



BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
AT MUMBAI

Filing No.: _____

Case No.: _____

IN THE MATTER OF:

PETITION SEEKING DIRECTIONS FROM HON'BLE COMMISSION TO ALL IPPs HAVING LONG TERM PPA WITH MSEDCL FOR PROVIDING REBATE IN FIXED CHARGES, INTEREST FREE DEFERMENT OF CAPACITY CHARGES AND REDUCED LATE PAYMENT SURCHARGE ON ACCOUNT OF COVID-19 PANDEMIC IN VIEW OF THE MINISTRY OF POWER NOTIFICATION DATED 15.05.2020& 16.05.2020

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BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
AT MUMBAI

Filing No.: _____

Case No.: _____

IN THE MATTER OF:

REVISED PETITION SEEKING DIRECTIONS FROM HON'BLE COMMISSION TO ALL IPPs HAVING LONG TERM PPA WITH MSEDCL FOR PROVIDING REBATE IN FIXED CHARGES, INTEREST FREE DEFERMENT OF CAPACITY CHARGES AND REDUCED LATE PAYMENT SURCHARGE ON ACCOUNT OF COVID-19 PANDEMIC IN VIEW OF THE MINISTRY OF POWER NOTIFICATION DATED 15.05.2020 AND 16.05.2020

AND

IN THE MATTER OF:

SECTION 94 (1) (g) OF THE ELECTRICITY ACT, 2003 READ WITH REGULATION 105 AND 106 OF THE MERC (MULTI YEAR TARRF) REGULATIONS 2019; AND REGULATION 92, 93 AND 94 OF MERC (CONDUCT OF BUSINESS) REGULATIONS, 2004

AND

IN THE MATTER OF

MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED, PRAKASHGAD, BANDRA (EAST), MUMBAI

...PETITIONER

AND

IN THE MATTER OF

1. ADANI POWER MAHARASHRA LIMITED, ADANI HOUSE, NR. MITHAKALI SIX ROAD, NAVRANGPURA, AHMEDABAD-380009.
2. RATTANINDIA POWER LIMITED, A-49, GROUND FLOOR, ROAD NO. 4, MAHIPALPUR, NEW DELHI-110037.
3. JSW ENERGY LIMITED, JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI-400051.

...RESPONDENTS

Affidavit in support of petition on behalf of Maharashtra State Electricity Distribution Company Limited.

I, Satish Chavan, son of Shri Vitthalrao Chavan, aged 56 years, having my office at MSEDCL, Prakashgad, Plot No.G-9, Anant Kanekar Marg, Bandra (East), Mumbai – 400051, do solemnly affirm and say as follows:

I am the Director (Commercial) of the Maharashtra State Electricity Distribution Company Limited and duly authorised by the Petitioner to make this affidavit.

The statements made in the enclosed Revised Petition seeking directions from Hon'ble Commission to all IPPs having long term PPA with MSEDCL for providing rebate in fixed charges, interest free deferment of capacity charges and reduced late payment surcharge on account of Covid-19 pandemic in view of the Ministry of Power Notification dated 15.05.2020 and 16.05.2020 are made considering the information received from the concerned officers of the Company; which is shown to me and I believe them to be true.

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

I solemnly affirm at Mumbai on this 15th July, 2021 that, the contents of this affidavit are true to the best of my knowledge, no part of it is false and nothing material has been concealed there from.

IDENTIFIED BEFORE ME



Chavan
Director Commercial
M.S.E.D.C.L. Prakashgad.
Deponent
BEFORE ME
Ranjeet Singh
RANJEET SINGH
M.Sc.LL.B
NOTARY
MAHARASHTRA
GOVT OF INDIA
15 JUL 2021



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

Filing No.: _____

Case No.: _____

IN THE MATTER OF:

PETITION SEEKING DIRECTIONS FROM HON'BLE COMMISSION TO ALL IPPs HAVING LONG TERM PPA WITH MSEDCL FOR PROVIDING REBATE IN FIXED CHARGES, INTEREST FREE DEFERMENT OF CAPACITY CHARGES AND REDUCED LATE PAYMENT SURCHARGE ON ACCOUNT OF COVID-19 PANDEMIC IN VIEW OF THE MINISTRY OF POWER NOTIFICATION DATED 15.05.2020/16.05.2020

AND

IN THE MATTER OF:

SECTION 94 (1) (g) OF THE ELECTRICITY ACT, 2003 READ WITH REGULATION 105 AND 106 OF THE MERC (MULTI YEAR TARFF) REGULATIONS 2019; AND REGULATION 92, 93 AND 94 OF MERC (CONDUCT OF BUSINESS) REGULATIONS, 2004

AND

IN THE MATTER OF:

**MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED, PRAKASHGAD,
BANDRA (EAST), MUMBAI –**

...PETITIONER

AND

IN THE MATTER OF



1. ADANI POWER MAHARASHTRA LIMITED, ADANI HOUSE, NR. MITHAKALI SIX ROAD, NAVRANGPURA, AHMEDABAD-380009
2. RATTANINDIA POWER LIMITED, A-49, GROUND FLOOR, ROAD NO. 4, MAHIPALPUR, NEW DELHI-110037
3. JSW ENERGY LIMITED, JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI-400051

...RESPONDENTS

PETITION UNDER SECTION 94 (1) (g) OF THE ELECTRICITY ACT, 2003 READ WITH REGULATION 105 AND 106 OF THE MERC (MULTI YEAR TARFF) REGULATIONS 2019; REGULATION 106 OF THE MERC (MULTI YEAR TARFF) REGULATIONS 2019; AND REGULATION 92, 93 AND 94 OF MERC (CONDUCT OF BUSINESS) REGULATIONS, 2004

I. CONSPECTUS

1. The present petition ("Petition") is being filed by the Maharashtra State Electricity Distribution Company Limited ("MSEDCL/ Petitioner"), under Section 94(1)(g) of the Electricity Act, 2003 ("Electricity Act") read with Regulation 105 and 106 of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 ("MERC MYT 2019 Regulations"), and read with Regulation 92, 93 and 94 of the Maharashtra Electricity Regulatory Commission (Conduct of Business) Regulations, 2004 ("MERC COB Regulations"), *inter alia* seeking:
 - a. Issuance of directions to Independent Power Producers ("IPPs") in long term power purchase agreements ("PPAs") with the Petitioner to provide rebate on and interest-free deferment of capacity charges, in line with the directives of the Ministry of Power directives dated 15.05.2020 and 16.05.2020, on account of COVID-19,
 - b. Issuance of directions to IPPs in long term PPAs with the Petitioner to adjust the rebate for the period of April-May 2020 in future bills,



- c. Issuance of directions to IPPs to reduce the rate of Late Payment Surcharge during the COVID-19 pandemic, regardless of the rate set out in the PPAs/regulations, which rate should be restricted to lower of 12% per annum, or to the rate at which interest has been incurred to raise/borrow funds from 24.03.2020 till normalization of the current situation,
 - d. Issuance of suo-motu practice directions to all renewable generators/generators, private transmission companies, and State-owned generation and transmission companies that form a part of the InSTS, to reduce the rate of Late Payment Surcharge during the COVID-19 pandemic, regardless of the rate set out in the PPAs/regulations, which rate should be restricted to lower of 12% per annum, or to the rate at which interest has been incurred to raise/borrow funds from 24.03.2020 till normalization of the current situation.
2. The outbreak of the pandemic of COVID-19 and the resultant restrictions/ measures adopted by the State Government as well as the Central Government have severely and gravely affected the financial situation of the Petitioner. Further, the grave financial situation of the Petitioner has been exacerbated by various practice directions that have been issued by this Hon'ble Commission to provide relief to the consumers, on account of the pandemic.
3. The Ministry of Power ("MOP") has also taken cognizance of the situation of COVID-19 and the resultant financial distress being caused to Distribution Licensees including the Petitioner, and has accordingly issued various circulars/ letters/ orders *interalia* directing central generating companies to defer the fixed charge on power not scheduled during the lockdown. The CPSUs were also suggested to grant a rebate of 20-25 per cent on power supplied (fixed cost) including Inter State Transmission Charges payable to PGCIL for the lockdown period. Further, the MOP has also advised generating and transmission companies to not charge LPS in excess of 1% per month for all payments made under Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat.



4. It is thus submitted that the IPPs should also defer the fixed charge on power not scheduled for lockdown period to be repaid in interest free three equal instalments in subsequent months and also provide a rebate on power supplied during the months of Lockdown Period where the demand was at lower side.
5. In light of the above, the Petitioner is filing the present Petition, seeking the relief(s) as set out above.

II. DESCRIPTION OF PARTIES

6. The Petitioner has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Maharashtra to reorganize erstwhile Maharashtra State Electricity Board ("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. The Petitioner has been incorporated on 31.05.2005 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 having license to supply electricity in the State of Maharashtra except some parts of city of Mumbai.

