)	15 Paise/KWH

5.3 The Consumer shall install ABT compliant/special energy meter as prescribed under relevant Regulations for availing Open Access during the Term of this Agreement at their own cost atleast before 7 days from the Effective Date of this Agreement. It is understood by the Parties that delay in such installation by the Consumer shall lead to delay in issuance of the NOC/ withdrawal of an issued NOC from the Distribution Licensee/ delay in scheduling of energy.

6. Consents

6.1 The Facilitator shall obtain and maintain at all times during the Term of this Agreement, the required Consents for delivering the Scheduled Capacity at the Delivery Point.

6.2 The Facilitator shall apply for NOC only after the Consumer consent. If any particular month if Consumer decides to no open access due to requirement is below 1MW, for same month this agreement will be treated as standby and no liabilities on either party for the same month.

7. Tariff

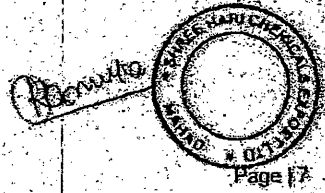
7.1 The Parties agree that during the Term of the Agreement, the Scheduled Capacity arranged by the Facilitator at the Delivery Point at a Tariff of RS. 6.84/KWH ("Tariff") and Consumer shall pay at the said rate to the Facilitator.

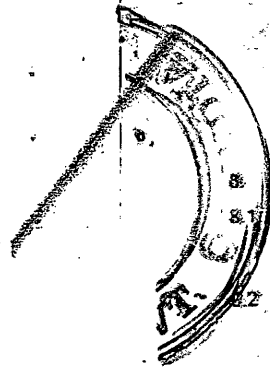
7.2 The Tariff includes the renewable purchase obligation to be fulfilled due to Open Access purchase of power. It would be the Facilitator's responsibility to get the renewable purchase obligation fulfilled at no extra cost, either through supply of renewable energy, or through purchasing Renewable Energy Certificates.

7.3 In the event of Non consumption of open access approved Scheduled Capacity by the Consumer such energy units will be considered as lapsed ("Lapsed Energy") and the Consumer shall be liable to pay to the Facilitator Tariff for such Lapsed Energy as per agreed Tariff. Notwithstanding the above, Facilitator shall not charge any of the charges imposed as a result of the regulation (like CSS, Etc.) on such Lapsed Energy from the consumer, as such charges are not payable by Facilitator to respective agency/DISCOM for the unconsumed scheduled units/Lapsed Energy.



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Energy Accounting

The Energy delivery measurement and accounting shall be in accordance with the prevalent norms and procedure of the Regional Power Committee (RPC)/RLDC/SLDC, whichever is applicable.

The measure of the open access approved Scheduled Capacity, actually delivered at the Delivery Point during a month shall be based on the Regional Energy Account (REA) issued by the concerned RPC or Schedule approved by SLDC whichever is applicable and shall form the basis of final settlements, reconciliation and/or adjustments of billing for that month.

9. Billing Cycle:

(a) The Open Access Charges shall be paid directly by the Consumer to RLDC on receipt of Approval of the Scheduled Contracted Capacity, during the preceding month. The current due date for such charges is within 3 days from issuance of the Approval by the RLDC. The Approval shall be treated as a proforma invoice and no separate document will be given by RLDC.

(b) The billing cycle shall be monthly for energy bills and the monthly bills shall be raised for the open access approved Scheduled Capacity on a provisional basis, based on the implemented schedule of the concerned RLDC/SLDC.

9.2 Facilitator will raise provisional bills on a monthly basis as per the implemented schedule approved by Nodal agency for energy arranged to delivered/supplied during the preceding month. For the purpose of the monthly bills, each month shall be starting from 00:00 hours of the 1st day of the month to 24:00 hours of the last day of the month, respectively. The monthly bills shall be raised on or after the last day of the month and copy shall be sent through fax and mailed immediately and hard copy through courier, based on the implemented schedule of SEDC/RLDC which shall be downloaded from its website for the Energy delivered at the Delivery Point. A monthly surcharge bill shall thereafter be raised by the Facilitator as and when the REA is received from the concerned RPC/SLDC or any other prevailing settlement provisions applicable in the state and this shall form the basis of final settlements, reconciliation and/or adjustments of billing for that month, if any.