Details of Respondents and PPA entered with MSEDCL

Sr. No.	Name of Generator	Contracted Capacity	Date of PPA	Location of Plant
1	JSW	300	23.02.2010	Jaigad, Ratnagiri, Maharashtra
2	RIPL	750	05.06.2010	Amaravati, Maharashtra
3	RIPL	450	22.04.2010	
4	APML	1320	08.09.2008	Tiroda, Maharashtra
5		1200	31.03.2010	
6		125	09.08.2010	
7		440	16.02.2013	



III. BRIEF BACKGROUND

Re: Petition filed by MSEDCL on 21 April 2020

7. Considering the COVID-19 outbreak and consequent Lock Down imposed by Central Government as well as Government of Maharashtra, MSEDCL, filed a Petition before the Hon'ble Commission on 21.04.2020, requesting moratorium period of 3 months (from April 2020 to June 2020) for payment of fixed charges of the generators as well as transmission companies, without any delay payment charges.
8. A brief factual chronology is set out below for ease of reference:

Date	Events
23.03.2020	Due to the outbreak of COVID-19, the Government of Maharashtra ("GOM"), under the Epidemic Diseases Act, 1897, notified Lockdown and prohibited all activities and movements of personnel.
24.03.2020	Government of India ("GOI") declared lockdown from 25 March 2020 for 21 days. Successive lockdowns were imposed as follows Phase 2: 15 April 2020 – 03 May 2020 Phase 3: 04 May 2020 – 17 May 2020 Phase 4: 18 May 2020 – 31 May 2020
26.03.2020	On account of the Covid-19 pandemic, this Hon'ble Commission passed practice directions to minimise public interface in view of Covid-19.
28.03.2020	MOP issued a letter stating that LPS to be charged by generating and transmission utilities shall apply at reduced rate only for the period between 24.03.2020 to 30.06.2020.
30.03.2020	This Hon'ble Commission passed order in Case No. 322 of 2019 approving tariff for MYT period wherein MERC considered COVID-19 as a Force Majeure event and provided three (3) months moratorium period to Commercial and Industrial Consumers for payment of fixed charges for three billing cycles.
03.04.2020	CERC passed its order in Petition No. 06/SM/2020 regarding reduced rate of LPS.



Date	Events
15.05.2020	MOP issued notification <i>inter-alia</i> directing all generating/transmission companies/ Joint Venture companies to grant rebate to all DISCOMS of about 20-25% on power supply billed (fixed cost) and Inter-state transmission charges levied by PGCIL and Interest free Deferment of capacity charges, on account of COVID-19.
16.05.2020	MOP issued Corrigendum regarding Clarification on Rebate to DISCOMS.
12.06.2020	PGCIL passed total rebate of Rs. 109.13 Crores on Transmission Charges to the Petitioner for period of April-2020 and May-2020
17.08.2020	NTPC passed total rebate of Rs. 167.97 Crores on Capacity Charges to the Petitioner for period of April-2020 and May-2020
20.08.2020	MOP vide its letter of even date advised generating and transmission companies to charge LPS rate not exceeding 1% per month for all payments made under Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat.
01.10.2020	The Petitioner wrote a letter to all IPPs requesting to give rebate in Fixed Charges for Lockdown period in line with MOP Notification.
08.10.2020	JSW replied to the Petitioner's letter dated 01.10.2020 denying rebate sought by MSEDCL.
28.10.2020	RIPL replied to the Petitioner's letter dated 01.10.2020 denying rebate sought by MSEDCL
20.11.2020	MOP clarified regarding letter dated 20.08.2020 advising all the Generating & transmission companies to charge LPS at the rate not exceeding 1% p.m. on the principle due for all payments, which are due either from projects developed under Section 62 or Section 63 of the EA 2003, made by the Discoms under the liquidity infusion scheme of PFC & REC under Atmanirbhar Bharat.

IV. SUBMISSIONS

Re: Outbreak of COVID-19



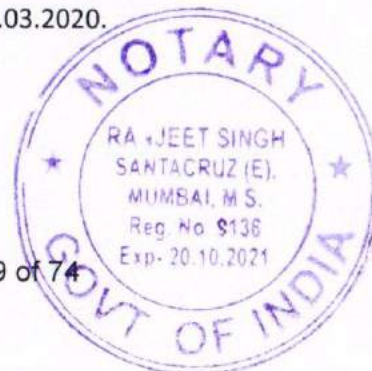
9. The Petitioner submits that COVID-19 has affected many Countries and the World Health Organisation has declared it as 'Pandemic'. Considering the situation, and to prevent and contain the spread of virus, the Government of Maharashtra in Exercise of the powers conferred under Section 2 of the Epidemic Diseases Act 1897, read with all other enabling provisions of the Disaster Management Act 2005, notified lockdown in the entire State of Maharashtra from 23.03.2020 to 31.03.2020. the said lockdown prescribed regulations such as sealing State borders, all public transport, taxis auto rickshaws were prohibited, all inter-state transport were suspended, all Residents were directed to stay at home, all shops, offices, factories, workshops, godowns etc. were directed to close their operation excluding pharmaceuticals and commodity like dal rice mills, food related units, all government office shops were asked to operate with bare minimum staff.

Copy of the GOM Notification is annexed herewith and marked as **Annexure-1**.

10. The National Disaster Management Authority ("NDMA"), chaired by Hon'ble Prime Minister, in exercise of the powers under section 6(2)(i) of the Disaster Management Act, 2005, issued an Order dated 24.03.2020, directing the Ministries/ Departments of Government of India, and the State/Union Territory Governments and State/ Union Territory Authorities to take effective measures to prevent the spread of COVID-19 in the country.

Copy of the NDMA Order dated 24.03.2020 is annexed herewith and marked as **Annexure-2**.

11. In compliance of the said Order of NDMA, Ministry of Home Affairs ("MHA") has issued an Order dated 24.03.2020 under Section 10(2)(l) of the Disaster Management Act, directing the Ministries/ Departments of Government of India, State/Union Territory Governments and State/ Union Territory Authorities to take effective measures for ensuring social distancing so as to prevent the spread of COVID-19 in the country. The Order remained in force, in all parts of the country, for a period of 21 days with effect from 25.03.2020.



12. On 26.03.2020, this Hon'ble Commission acknowledged this situation of the State of Maharashtra and issued 'Practice direction measures to minimize public interface in view of Corona virus Epidemic (Covid-19)'. Vide the said practice direction, this Hon'ble Commission *inter alia* directed distribution companies to suspend non-essential services including bill collection as read below –

"b. The Distribution Licensees may suspend other non-essential services which require visiting consumer premises or meeting consumer in person i.e., Meter reading, Billing, Offline Bill Collection at Bill Payment Centres, release of new connections etc."

Copy of the Practice Direction dated 26.03.2020 issued by this Hon'ble Commission is annexed herewith and marked as **Annexure-3**.

13. It is submitted that typically, the Petitioner has been collecting maximum revenue during the month of March of each financial year. However, the Petitioner's collection has reduced to Rs. 5057 Cr for March 2020 as against Rs. 5621 Cr. collection from consumers in the month of March 2019, which was otherwise expected to be higher than last year's collection. The COVID-19 pandemic has thus affected the performance of Petitioner, for reasons completely beyond control of Petitioner.
14. Due to the pandemic, the demand for supply of electricity by the Petitioner has crashed by about 4500-5000 MW than the expected projected demand. Due to this situation, the revenue cycle of the Petitioner has also been badly hampered.

Re: Practice Directions issued by this Hon'ble Commission in light of COVID-19

15. On 30.03.2020, this Hon'ble Commission issued MYT Order for MSEDCL in Case No. 322 of 2019, wherein the Hon'ble Commission considered the COVID-19 situation as an extraordinary, unforeseen and alike Force majeure situation. In light of the same, this Hon'ble Commission provided three (3) months Moratorium period to Commercial and Industrial Consumers and also facilitated with the rebate or instalment without DPS for the payment of bills.



Copy of relevant page (i.e page no. 654) of the MYT Order case no. 322 of 2019 issued by this Hon'ble Commission is annexed herewith and marked as **Annexure-4**.

16. It is submitted that the declaration of moratorium by this Hon'ble Commission has further worsened the financial situation/ cash flows of the Petitioner. Resultantly, it has become difficult for MSEDCL to adhere to payment schedules.

Re: Ameliorative measures taken by the MOP and the CERC to facilitate the DISCOMS on account of COVID-19

17. On 28.03.2020, the MOP vide its letter No. 23/22/2019-R&R Part-4, acknowledged the force majeure situation being faced by distribution companies and issued directions under Section 107 of the Electricity Act to the Central Electricity Regulatory Commission ("CERC") with regard to the Late Payment Surcharge to be charged by the generating companies and transmission licensees on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishment etc.

Copy of the MOP Order dated 28.03.2020 is annexed herewith and marked as **Annexure- 5**.

18. Further, the CERC in its order in Case no. 06/SM/2020 dated 03.04.2020 has stated that in case of any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falling between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month.

19. The relevant portion of the CERC Order dated 03.04.2020 is set out hereunder:

"13. Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and



State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month."

Copy of the CERC Order dated 03.04.2020 is annexed herewith and marked as **Annexure-6**.

20. Thereafter, as per communication issued on 15.05.2020, the MOP decided to defer the fixed charges on power of Central Generating Companies, which was not scheduled for the lockdown period. Further, the same would be repaid in three equal, interest free instalments in subsequent months. The CPSUs had also been suggested to grant a rebate of 20-25 per cent on power supplied (fixed cost) including Inter State Transmission Charges (ISTS) payable to PGCIL for the lockdown period. The DISCOMS had been asked to pass on these cost savings to the end consumers which will lead to reduction in electricity cost to end consumers. The relevant portion of the MOP notification dated 15.05.2020 is as follows

1. *In view of the above, it has been decided that all Central Public Sector Generation Companies under Ministry of Power including their Joint Ventures/Subsidiaries and Central Public Sector Transmission Company, may consider to offer following rebate to the Distribution Companies (Discoms) for passing on to the end consumers for the lockdown period on account of Covid-19 pandemic:*
 - i. *Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly instalments.*
 - ii. *Rebate of about 20-25% on power supply billed to Discoms and inter- state transmission charges levied by PGCIL*
2. *Accordingly, Central Public Sector Generation Companies and PGCIL may kindly*



consider taking necessary action in this regard, including concurrence of respective Board of Directors required, if any."

21. Subsequently, on 16.05.2020, the MOP, vide its Corrigendum No. 11/16/2020-Th-II (C.No.252648) has clarified that the Rebate of 20-25% shall be in fixed cost on power supply billed to DISCOMS and inter- state transmission charges levied by PGCIL. Copy of the corrigendum dated 16.05.2020 issued by the MOP is annexed herewith and marked as **Annexure- 7**.