9.3 The Consumer shall adjust the payment to RLDC as per clause 9.1 (a) from the first provisional bill of the same month for which the scheduling charges are paid. E.g. Payment to RLDC for scheduling power of October shall be made by Consumer in last week of September. This amount shall be adjusted by Consumer while settling the 1st provisional bill of October raised on 1st week of October.

10. Payment:

10.1 The payment of the bills shall be made to the Facilitator by the Consumer within seven (7) days of the bill date ("Due Date") through RTGS, as per details notified to the Consumer by the Facilitator, and confirmation copy of all payments shall be sent through mail and hard copy of same through courier to the Facilitator. In case the Due Date falls on a national holiday and Bank holiday the next business day shall be deemed to be the Due Date.

10.2 A delay payment surcharge of 1.5% per month shall be levied on all dues remaining unpaid after Due Date, to be calculated on daily basis, and to be paid and settled with the surcharge bill.

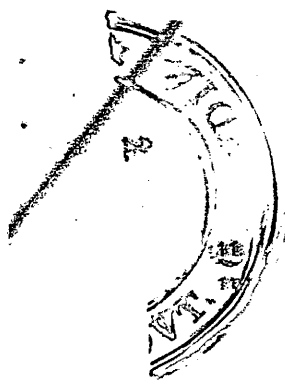
10.3 Further for any delays in compensation payment as referred in Clause 2.2 regarding minimum quantum to be scheduled, surcharge will be payable for the period of delay, at 1.5% per month charged on per day basis, to be paid and settled with the surcharge bill. However, it may be clarified that no rebate shall be applicable for timely payment on account of compensation.

10.4 If the payment remains unpaid by the Consumer for longer than fifteen (15) days from the date on which bill was raised then the Facilitator may stop supplying power under this Agreement with immediate effect. In such an event, the charges incurred by the Facilitator for



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affecting changes in the approved Scheduled Capacity would be to the account of the Consumer.

Payment Security Mechanism

To secure its payment obligations hereunder, the Consumer at the time of signing this Agreement or 15 days before the date of start of open access supply, shall furnish to Facilitator a Transferable Standby Letter of Credit in favour of the Facilitator Bank Guaranteed as per format provided in Annexure A to be drawn on State Bank of India or any other bank of equitable repute, for an amount equivalent to average 45 days billing of Facilitator.

11.2 The Payment Security may be invoked by the Facilitator, in full or in part, in the event the bills or any amounts payable by the Consumer remain outstanding beyond the Due Date, for recovering such amounts.

11.3 Upon invocation of the Security by the Facilitator in whole or in part, the Consumer shall, within three business days, replenish the security to its full amount agreed upon herein and failing which, the Facilitator may stop supplying power under this Agreement with immediate effect. In such an event, the charges incurred by the Facilitator for affecting changes in the approved Scheduled Capacity would be to the account of the Consumer.

12. Force Majeure

12.1 "Force Majeure" means any event or circumstance or combination of events or circumstances, direct and/or indirect, which is or are beyond the control of the affected Party and that results in or causes a material adverse effect on the ability of that Party (the non-performing party) to perform any of its obligations under this Agreement, and which could not have been foreseen or prevented or avoided through reasonable care by the affected Party, and which having arisen could not have been reasonably avoided and includes:-

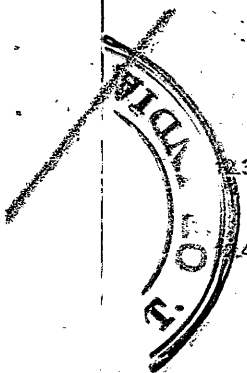
- (a) Act of war, invasion, armed conflict, blockade, revolution, riot, insurrection or civil commotion, terrorism, sabotage, fire, explosion or criminal damage;
- (b) Act of God, including lightning, cyclone, typhoon, flood, tidal wave, earthquake, landslide, epidemic or similar cataclysmic event;
- (c) Any event or circumstance where the Facilitator is unable to arrange for the Scheduled Capacity on account of termination and/or refusal on the part of the third party to sell power to the Facilitator as contracted under the power purchase agreement for any reason relating to force majeure event under that power purchase agreement;
- (d) Any other event or circumstance, which could not have been prevented by the exercise by the non-performing Party of reasonable skill and diligence or otherwise by the observance by the non-performing Party of prudent utility practices and including event of suspension;
- (e) The unlawful, unreasonable or discriminatory action, revocation or refusal to grant or renew, any Consent required by the Facilitator or Consumer to discharge its obligations herein;
- (f) Change in law, including regulatory/commercial Circulars/ statutory intervention in matters of open access, power trading etc. as also orders of CERC/ SERCs/ Appellate Tribunal of Electricity/ SEDCs/ RLDGs/ Distribution Licensee / Transmission Utility/ High Courts/ Supreme Court, particularly but not limited to clearances for open access, rates at which power can be sold/ purchased/ wheeled/ traded etc., and Regulations and orders that may be issued in future and/or already issued but yet to be conclusively enforced.
- (g) Any curtailment/suspension/non availability of transmission capacity, and/or any curtailment/suspension/ by concerned SEDCs and/or RLDGs, but not related to Distribution Company/ agency of the Consumer.