22. Further, in order to alleviate the financial stress on DISCOMS due to Covid-19, the MOP vide its letter dated 20.08.2020 & further clarification letter dated 20.11.2020 has advised all the Generating & transmission companies to charge LPS at the rate not exceeding 1% p.m. on the principle due for all payments, which are due either from projects developed under Section 62 or Section 63 of the Electricity Act, made by the Discoms under the liquidity infusion scheme of PFC & REC under Atmanirbhar Bharat.

A copy of the letters dated 20.08.2020 and 20.11.2020 are annexed herewith and marked as **Annexure -8 and Annexure -9** respectively.

23. The Petitioner submits that in line with the above communication(s) issued by the MOP and the order issued by the CERC, the IPPs should also defer the fixed charge on power not scheduled for lockdown period to be repaid in interest free three equal instalments in subsequent months. The IPPs should also provide a rebate on power supplied during the months of Lockdown Period where the demand was at lower side.

24. Hence, the present petition is being filed seeking issuance of directions to IPPs having PPA with MSEDCL from Hon'ble Commission for providing rebate, interest free deferment of the capacity charges and reduced LPS on account of COVID-19 pandemic.



Re: Rebate offered by PGCIL and NTPC

25. As per the MOP notification dated 15/16.05.2020, PGCIL has passed total rebate of 109.13 crores on 12.06.2020 and NTPC has passed rebate of 167.97 crores on 17.08.2020 for the period of April-2020 and May-2020. Accordingly, a total rebate of Rs. 277.10 Crores has been passed to MSEDCL for period of April-2020 and May-2020 as detailed below. PGCIL's letter is annexed as **Annexure-10**. NTPC's letter is annexed as **Annexure-11**

Rebate on Capacity Charges by NTPC

(Rs. In Crs.)

Month	Total Capacity Charges	Rebate	%Rebate
Apr-2020	413.54	83.99	20.31%
May-2020	413.20	83.99	20.33%
Total	826.74	167.97	20.32%

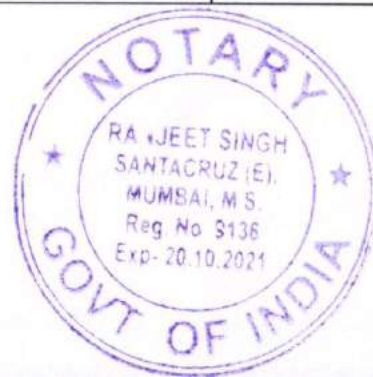
Rebate provided by PGCIL

(Rs. In Crs.)

Month	ISTS Charges	Rebate	% Rebate
Apr-2020	260.66	54.71	20.99%
May-2020	282.88	54.42	19.24%
Total	543.54	109.13	20.08%

26. Due to reduction in demand of electricity supplied by MSEDCL in the lock down period, billing and revenue collection of MSEDCL has been badly affected. The demand billed and revenue collected during the period from April 2020 to June 2020 is shown in the table below:

MONTH	DEMAND (Rs.Cr.)	COLLECTION (Rs.Cr.)	Coll. Eff.
APR - 20	2991.9	2792.5	93.3%
MAY - 20	3699.2	2115.2	57.2%
JUNE - 20	7397.7	3370.3	45.6%
Total	14088.9	8278.0	58.8%



27. It is submitted that as compared to the total demand billed during April to June 2020, the collection was only 58.8 %. Hence, the cash flow situation of the Petitioner has been badly impacted.
28. The Petitioner has also requested to Maharashtra State Electricity Board Holding Company Limited (MSEBHCL) to provide 20% rebate in Fixed charges in line with the rebate passed by NTPC and PGCIL as per MoP's notification, of letter to MSEBHCL dated 25.09.2020 as follows

In Rs. Cr.

Particulars	Apr-20	May-20	Total (Fixed Cost)	Rebate 20%
MSPGCL	696.41	657.36	1353.77	270.75
MSETCL	472.63	472.63	945.26	189.05
Total	1169.04	1129.99	2299.03	459.8

Re: IPPS have refused to grant relief to the Petitioner on account of COVID-19

29. It is submitted that due to worsened cash flow situation, the Petitioner decided to seek the reliefs from its IPPs in line with MOP notification(s) dated 15/16.05.2020.
30. On 01.10.2020, the Petitioner requested all IPPs for rebate in fixed charges, deferment of capacity charges and reduced LPS until situation normalizes on account of COVID pandemic in line with MoP's notification dated 15.05.2020 and CERC order dated 03.04.2020. All IPPs were requested to pass on the rebate as calculated in above table for April and May 2020 and reduced LPS until situation normalizes on account of COVID pandemic.

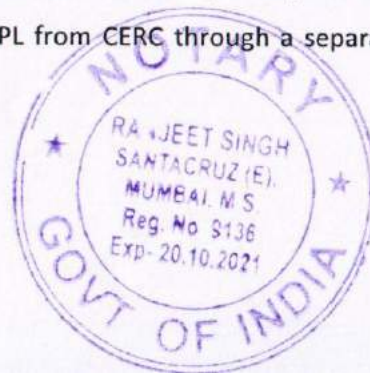
A copy of the letters dated 01.10.2020 addressed to the IPPs (Respondent Nos. 1 to 3) are annexed hereto and marked as **Annexure 12**.



31. In this regard, the Petitioner requested APML for deferment of capacity charges corresponding to the power not schedule in respect of 440 MW PPA of Rs. 15.46 crores (after considering rebate of 20%) i.e. 5.15 Cr in three equal instalments and payable on 31st July, 31st Aug and 30th Sep 2020 without interest.
32. MSEDCL also requested RIPL for deferment of capacity charges corresponding to the power not scheduled of Rs. 92.58 Cr. (After considering rebate of 20%) i.e. 30.86 Cr in three equal instalments and payable on 31st July, 31st Aug and 30th Sep 2020 without interest.
33. In response to the letter dated 01.10.2020 issued by the Petitioner to all IPPs, requesting for relief on account of COVID-19, the Petitioner has received the following replies:
- i) Vide letter dated 08.10.2020 JSW denied the occurrence/existence of any Force majeure event and in turn said as not entitled for relief/rebate as sought through the subject notice under PPA. JSW informed that JSW is not in position to nor can afford any rebate to be given to MSEDCL. A copy of the letter dated 08.10.2020 issued by JSW is annexed hereto and marked as **Annexure – 13.**
 - ii) Vide letter dated 28.10.2020, RIPL has denied any rebate sought by the Petitioner. A copy of the letter date 28.10.2020 issued by RIPL is annexed hereto and marked as Annexure – 14.
 - iii) The Petitioner has not received any reply from APML till date for accepting or denying the Petitioner's proposal seeking rebate as above.

Re: Financial impact of proposed Rebate

34. In line with the MoP notification dated 15/16.05.2020, the Petitioner proposes that a 20% rebate should be provided by the IPPs for the months of April and May 2020. Since GMR and CGPL are under CERC jurisdiction, MSEDCL is seeking reliefs pertaining to only the IPPs falling under the jurisdiction of MERC i.e., APML, JSW and RIPL. MSEDCL shall seek relief from GMR and CGPL from CERC through a separate



petition. Following table summarises the financial impact of the rebate in Fixed Charges at the rate of 20%.

Name of Genco/Transco	April 2020	May2020	Total Fixed Cost	Rebate(20%)
APML	241.42	234.33	475.75	95.15
RIPL	56.92	58.81	115.73	23.15
JSW	13.19	13.40	26.58	5.32
Total IPPs	311.53	306.54	618.06	123.62

Re: Impact of COVID-19 on the Petitioner

35. The Petitioner submits that the present circumstances due to COVID-19 are unforeseen and unprecedented and certainly qualify for a force majeure situation, which in turn requires balancing the interest of consumers and utilities. Considering the effects of lock-down due to COVID-19, various measures to mitigate the hardships to all the stakeholders are being taken in order to ensure continuity in operations of every utility.
36. In this regard, the measures taken by the MOP and the CERC as set out in Paras 18-23 are reiterated and are not being repeated for the sake of brevity.
37. It is submitted that due to lockdown conditions, consumers across all categories are not making timely payment of their electricity bills. Considering the pandemic situation along with the restrictions in force, the Petitioner is not in a position to implement disconnection drive to recover the dues from its consumers in time. The collection of Petitioner has thus drastically reduced and has resulted into unprecedented deterioration of the Petitioner's liquidity position since March 2020.
38. Further, the demand from consumers has reduced from Rs.75432.1 Crore in FY 2019-2020 to Rs.69626.8 Cr in FY 2020-21. Further, the collection has also significantly dropped from Rs. 70048.9 Crore in FY 2019-2020 to Rs. 64653.1 Crore in FY 2020-21. Also, there is a decrease in the collection efficiency from 96.20% in F.Y 2018-19 to 93.56% in F.Y 2019-20 which is still reducing due to the ongoing pandemic situation.



39. Additionally, lower recovery from agricultural consumers which account to almost 25 % of total sales of the Petitioner coupled with lower recovery from public water works and street-light consumers has only worsened the situation. Also, the provision of only 1.5 % of receivables for bad debt is insufficient considering the large consumer base catered.
40. The financial position of the Petitioner is very precarious and total loan and payables is Rs. 57,757 Crore as on 31.03.2021 which includes loans of about Rs 43,000 Crore and payables of around Rs.14,757 Crore. The arrears/receivables from consumers including DPC is around Rs.66193 Crore. MSEDCL has crossed the normative level of working capital loan to reduce the burden of DPC.
41. Further, the Covid 19 pandemic situation which started from the Month of March 2020 has continued throughout the whole year resulting in precarious financial situation for the Petitioner throughout the FY 2020-21. Moreover, the normalization of financial situation is yet to happen.
- Re: COVID-19 is a Force Majeure Event**
42. The Petitioner respectfully submits that it is going through financial crisis due to COVID-19 pandemic and subsequent Lock Down imposed by Authorities last year which is continued either partially or completely in FY 2020-21. Due to these unforeseen circumstances, the Petitioner's performance is severely affected. Further, the Petitioner is obligated to provide uninterrupted supply to its consumers.
43. It is thus submitted that COVID-19 qualifies as a Force Majeure Event. that the outbreak of Covid-19 and its resultant impact has been held to be a Force Majeure Event by various Government Authority notifications.
44. Moreover, the NDMA order for national lockdown, Ref No. 1-29/2020-PP dated 24th March 2020 and subsequent orders of Gov. of Maharashtra make it abundantly clear that COVID-19 is a Force Majeure Event.



45. It is thus respectfully prayed that this Hon'ble Commission may acknowledge COVID-19 pandemic as a Force Majeure Event.
46. Thus, in light of the precarious financial position and hardships faced by the Petitioner due to COVID-19 (which is a force majeure event), the Petitioner humbly requests the Hon'ble Commission to direct IPPs to charge LPS at borrowing cost or maximum up to 12%per annum on the principle dues outstanding from 24.03.2020 until normalization of the situation, in line with guidelines of MoP.
47. Further, the Petitioner humbly submits that, it has approached the Hon'ble Supreme Court against the order of Hon'ble APTEL dated 27.04.2021 in Appeal No. 77 of 2018, wherein APTEL held that the LPS shall be paid as per SBI PLR provisions in the PPA instead of MCLR. During the pendency of the said litigation, for the time being and without prejudice to the outcome in the said matter in the Hon'ble Supreme court, the Petitioner humbly submits that the rate of LPS during the COVID-19 pandemic should be restricted to the lower of 12% p.a. or the actual rate of interest incurred by the generators to raise/borrow the funds to meet out its financial requirement due to delay in the payment of bills by the petitioner irrespective of what is provided in PPA or regulation as the case may be from 24.03.2020 to 31.03.2021 or till situation gets normal.
48. The petitioner also humbly requests this Hon'ble Commission to issue suo-moto practice directions for all the other generators in contract with the Petitioner such as renewable generators, private transmission licensees and State-owned generation and transmission companies who form a part of the InSTS to reduce the rate of LPS during under Covid-19 pandemic. The same should be restricted to the lower of 12% p.a. or the actual cost incurred by the generators/transmission licensees to raise/borrow the funds to meet out its financial requirement due to delay in the payment of bills by the Petitioner, irrespective of what is provided in PPA or regulation as the case may be from 24.03.2020 to 31.03.2021 or till the situation gets normal.



49. Therefore, to able to serve the consumers in a better way and sufficiently discharge its duties as mandated in Electricity Act, the Petitioner most humbly requests the Hon'ble Commission to recognise this unprecedented situation as Force Majeure and to direct the IPPs having Long term PPA with the Petitioner, to provide COVID rebate, interest free deferment of the fixed charges and reduced LPS in line with directives of MoP dated 15th&16th May 2020 and the CERC order dated 03.04.2020. The Petitioner also requests the Hon'ble Commission to direct IPPs to adjust the rebate for month of April and May 2020 in future bills.

50. The Petitioner humbly submits the Regulatory provisions under which the Hon'ble Commission is empowered to interfere and pass suitable directives. The excerpts are produced below:

51. It is submitted that Regulations 92, 93 and 94 of the MERC COB Regulations, 2004 provide for inherent powers of this Hon'ble Commission which can be exercised to deal with matters which are not covered in any Regulations. The relevant extracts of the said provisions are reproduced hereunder:

Saving of inherent power of the Commission:

"92. Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for meeting the ends of justice or to prevent the abuse of the process of the Commission.

93. Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act, a procedure, which is at variance with any of the provisions of these Regulations including summary procedures, if the Commission, in view of the special circumstance of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for so dealing with such a matter or class of matters.



94. *Nothing in these Regulations shall bar the Commission to deal with any matter or exercise any power under the Act for which no regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit."*

52. Further, Regulations 105 and 106 of the MERC (Multi-Year Tariff) Regulations, 2019 provide for inherent powers of this Hon'ble Commission which can be exercised to deal with matters which are not covered in any Regulations. The relevant extracts of the said provisions are reproduced hereunder:

"105. Power to Relax

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected by grant of relaxation, may relax any of provisions of these Regulations on its own motion or on an application made before it by an interested person."

"106. Power 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 for removing the difficulty."

53. The Petitioner most respectfully submits that Hon'ble Commission has sufficient powers to deal with the matter and issue appropriate orders in the present case.
54. Therefore, the Petitioner most humbly requests the Hon'ble Commission to consider the submissions made in above paragraphs positively.

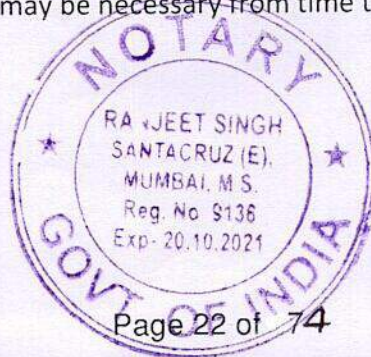


PRAYER

55. The Petitioner, therefore, based on the submission made in the foregoing paragraphs, most respectfully prays to this Hon'ble Commission to:

- a. Allow the present Petition;
- b. Direct the IPPs in long term PPAs with the Petitioner to provide COVID rebate and interest free deferment of capacity charges to the Petitioner in line with directives of MOP dated 15th& 16th May 2020;
- c. Direct all IPPs in long term PPAs with the Petitioner to adjust the rebate for April 2020 and May 2020 in future bills;
- d. Direct all IPPs to reduce the rate of LPS during the COVID-19 pandemic, regardless of the rate set out in the PPAs/regulations, which rate should be restricted to lower of 12% per annum, or to the rate at which interest has been incurred to raise/borrow funds from 24.03.2020 till normalization of the current situation;
- e. Issuance of suo moto practice directions to all renewable generators/generators, private transmission companies, and State-owned generation and transmission companies that form a part of the InSTS, to reduce the rate of Late Payment Surcharge during the COVID-19 pandemic, regardless of the rate set out in the PPAs/regulations, which rate should be restricted to lower of 12% per annum, or to the rate at which interest has been incurred to raise/borrow funds from 24.03.2020 till normalization of the current situation;.
- f. Consider the unforeseen and the unprecedented situation prevailing on account of COVID-19 as a Force Majeure event;
- g. Pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice;
- h. Condone any error/omission and to give opportunity to rectify the same;
- i. Permit the Petitioner to make further submissions, addition and alteration to this Petition as may be necessary from time to time.

Date: 15/07/21
Place : Mumbai




Director (Commercial)
MSEDCL

GOVERNMENT OF MAHARASHTRA

Department of Revenue and Forest, Disaster Management,

Relief and Rehabilitation, Mantralaya, Mumbai- 400 032

No: DMU/2020/CR. 92/DisM-1, Dated: 23rd March 2020

NOTIFICATION

COVID -19 – The Epidemic Diseases Act, 1897- Lockdown – Orders

Reference:

1. The Epidemic Diseases Act, 1897
2. The Disaster Management Act, 2005
3. Government Notification, Public Health Department, No. Corona-2020/CR-58/Aarogya-5, Dated- 13th March 2020, 14th March 2020, 15th March 2020

No: DMU/2020/CR. 92/DMU-1- Whereas the State Government is satisfied that the State of Maharashtra is threatened with the spread of Covid-19 Virus, which has already been declared as a pandemic by World Health Organization, and it is therefore necessary to take certain further emergency measures to prevent and contain the spread of virus, the Government in exercise of the powers conferred under Section 2 of The Epidemic Diseases Act, 1897, read with all other enabling provisions of The Disaster Management Act, 2005, **hereby notify lockdown in the entire State of Maharashtra with Immediate effect till 31st of March, 2020**, prescribing the following regulations and measures during the said period:

1. All state borders shall be sealed other than for movement of essential and perishable commodities.
2. All public transport services including inter-city MSRTC buses and Metro will not be permitted. Taxis with not more than two persons besides driver, auto-rickshaws with not more than one passenger besides driver are permitted only for the purposes specified in the order. However, transport of passengers for accessing emergency medical services shall be permitted. Plying of private vehicles shall be restricted only to the extent

1



of procuring essential commodities, health services and activities permitted under this order, and with only one person besides driver.

3. Operation of all inter-state bus and passenger transport services (including private vehicles) including those by private operators shall stand suspended.
4. Every person who is required to observe home quarantine shall strictly observe the same failing which he/she will be liable for penal action and shifted to government quarantine.
5. Residents shall stay at home and come out only for permitted activities while strictly observing social distancing norms and abiding the conditions stated at para 2 above.
6. Any congregation of more than 5 persons in public places is prohibited.
7. All shops including commercial establishments, offices and factories, workshops, godowns etc. shall close their operations. However, production and manufacturing units which require continuous process & pharmaceuticals, API etc will be permitted. Further, manufacturing units engaged in production of essential commodities like dal and rice mills, food and related units, dairy units, feed and fodder units etc. may function will also be permitted to operate.
8. Government offices, shops and establishments permitted to operate during this period with barest minimum staff and shall take steps to ensure social distancing such as painting of foot marks at distances of 3 feet from each other near check out counters. They shall also ensure proper sanitation in their premises and ensure availability of hand sanitizers/hand washing facilities.
9. The following shops/establishments providing essential goods and services shall be excluded from the above restrictions:
 - a) Banks/ATMs, insurance, FinTech services and related activities.
 - b) Print and electronic media
 - c) IT and ITeS, including telecom, postal, internet and data Services
 - d) Supply chain and transport of essential commodities
 - e) Export and Import of agricultural goods and products, and all commodities.