12.2 The Parties hereby clarify and agree that the Force Majeure shall not in any manner release Consumer from the obligation to pay Facilitator for the approved Scheduled Capacity already requisitioned and/or approved for scheduling by Facilitator prior to the start of Force Majeure. It is clarified that inability to pay shall not constitute Force Majeure for the Consumer.



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12.3 Neither Party shall be liable for any claim nor any damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such failure is on account of Force Majeure.

12.4 Where a non-performing party is unable to perform its obligations under this Agreement by reason of Force Majeure, the non-performing party shall notify the other party as soon as practicable of the occurrence of Force Majeure but not later than 5 days, identifying the nature of the event or circumstance of Force Majeure, the expected duration of such Force Majeure, the particular obligations of the non-performing party which are affected by such Force Majeure and the period for which such obligations are expected to be so affected.

12.5 In the event of declaration of Force Majeure by either Party, either Party may issue a 30 days notice of Termination any time after such declaration. During such 30 days notice period, the Parties shall meet and endeavor to resolve the issue. In case the Force Majeure persists beyond 30 days of such notice, the Agreement shall be terminated as per provisions of this Agreement at the end of the 30 days notice period or as may be mutually agreed between the Parties.

12.6 The obligations of the Parties under this Agreement shall be suspended only to the extent that
(a) Such suspension is of no greater scope and no longer duration than is required by the effects of the relevant event or circumstance of Force Majeure; and
(b) The non-performing party uses all reasonable efforts to remedy, as soon as practicable, its inability to perform the affected obligations.

13. Dispute Resolution.

13.1 If any dispute or difference of any kind whatsoever ("Dispute") shall arise between the Parties in connection with or arising out of this Agreement or out of the breach, termination or invalidity of the Agreement hereof, the Parties shall resolve them by resort to the following in the order so mentioned:

(a) Parties shall attempt for a period of 30 days after receipt of notice by the other Party of the existence of a Dispute to settle such Dispute in the first instance by mutual discussions between the Parties.

(b) In the event of such differences between the Parties failing settlement through mutual discussions amongst Parties concerned within one month, any Party may by a written notice of 30 days to the other Party or Parties refer the dispute to arbitration. The party having a grievance shall appoint an arbitrator of his own choice and serve a notice on the other party asking them to appoint an arbitrator of their choice within 30 days. The appointed arbitrators shall then appoint a Presiding Arbitrator.

(c) The arbitration proceedings shall be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof. The arbitration proceedings shall be conducted in the English Language and the venue of the arbitration shall be Mumbai and the cost of arbitration proceeding would equally be shared by both the parties unless decided otherwise by the arbitration pursuant to award of Arbitration.

(d) Courts in Mumbai shall have exclusive jurisdiction in respect of any dispute arising under this Agreement.

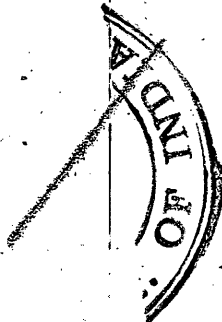
13.2 Notwithstanding the existence of any Dispute, whether referred to arbitration or not, the Parties hereto shall continue to perform their respective obligations under this Agreement throughout the Term of this Agreement and Consumer shall make the payments against the invoices, subject to the final outcome of the Dispute settlement procedure, as above.