- f) E-Commerce (delivery) of essential goods including food, pharmaceutical and medical equipment
 - g) Sale of food items, groceries, milk, bread, fruits, vegetables, eggs, meat, fish and their transportation and warehousing activities
 - h) Bakery and veterinary establishments for the pets
 - i) Take-away/ home delivery at restaurants
 - j) Hospitals, pharmacies and optical stores, pharmaceuticals manufacturing & their dealers and their transportation
 - k) Petrol pumps, LPG gas, oil agencies, their godowns and their related transport operations
 - l) All security and facility management services including those provided by private agencies *to institutions providing essential services
 - m) Private establishments that support the provisioning of essential services or the efforts for containment of COVID-19
 - n) The supply chain relating to above.
 - o) All enforcing authorities to note that fundamentally strict restrictions relate to movement of people but not to goods and commodities as a matter of principle.
10. The Departments/Offices of the State Government and its Public Sector Undertaking (PSU) providing services shall be functional only to the extent of providing essential services.
11. All religious places of any denomination shall be closed by issuing suitable prohibitory orders.
12. During the lockdown period, steps will be taken to ensure that there is no disruption in the supply of essential commodities to the people.
13. All elective surgeries shall be re-scheduled in all private and Government hospitals to enhance the availability of health care facilities to COVID-19 patients.
14. All Divisional Commissioners, Municipal Commissioners and Collectors are directed to identify vacant places near hospitals for housing health staff in case of necessity.



15. The Collectors of following districts which are at presently Corona disease free shall issue orders prohibiting any vehicular movements into their districts, Viz. Wardha, Bhandara, Gondia, Chandrapur, Gadchiroli, Satara, Sangli, Kolhapur, Solapur, Buldhana, Amravati, Akola, Washim, Nashik, Dhule, Nandurbar, Jalgaon, Beed, Jalna, Osmanabad, Parbhani, Hingoli, Latur, Nanded and Sindhudurg. This shall noy apply to medical emergencies.
16. All the District Collectors, District Superintendents of Police, Commissioners of Police, Municipal Commissioners of Corporations and other competent authorities in respect of the concerned institutions, organizations and establishments are hereby authorized and directed to take all necessary measures in a humane and judicious manner for enforcement and implementation of the aforesaid regulations and measures.
17. Any person, institution, organization violating any provision of these regulations shall be dealt under the provisions of The Epidemics Diseases Act 1897, The Disaster Management Act 2005, other relevant Acts and regulations there under.
18. No suit or legal proceedings shall lie against any person for anything done or intended to be done in good faith under these regulations.
19. All earlier orders issued by the various authorities will be aligned with this order by the enforcement agencies.

BY ORDER AND IN THE NAME OF THE GOVERNOR OF
MAHARASHTRA

Ajay Mehta
(AJAY MEHTA)

CHIEF SECRETARY
GOVERNMENT OF MAHARASHTRA

Copy to:

- 1) Principal Secretary, to Hon'ble Governor of Maharashtra, Rajbhavan, Mumbai
- 2) Principal Secretary to Hon'ble Chief Minister, Government of Maharashtra
- 3) Secretary to Hon'ble Deputy Chief Minister, Government of Maharashtra
- 4) Private Secretaries of All Hon''ble Minister / Minister of State, Mantralaya
- 5) All Additional Chief Secretaries / Principal Secretaries / Secretaries of Government of Maharashtra, Mantralaya

4



- 6) Director General of Police
- 7) Principal Secretary, Public Health Department, Mantralaya
- 8) Secretary, Medical Education, Mantralaya
- 9) All Divisional Commissioners in the State
- 10) All Commissioners of Police in the State
- 11) All Commissioners of Municipal Corporations in the State
- 12) All District Collectors
- 13) All District Superintendents of Police in the State

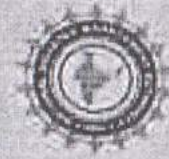
CC:

The Manager, Government Printing Press with a request to publish the Government Notification in the extraordinary issue of Maharashtra State Gazette





Government of India
NATIONAL DISASTER MANAGEMENT AUTHORITY
 Policy & Plan Division
 NDMA Bhawan, A-1, Safdarjung Enclave
 New Delhi -110 029



No 1-29/2020-PP (Pt II)

Dated 24th March, 2020

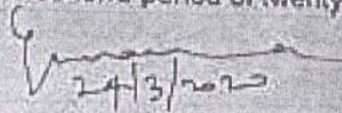
ORDER

Whereas, the National Disaster Management Authority is satisfied that the country is threatened by the spread of COVID-19, which has been declared as a pandemic by the World Health Organisation, and that it is necessary to take effective measures to prevent its spread across the country and for mitigation of the threatening disaster situation,

And whereas, experts, keeping in view the global experiences of countries which have been successful in containing the spread of COVID-19 unlike some others where thousands of people died, have recommended that effective measures for social distancing should be taken to contain the spread of this pandemic,

And whereas, there is a need for consistency in the application and implementation of various measures across the country while ensuring maintenance of essential services and supplies, including health infrastructure,

Now, therefore in exercise of the powers under section 6(2)(i) of the Disaster Management Act, 2005, the National Disaster Management Authority has decided to direct Ministries/ Departments of Government of India, State Governments and State Authorities to take measures for ensuring social distancing so as to prevent the spread of COVID-19 in the country. Necessary guidelines in this regard shall be issued immediately under section 10(2)(i) of the Disaster Management Act, 2005 by the National Executive Committee. These measures shall be in force for a period of twenty one days w. e. f. 25th March, 2020.


 24/3/2020
 Member Secretary, NDMA

To

Union Home Secretary,
 North Block, New Delhi-110001



Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400 005
Tel. No. 022 22163964/65/69 – Fax 022 22163976
E-mail: mercindia@merc.gov.in
Website: www.merc.gov.in

PRACTICE DIRECTION

**MEASURES TO MINIMISE PUBLIC INTERFACE IN VIEW OF CORONAVIRUS
EPIDEMIC (COVID-19)**

**MERC (ELECTRICITY SUPPLY CODE AND OTHER CONDITIONS OF SUPPLY)
REGULATIONS, 2005 (The Supply Code)**

26 March, 2020

Preamble:

The Commission is aware that all out efforts are afoot to contain the rapid spread of Coronavirus (COVID-19) epidemic in the Country including Maharashtra. The Central Government and the State Government of Maharashtra have advised people to stay indoors and maintain social distancing. To ensure strict adherence to the advisory, the Government has imposed strict restrictions on the movement of general public.

Electricity being essential service, is exempted from such restriction and maintenance of uninterrupted power supply needs to be ensured by the Distribution licensee.

However, apart from maintaining continuous electricity supply, Distribution Licensee has to perform various consumer services such as meter reading, bill distribution, bill collection, redressal of consumer grievances etc which involves public interface. Further, all these activities are required to be performed as per procedure prescribed under MERC Supply Code Regulations, 2005 and within the timeline stipulated under MERC SoP Regulations, 2014.

TPC-D and AEML-D have informed the Commission that in view of COVID19, they may not be able to perform certain activities/duties as mandated in the MERC Supply Code Regulations, 2005 and MERC SoP Regulations, 2014.

Considering the critical situation and to ensure full implementation of the Government directives to ensure social distance in order control the spread of COVID-19 and in order to minimise public

Page 1 of 2



interface of Distribution Licensee's personnel, the Commission deems it fit to provide certain relaxation in the Supply code to all the Distribution Licensees from performance of services which are not directly linked to maintaining continuity of power supply.

Accordingly, using its power vested under Regulation 22 of the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005, the Commission issues following practice direction:

Practice Direction:

- a. Distribution Licensee shall ensure continuity of supply. Complaints related to restoration of supply as also the safety related complaints shall continue to be attended by Distribution Licensee.
- b. The Distribution Licensees may suspend other non-essential services which require visiting consumer premises or meeting consumer in person i.e. Meter reading, Billing, Offline Bill Collection at Bill Payment Centres, release of new connections etc.
- c. Wherever Automated Meter Reading facility is available, same shall be used for meter reading.
- d. In absence of Meter reading the Consumers shall be intimated through digital channels such as email, sms, mobile app about their estimated bill computed on average basis as per Supply Code Regulations.
- e. For bill payment, Distribution Licensee shall facilitate and update alternate payment modes i.e. digital payment mode.
- f. All the above measures shall be communicated through social media, electronic media and print media for wider publicity.

This Practice Direction shall remain in vogue till such time the Government's Order imposing restrictions on account of COVID-19 is in force.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(I.M.Bohari)
Member



Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai – 400 005
Tel. 022 - 22163964/ 65/ 69 Fax No. 022 - 22163976
Email: mercindia@merc.gov.in
Website: www.merc.gov.in

CASE No. 322 of 2019

Case of Maharashtra State Electricity Distribution Company Limited for Truing-up of Aggregate Revenue Requirement (ARR) of FY 2017-18 and FY 2018-19, Provisional Truing-up of ARR of FY 2019-20 and Projections of ARR and determination for the 4th Multi Year Tariff Control Period FY 2020-21 to FY 2024-25

Coram

**I. M. Bohari, Member
Mukesh Khullar, Member**

ORDER

Date: 30 March, 2020

Maharashtra State Electricity Distribution Company Limited (MSEDCL or Petitioner), "Prakashgad", Anant Kanekar Marg, Bandra (East), Mumbai has filed a Petition on 27 November, 2019 for Truing-up of ARR for FY 2017-18 and FY 2018-19, Provisional Truing-up of ARR for FY 2019-20 and ARR and Tariff for Multi Year Tariff (MYT) 4th Control Period from FY 2020-21 to FY 2024-25.

The Petition has been submitted in accordance with the MERC (Multi Year Tariff) Regulations 2015 ("MYT Regulations, 2015"), for Truing-up of ARR for FY 2017-18, FY 2018-19, Provisional Truing-up of ARR for FY 2019-20 and in accordance with MERC (Multi Year Tariff) Regulations 2019 ("MYT Regulations, 2019") for ARR of Control Period FY 2020-21 and FY 2024-25.

The Commission, in exercise of the powers vested in it under Sections 61, 62 and 86 of the Electricity Act, 2003 (EA, 2003) and all other powers enabling it in this behalf, and after taking into consideration all the submissions made by MSEDCL, and in the public consultation process, and all other relevant material, has approved the Truing-up of ARR for FY 2017-18 and FY 2018-19, Provisional Truing-up of ARR for FY 2019-20 and ARR and Tariff of Control Period FY 2020-21 to FY 2024-25 in this Order.



11 APPLICABILITY OF THE ORDER

11.1.1 This Order shall come into effect from 1 April, 2020.

Special Interim Dispensation:

11.1.2 This Tariff order is being issued at a critical time when the country is passing through one of the most debilitating epidemics in the form of Covid19. In fact taking note of the current situation prevailing in the state, commission issued a practice direction on 26/3/2020 whereby meter reading and physical bill distribution work was suspended and utilities were asked to issue bills on average usage basis till the current crisis gets subsided. Commission is aware that a number of industrial and commercial establishments have been shut down due to the lockdown enforced by Government.


11.1.3 To mitigate to some extent the difficulties being faced by the Electricity consumers of Maharashtra and all out efforts to contain the spread of Corona Pandemic, the Commission deems it fit to put a moratorium on payment of fixed charges of the electricity bill by consumers under Industrial and Commercial category for next three billing cycles beginning from the lockdown date of 25/3/2020.

11.1.4 The Distribution Licensees will be required to borrow/avail additional working capital over and above the Regulations. Also, there will be other additional cost required to be incurred for continuing of operations. Associated with this, there will be an additional working capital interest. The Commission opines that in the present situation, relief needs to be given to the electricity consumers affected by the Lockdown directions. The Commission will take an appropriate view on the additional expenses that are likely to be incurred by the Distribution Licensees on account of additional Interest on Working Capital during the MTR process.

The Petition of Maharashtra State Electricity Distribution Company Limited in Case No. 322 of 2019 stands disposed of accordingly.

(Sd/-)
(Mukesh Khullar)
Member

(Sd/-)
(I. M. Bohari)
Member


(Abhijit Deshpande)
Secretary



No. 23/22/2019-R&R Part-4
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 28th March 2020

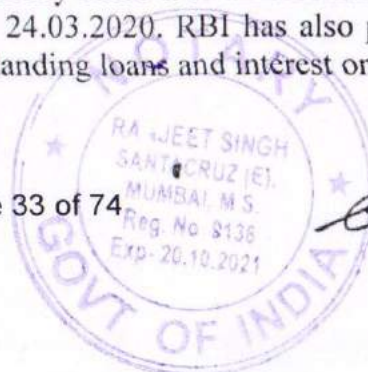
To,

The Chairperson,
Central Electricity Regulatory Commission,
Chanderlok Building, Janpath,
New Delhi

Subject: Direction to the Central Electricity Regulatory Commission (CERC) under section 107 of the Electricity Act, 2003 regarding reduction of Late Payment Surcharge (LPS)

Sir,

1. We are in receipt of representations from power distribution companies and state governments requesting to waive payment of Late Payment Surcharge in view of the force majeure situation arising due to severe restrictions placed on movement of public and opening of offices and establishments etc. by the state governments and vide order dated 24.03.2020 of Ministry of Home Affairs (MHA), Government of India. It has been informed that the consumers of the power distribution companies (discoms) are unable to pay their dues because of this unprecedented situation which is likely to continue for some time. This will affect the liquidity position of the discoms thereby reducing their ability to make timely payments to generating companies (gencos) and transmission companies (transcos).
2. The matter has been examined in the Ministry of Power. The Ministry acknowledges the gravity and unprecedented nature of the situation. Payments received in the month of March 2020 account for a large share of the annual revenues of these companies. Extremely low receipts due to non-payment or delayed payment by consumers, the cash flow in the system may be impeded. To mitigate the problem, some relief requires to be granted to the discoms to make payments to generating companies and transmission licensees.
3. CPSU gencos/transco are being advised not to use coercive means for recovering dues and continue supply/transmission of electricity since it is an essential service, as also recognised by MHA vide its order dated 24.03.2020. RBI has also provided a three-month moratorium on repayments of outstanding loans and interest on working capital.

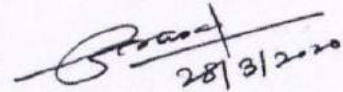


4. In view of the above, using powers under section 107 of the Electricity Act, 2003, the following directions are issued to Central Electricity Regulatory Commission in public interest:

- i. The Commission may specify a reduced rate of Late Payment Surcharge (LPS) for payments which become delayed beyond a period of 45 days (from the date of presentation of the bill) during the period from 24th March 2020 to 30th June 2020 to generating companies and licensees treating the restrictions placed by the central government vide its order dated 24.03.2020 to contain COVID-19 as an event of force majeure. The reduced LPS shall be applicable for such delayed payments till 30th June 2020. The LPS should not be more than the cost that the generating companies or transmission licensees would have to bear because of the delayed payment.
- ii. For generating companies and transmission licensees whose tariff was determined under section 63 by the Central Commission, discoms may claim relief from its obligations regarding the rate at which LPS is to be paid, as per force majeure provisions given in respective power purchase agreement.

5. This issues with the approval of Minister of State (Independent Charge) for Power and New and Renewable Energy, Government of India.

Yours faithfully,



(Ghanshyam Prasad)
Chief Engineer (RR & OM)
Tele No. 2371 0389

Copy to:

1. All Joint Secretaries/Directors/Deputy Secretaries, Ministry of Power
2. CMD, CPSUs (generation/transmission) with the advice to not use coercive means to recover dues and continue supply/transmission of electricity without any interruption
3. PS to MOS(I/C) for Power & NRE
4. PPS to Secy(P), PPS to AS(SM), PPS to AS(SKGR)
5. Technical Director, NIC Ministry of Power with the request to upload this communication of MoP's website.

Copy also to:

1. The Chief Secretaries, All State Governments/Union Territories: with a request that similar directions under section 108 may be issued by State Governments to respective SERCs and that the distribution companies pass on similar or more benefits to the consumers with regard to LPS.



**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

SUO MOTU PETITION NO.6/SM/2020

CORAM:

**Shri P K Pujari, Chairperson
Shri I S Jha, Member**

Date: 3rd of April 2020

IN THE MATTER OF:

Implementation of the directions of the Government of India dated 28.03.2020 under section 107 of the Electricity Act, 2003 to Central Electricity Regulatory Commission regarding reduction of Late Payment Surcharge

IN THE MATTER OF:

The Commission on its own Motion

VS

1. All Central Government Generating Companies
2. All Other Generating Companies having Inter-State Generating Stations
3. Powergrid Corporation of India Limited
4. All Inter-State Transmission Licensees
5. All Beneficiaries of Respondent No.1 and 2
6. All Long term customers of Respondent No. 3 and 4

... Respondents

ORDER

Ministry of Power, Government of India vide its letter No. 23/22/2019-R&R Part-4 dated 28.3.2020 has issued the following directions under Section 107 of the Electricity Act, 2003 (hereinafter referred to as "the Act") to the Central Electricity Regulatory Commission with regard to the Late Payment Surcharge to be charged by the generating companies and transmission licensees on account of the unprecedented

Order in Petition No.6/SM/2020

Page 35 of 74



1

situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishment etc.:

"To,
The Chairperson
Central Electricity Regulatory Commission
Chanderlok Building, Janpath
New Delhi

Subject: Consequential order to give effect to the directions of Government of India to the Central Electricity Regulatory Commission (CERC) under Section 107 of the Electricity Act, 2003 regarding reduction of Late Payment Surcharge (LPS)

Sir,

1. We are in receipt of representations from power distribution companies and State Governments requesting to waive payment of Late Payment Surcharge in view of the force majeure situation arising due to severe restrictions placed on movement of public and opening of offices and establishments etc. by the State Governments and vide order dated 24.03.2020 of Ministry of Home Affairs (MHA), Government of India. It has been informed that the consumers of the power distribution companies (discoms) are unable to pay their dues because of this unprecedented situation which is likely to continue for sometime. This will affect the liquidity position of the discoms thereby reducing their ability to make timely payments to the generating companies (gencos) and transmission companies (transcos).

2. The matter has been examined in the Ministry of Power. The Ministry acknowledges the gravity and unprecedented nature of the situation. Payments received in the month of March 2020 account for a large share of the annual revenues of these companies. Extremely low receipt due to non-payment or delayed payment by consumers, the cash flow in the system may be impeded. To mitigate the problem, some relief requires to be granted to the discoms to make payments to generating companies and transmission licensees.

3. CPSU gencos/transcos are being advised not to use coercive means for recovering the dues and continue supply/transmission of electricity since it is an essential service, as also recognized by MHA vide its order dated 24.03.2020. RBI has also provided a three-month moratorium on repayments of outstanding loans and interest on working capital.