13.3 For any dispute in invoice, the same shall be reported to the Facilitator by the Consumer within 2 days from receipt of the invoice. The Facilitator may either resolve the issue with an



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explanation or correct the invoice to the mutual satisfaction of the Parties. In such an event the payments shall be made within 7 days from the date of receipt of the revised and corrected invoice, if any.

13.4 In case the Parties are unable to resolve the differences within 3 days from the day the dispute is reported by the Consumer, then the Consumer shall pay to the Facilitator such amount within the initial 7 days and both Parties shall work towards resolving the difference towards the disputed portion thereafter. Parties shall meet, if required and mutually discuss the issue to expedite resolution.

13.5 Notwithstanding the above, the Facilitator reserves the right to exercise the Payment Security Mechanism provided by the Consumer at any point of time during such an event, for dues pertaining to the power scheduled prior to the event of dispute.

14. Termination

14.1 Either Party may terminate this Agreement by giving a written termination notice of 30 days upon non-performance of this Agreement or account of a force majeure event or in the event as provided under this Agreement.

14.2 Termination of this Agreement shall be without prejudice to the accrued rights and liabilities of the Parties up to the date of termination, unless waived in writing by mutual agreement by the Parties.

15. Notice

15.1 All Notices required to be issued hereunder shall be delivered personally or by registered or certified mail or fax, or e-mail (upon successful transmission thereof) to the following addresses:

For Facilitator

Address : 6th Floor, Le Meridien Commercial Tower Raisina Road, New Delhi 110001
Attention : Managing Director
Facsimile No. : 011-43734466/77
Telephone No. : 011-43734400
Email : globalenergy@gmail.com

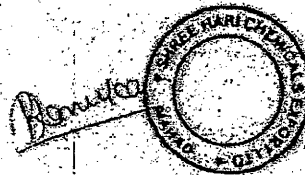
For Consumer

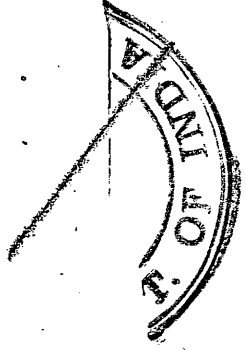
Address : 103/104, Unique Tower, S. V. Road, Near Kamat Club, Goregaon (W), Mumbai 400 062
Attention : Managing Director
Facsimile No. : 022-28725033
Telephone No. : 022-26767081/82/83
Email : shreeharichem@gmail.com, mahad@shreeharichemicals.in

16. Representations and Warranties

16.1 Each Party hereby represents and warrants to the other Party that:

- (a) it is duly organised, validly existing, and in good standing under the laws of the jurisdiction of its establishment or incorporation;
- (b) it has all requisite power, authority and approvals to enter into and perform its obligations under this Agreement.





- (e) its representative whose signature is affixed below hereto is fully authorised to sign this Agreement;
- (d) this Agreement shall constitute the legal valid and binding obligations of such Party, enforceable against it in accordance with its terms;
- (c) neither the execution of this Agreement, nor the performance of its obligations hereunder, will conflict with, or result in a breach of, or constitute a default under the articles of association or any other constitutional document of such Party, or any law, rule, regulation, authorisation or approval of any government agency or body, or of any agreement to which it is a party or is subject; and
- (f) there is no lawsuit, arbitration, or legal, administrative or other proceeding or governmental investigation pending or, to the best of the knowledge of such Party, threatened against it with respect to the subject matter of this Agreement or that would affect in any way its ability to enter into or perform its obligations under this Agreement.

16.2 The Parties agree that the representations and warranties in Clause 15.1 are true, accurate, complete and not misleading at the date of this Agreement.

16.3 The parties hereto covenant with each other that they will carry out the provisions of this Agreement in good faith and in the spirit it is executed.

17. Miscellaneous

17.1 This Agreement and its Annexures constitute the final, complete and exclusive statement of the agreement of the Parties with respect to the subject matter thereof. This Agreement constitutes the entire agreement of the Parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written. This agreement shall be read with all agreements, addendums, and modifications, supplement agreements, or any such documents duly signed by both the Parties subsequent to the date of this Agreement.

17.2 Confidentiality

The Parties will, at all times, maintain the utmost confidentiality of the "Confidential Information".