4. In view of the above, using powers under section 107 of the Electricity Act, 2003, the following directions are issued to Central Electricity Regulatory Commission in public interest:

i. The Commission may specify a reduced rate of Late Payment Surcharge (LPS) for payment which become delayed beyond a period of 45 days (from the date of presentation of the bill) during the period from 24th March 2020 to 30th June 2020 to generating companies and licensees treating the restrictions placed by the Central Government vide order dated 24.03.2020 to contain COVID-19 as an event of force majeure. The reduced LPS shall be applicable for such delayed payments till 30th June 2020. The LPS should not be more than the cost that the generating companies or transmission licensees would have to bear because of the delayed payment.

ii. For generating companies and transmission licensees whose tariff was determined under section 63 by the Central Commission, discoms may claim the relief from its obligations regarding the rate at which LPS is to be paid, as per the force majeure provisions given in the respective power purchase agreement.

5. This issues with the approval of Minister of State (Independent Charge) for Power and New and Renewable Energy, Government of India.

Yours faithfully,

Sd/-
(Ghanashyam Prasad)
Chief Engineer (RR & OM)"

2. The Commission has considered the above directions of the Government of India issued under Section 107 of the Act. This Commission determines the tariff of the generating companies covered under section 79(1)(a) and (b) of the Act and tariff of the inter-State transmission licensees under section 79(1)(d) of the Act in accordance with the tariff regulations framed under section 61 read with section 178 of the Act. Further, this Commission also adopts the tariff of the generating companies and inter-State transmission licensees under Section 63 of the Act where the tariff has been discovered through competitive bidding in accordance with the Guidelines issued by Government of India under Section 63 of the Act.

Order in Petition No.6/SM/2020

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3. As regards the generating companies and transmission licensees whose tariff is determined by this Commission under Section 62 of the Act, the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter "2019 Tariff Regulations") provides for rebates and late payment surcharge as under:

“58. Rebate. (1) *For payment of bills of the generating company and the transmission licensee through letter of credit on presentation or through National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS) payment mode within a period of 5 days of presentation of bills by the generating company or the transmission licensee, a rebate of 1.50% shall be allowed.*

Explanation: *In case of computation of '5 days', the number of days shall be counted consecutively without considering any holiday. However, in case the last day or 5th day is official holiday, the 5th day for the purpose of Rebate shall be construed as the immediate succeeding working day (as per the official State Government's calendar, where the Office of the Authorised Signatory or Representative of the Beneficiary, for the purpose of receipt or acknowledgement of Bill is situated).*

(2) *Where payments are made on any day after 5 days and within a period of 30 days of presentation of bills by the generating company or the transmission licensee, a rebate of 1% shall be allowed.*

59. Late payment surcharge: *In case the payment of any bill for charges payable under these regulations is delayed by a beneficiary or long term customers as the case may be, beyond a period of 45 days from the date of presentation of bills, a late payment surcharge at the rate of 1.50% per month shall be levied by the generating company or the transmission licensee, as the case may be.*

4. The beneficiaries of the generating stations and long term customers of the inter-State transmission systems avail rebates under Regulation 58 of the 2019 Tariff Regulations if the payments are made to the generating companies and the transmission licensees within the timeline specified in the said regulations. On the other hand, as per Regulation 59 of the 2019 Tariff Regulations, a late payment surcharge (LPS) of 1.5% per month is payable by the beneficiaries and long term customers to the Order in Petition No.6/SM/2020



generating companies and transmission licensees, as the case may be, if the payment is delayed beyond 45 days from the date of presentation of bills.

5. As per the directions issued by Government of India under Section 107 of the Act, the Commission is required to specify a reduced rate of LPS where payment to generating companies and inter-State transmission licensees is delayed beyond a period of 45 days from the date of presentation of the bill during the period from 24th March 2020 to 30th June 2020 by treating the restrictions placed by the Ministry of Home Affairs, Government of India vide order dated 24.03.2020 to contain COVID-19 as an event of force majeure.

6. The Commission also observes that the Reserve Bank of India has permitted lending institutions and banks to grant a moratorium of three months on repayment in respect of all term loans and has clarified that interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period. Similarly, in respect of working capital facilities, the Reserve Bank of India has permitted lending institutions and banks to defer the recovery of interest on such facilities, but has clarified that accumulated accrued interest shall be payable after the deferment period from 01.03.2020 up to 31.05.2020. The relevant portion of the RBI circular No. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March, 2020 is extracted below:

“(i) Rescheduling of Payments – Term Loans and Working Capital Facilities

2. In respect of all term loans (including agricultural term loans, retail and crop loans), all commercial banks (including regional rural banks, small finance banks and local area banks), co-operative banks, all-India Financial Institutions, and NBFCs (including housing finance companies) (“lending institutions”) are permitted to grant a moratorium of three months on payment of all instalments¹ falling due between March 1, 2020 and



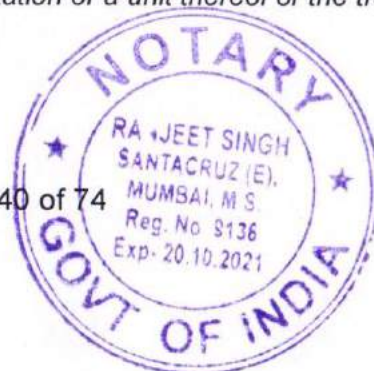
May 31, 2020. The repayment schedule for such loans as also the residual tenor, will be shifted across the board by three months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period.

3. In respect of working capital facilities sanctioned in the form of cash credit/overdraft ("CC/OD"), lending institutions are permitted to defer the recovery of interest applied in respect of all such facilities during the period from March 1, 2020 up to May 31, 2020 ("deferral"). The accumulated accrued interest shall be recovered immediately after the completion of this period."

7. Thus, generating companies and inter-State transmission licensees can opt for moratorium on payment of installments of term loan and defer the payment of interest in respect of working capital facilities during the period from March 1, 2020 up to May 31, 2020 ("deferral"), but the interest accrued is not waived. Further, in case of working capital facilities, accumulated accrued interest shall be recovered immediately after the completion of this period. The interest rate applicable will be the lending rate of the lending institutions or banks. Thus, the generating companies and the transmission licensees will have to incur the cost of working capital facilities even during the deferral period.

8. Therefore, generating companies and inter-State transmission licensees regulated by this Commission shall be required to continue to discharge their debt service obligations and arrange for working capital for day to day operation of their generating stations and transmission assets. Clauses (3) and (4) of Regulation 34 of 2019 Tariff Regulations relating to computation of the rate of interest on working capital are extracted as under:

"(3) Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2019 or as on 1st April of the year during the tariff period 2019-24 in which the generating station or a unit thereof or the transmission system



including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later:

Provided that in case of truing-up, the rate of interest on working capital shall be considered at bank rate as on 1st April of each of the financial years during the tariff period 2019-24.

(4) Interest on working capital shall be payable on normative basis notwithstanding that the generating company or the transmission licensee has not taken loan for working capital from any outside agency."

9. "Bank rate" has been defined in Clause (7) of Regulation 3 of the 2019 Tariff Regulations as under:

(7) 'Bank Rate' means the one year marginal cost of lending rate (MCLR) of the State Bank of India issued from time to time plus 350 basis points;"

10. Therefore, Commission is of the view that in the given situation, the provisions of 2019 Tariff Regulations with regard to interest on working capital should be adopted as the normative rate of LPS in place of the penal rate of LPS specified under Regulation 59 of the 2019 Tariff Regulations, for delayed payments falling due beyond 45 days, during the period from 24.03.2020 and 30.06.2020. As per the MCLR historical data from website of State Bank of India, one year MCLR as on 10.03.2020 is 7.75%. By adding 350 basis points, the Bank Rate as per Clause (7) of Regulation 3 of 2019 Tariff Regulations works out to 11.25% per annum.

11. It would be pertinent to mention in this context that the direction under section 107 stipulates requirements for reduced rate of LPS and that the LPS should not be more than the cost that the generating companies or transmission licensees would have to bear because of the delayed payment. Given that the Commission follows normative approach for the purpose of interest on working capital irrespective of the actual loan



taken by the generating company or the transmission licensee (reference clause (4) of Regulation 34 of the 2019 Tariff Regulations), the Commission is of the view that providing normative LPS rate would satisfy the requirements of direction under section 107 of the Act.

12. The Commission is vested with the power to relax any of the provisions of the 2019 Tariff Regulations on its own motion or on an application made by an interested person. Regulation 76 of the 2019 Tariff Regulations is extracted as under:

***“76. 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 interested person.”*

13. Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month.



14. It is clarified that if the period of 45 days beyond the due date of the presentation of the bill by the generating companies or inter-State transmission licensees, as the case may be, falls before 24.03.2020 or after 30.06.2020, the concerned distribution company shall be liable to pay the LPS as per Regulation 59 of the 2019 Tariff Regulations.

15. It is further clarified that the beneficiaries of the generating stations and long term customers of the inter-State transmission systems will continue to avail rebates under Regulation 58 of the 2019 Tariff Regulations if the payments are made to the generating companies and the transmission licensees within the timeline specified in the said regulations.

16. As per the directions issued under Section 107 of the Act, the generating companies whose tariff has been determined under Section 63 of the Act by this Commission, relief on the Late Payment Surcharge for payment which become delayed beyond 45 days (from the date of presentation of the bill) during the period from 24.03.2020 to 30.06.2020 may be claimed in terms of the force majeure provisions of the respective power purchase agreements (PPAs).

17. Similarly, in cases of inter-State transmission licensees whose tariff has been adopted under Section 63 of the Act by the Commission, Late Payment Surcharge shall be governed in accordance with the provisions of Transmission Service Agreements (TSAs) read with Central Electricity Regulatory Commission (Sharing of Transmission



Charges and Losses) Regulations, 2010 as amended from time to time and the procedures issued there-under.