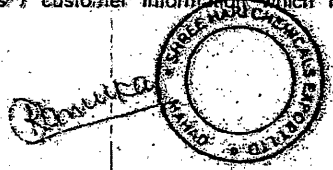
The Parties hereby unconditionally agree and undertake that they shall not disclose the terms and conditions of this Agreement except on the basis of written consent by the other Party.

The confidentiality obligations contained herein shall not apply to (i) information that is already available in the public domain through no fault or action of the receiving party, or (ii) information that is received by a party from a third person without breach of a confidentiality obligation by such third person, or (iii) disclosure of any information by a party under any applicable law, rule, regulation or to a judicial, regulatory, quasi-judicial, administrative or governmental body or authority, failing which, Non-Defaulting Party would have a right to charge appropriate compensation to Defaulting Party as may deem fit in the facts and circumstances by Non-Defaulting Party.

"Confidential Information" for the purpose of this Agreement shall mean and include all communications and information whether written, visual or oral, and provided, sent, made or transmitted through physical, electronic, magnetic and whether or not marked as confidential, for or in relation to or in connection with this Agreement shall be "confidential information". Confidential information shall include, without limitation, the existence and terms of this Agreement and any discussions, summaries, analyses, studies, business plans, compilations or other documents, and further also includes all details, documents, data, applications, software, systems, papers, statements and business / customer information which is communicated in writing by either Party to the other.



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17.3 Assignment

The Parties shall not assign all or any part of the liability, obligation or benefit under this Agreement, without the express prior written consent of the other Party.

17.4 Amendment

This Agreement may be amended at any time by written agreement of the Parties. No variation shall be effective unless it is in writing and signed by duly authorised officer of each of the Parties.

17.5 No Agency

This Agreement shall not be construed by either party hereto as constituting an agent of the other.

17.6 Relationship

No provision of the Agreement shall be deemed to constitute a partnership or joint venture between the Consumer and the Facilitator.

17.7 Governing Law

This Agreement shall be governed by and construed in accordance with Applicable Law in India.

17.8 Non-Circumvention

The Consumer agrees not to enter into any agreement or arrangement for supply of electricity, directly or indirectly, with a third party, or for any other purpose appertaining to the foregoing during the Agreement Period and the Consumer further agrees not to enter into any agreement or arrangement, directly or indirectly with a third party from whom the electricity has/had been purchasing by the Facilitator upto Thirty Six (36) Months from the date of termination of this Agreement, without written consent from the Facilitator or subject to the terms and conditions decided by the Facilitator, failing which, Facilitator would have a right to charge appropriate compensation to Consumer as may deem fit in the facts and circumstances by the Facilitator.

Consumer agrees that monetary damages would not be sufficient remedy for a breach of this clause and that the Facilitator shall be entitled to specific performance or any other injunctive relief as a remedy in equity for any breach of this clause. The Consumer waives all its right to defend any action brought by the Facilitator for specific performance or injunctive relief. Any remedy shall not be deemed to be exhaustive or all inclusive and shall be in addition to any and other remedies which may be available to the Facilitator in law or equity. The Consumer agrees to deal exclusively with the Facilitator during the entire duration of contract, for any supply of power through Open Access.

17.9 Indemnification and Hold Harmless

Each Party shall indemnify, defend and hold harmless the other Party and its respective officers, directors, employees and agents and their nominees and Alternate Directors appointed by them (collectively the "Indemnified Persons") from and against any and all direct losses, claims, costs, liabilities, judgments, expenses or damages (including without limitation of reasonable attorney's fees) that the Indemnified Person may incur or suffer only as a direct result of or direct arising out of the breach of any representation, misrepresentation or obligation made by it under this Agreement.



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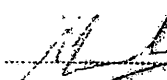
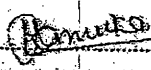


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However, this limitation of liability shall not be applicable in case of gross negligence, willful misconduct or breach of any third party intellectual property rights by a party.

This Agreement is being executed in two counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed by their duly authorized representatives on the date and year first hereinabove written.

For and on behalf of Global Energy Private Limited	For and on behalf of Shree Hari Chemicals Export Limited
	
MIKHAIL DHAUL (Authorized signatory)	HANUMAN PRASAD RAMIKA (Authorized signatory)
In the presence of:	In the presence of:
Name: _____	Name: _____
Address: _____	Address: _____