18. Petition No.6/SM/2020 is disposed of in terms of the above.

Sd/-
(I S Jha)
Member

Sd/-
(P K Pujari)
Chairperson

Order in Petition No.6/SM/2020

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**No. 11/16/2020-Th-II
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg,**

New Delhi, 15th May, 2020

To,

- 1. All Power Generation and Transmission CPSEs under Ministry of Power**
- 2. All Subsidiaries/ Joint Ventures of Power Generation and Transmission CPSEs under Ministry of Power**

Subject: Rebate to Distribution Companies (DISCOMS) by Central Generating and Transmission Companies of Ministry of Power for the Lock down period on account of Covid-19 pandemic

Sir/ Madam,

This is in the light of the announcements made by Honb'le Finance Minister on 13.05.2020 under the Atmanirbhar Bharat (आत्मनिर्भर भारत) special economic and comprehensive package including therein the liquidity infusion by PFC/REC of Rs.90,000 crore to DISCOMs against receivables and loans to be given against State guarantees for exclusive purpose of discharging liabilities of DISCOMS to power Generating companies (Gencos), and also giving rebate to DISCOMs by Central Public Sector Generation Companies for passing on to the final consumers.

2 In view of the above, it has been decided that all Central Public Sector Generation Companies under Ministry of Power including their Joint Ventures/Subsidiaries and Central Public Sector Transmission Company, may consider to offer following rebate to the Distribution Companies (Discoms) for passing on to the end consumers for the lockdown period on account of Covid-19 pandemic:

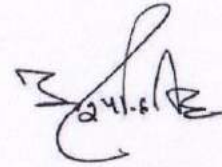
- i. Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly instalments.



- ii. Rebate of about 20-25% on power supply billed to Discoms and inter-state transmission charges levied by PGCIL
3. Accordingly, Central Public Sector Generation Companies and PGCIL may kindly consider taking necessary action in this regard, including concurrence of respective Board of Directors required, if any.

This issues with the approval of Hon'ble Minister of State (Independent Charge) for Power and New & Renewable Energy.

Yours Sincerely,



(Anoop Singh Bisht)

Under Secretary to the Govt. of India

PH. 23719710

Copy to :

1. **Chief Secretaries of all States/UTs.**
2. **Secretaries of Power of all States/UTs** for kind information and necessary action please.



CORRIGENDUM

**No. 11/16/2020-Th-II (C.No. 252648)
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg,**

New Delhi, 16th May, 2020

To,

- 1. All Power Generation and Transmission CPSEs under Ministry of Power**
- 2. All Subsidiaries/ Joint Ventures of Power Generation and Transmission CPSEs under Ministry of Power**

Subject: Rebate to Distribution Companies (DISCOMS) by Central Generating and Transmission Companies of Ministry of Power for the Lock down period on account of Covid-19 pandemic

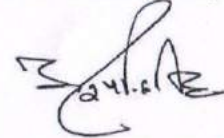
Sir/ Madam,

Please refer to the Advisory/ letter of even No. issued on 15.05.2020 (Copy enclosed) on the above subject. The Para 2 ii of the said Advisory/ letter may please be read as follows:

"Rebate of about 20-25% on power supply billed (fixed cost) to Discoms and inter-state transmission charges levied by PGCIL."

Enclosures: as above

Yours Sincerely,



(Anoop Singh Bisht)

Under Secretary to the Govt. of India
PH. 23719710

Copy to :

- 1. Chief Secretaries of all States/UTs.**
- 2. Secretaries of Power of all States/UTs for kind information and necessary action please.**



Annexure-8

No. 23/22/2019-R&R (Part-4)
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 20th August, 2020

To

1. All Generating Companies except State Owned Gencos
2. All ISTS Transmission Licensees

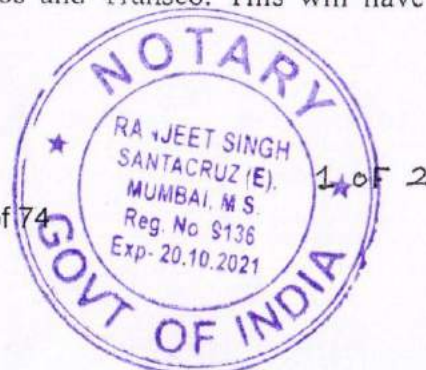
**Subject: Liquidity issue arising in power sector due to COVID-19 -
Regarding Late Payment Surcharge**

Sir/Madam,

01. COVID-19 pandemic has adversely affected the liquidity position of Electricity Distribution Companies. This is due to a number of reasons, the main being (i) reduction in electricity consumption by about 12% this year vis that during the corresponding period last year; (ii) decrease in the proportion of consumption by subsidizing industrial and commercial consumers; and (iii) reduced collections. A number of measures including rebate on capacity charges, relaxing provisions of LC/prepayment, Liquidity Infusion Scheme, etc. have been taken to mitigate the adverse impact.

02. Another measure taken was with regard to Late Payment Surcharge (LPS), which becomes applicable in case of delayed payments by distribution companies to the generating companies and transmission licensees for power purchase/ transmission of electricity. On directions of the Ministry, CERC had reduced the rate of LPS applicable under the Tariff Regulations to 1% pm for the period from 24th March 2020 to 30th June 2020. However, many State Governments and Discoms have requested to extend the benefit of reduced rate of LPS to other periods also.

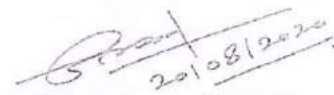
03. Discussions in this regard were held with representatives of Generating Companies and Transmission Companies. It is noted that interest rates in the country have softened over the last few years, while rates of LPS in many cases have not reduced. Under Liquidity Infusion Scheme launched as part of Atmanirbhar Bharat, on advice of the Ministry, PFC and REC are funding Discoms to pay dues of IPPs, CPSU Gencos and Transco. This will have a



salutary effect on the financial health of the beneficiary Gencos/Transcos. In order to alleviate the financial stress on the Discoms, the Generating Companies and Transmission Companies are advised to charge LPS at a rate not exceeding 1 % pm for all payments made under the Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat.

04. This issues with the approval of Minister of State (Independent Charge) for Power and New & Renewable Energy, Government of India.

Yours faithfully


20/08/2020

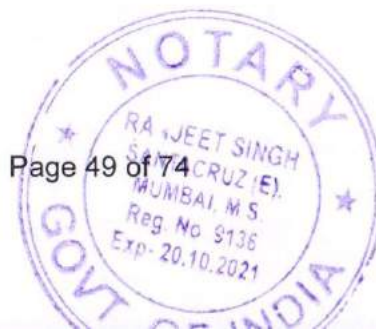
(Ghanshyam Prasad)

Joint Secretary to the Government of India

Ph: 011-2371 0389

Copy to:

1. PS to MOS (I/C) for Power and NRE
2. Sr. PPS to Secretary (Power), Sr. PPS to AS (SM), Sr.PPS to AS (SKGR)
3. Secretary in charge of Energy/Power Department, All States/UTs
4. Managing Directors of all Distribution Companies
5. Secretary, CERC and FOR



Annexure-9

No. 23/22/2019-R&R (Part-4)
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 20th November, 2020

To

1. All Generating Companies except State Owned Gencos.
2. All ISTS Transmission Licensees.

Subject: Clarification on letter dtd 20.08.2020 regarding Late Payment Surcharge from this Ministry.

Sir/Madam,

I am directed to refer to this Ministry's letter of even no. dated 20.08.2020 on liquidity issue arising in power sector due to COVID-19 regarding Late Payment Surcharge (LPS) (copy enclosed).

2. Some of the stakeholders have raised certain concerns and sought clarification in respect of the aforesaid letter.
3. It is hereby clarified that the Generating Companies and Transmission Companies are advised to charge Late Payment Surcharge (LPS) at a rate not exceeding 1% per month on the principal dues (excluding LPS) for all payments, which are due either from projects developed under section 62 or section 63 of the Electricity Act 2003, made by Discoms under the Liquidity Infusion Scheme of PFC and REC under Aatmanirbhar Bharat.
4. This issues with the approval of Hon'ble MoS(I/C) for Power and NRE.

Encl: a/a

Yours faithfully


(Sandeep Nalk) 20/11/2020
Director
Tel: 2371 5250

Copy to:

1. PS to MOS (I/C) for Power and NRE
2. Sr. PPS to Secretary (Power), Sr. PPS to AS (SM), Sr.PPS to AS (SKGR)
3. Secretary in charge of Energy/Power Department, All States/UTs
4. Managing Directors of all Distribution Companies
5. Secretary, CERC and FOR





पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

भारत सरकार का उद्यम

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)

Western Region Transmission System - 1
Nari Ring Road, P. O. Regional Head Quarters
Nagpur-440026
Tel : 0712-2641478-79 Fax : 0712-2641366 Email :

Ref No:POWERGRID/WR01/Comm/Serial No:91501585

Date: 12 JUN 2020
CIN NO :L40101DL1989GOI038121

To,
MSEDCL
MSEDCL (Distr. Co.), "Prakashgad" ,
Bandra(East) ,
Mumbai , 400051
Maharashtra

Customer PAN : AAECM2933K

Bill of Supply for one time consolidated rebate by POWERGRID for April'20 on account of Covid-19

Please find enclosed Bill of Supply for one time consolidated rebate by POWERGRID for April'20 on account of Covid-19.

1. Bill of Supply No :MI2703200009

Dated : 12 JUN 2020

2.Amount : Rs.547,103,756.00-

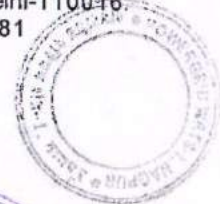
Thanking You,

Yours Faithfully,

Authorized signatory
For & On Behalf of Power Grid
Corporation of India Ltd

Encl: a/a

Registered Office : B9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016
Ph 011-26560112, 26560121, 26564892 Fax: 011-26601081



स्वहित एवं राष्ट्रहित में ऊर्जा बचाव
Save Energy for Benefit of Self and Nation

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पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)

66, POWERGRID, NARI RING ROAD, SAMPRITI NAGAR, NAGPUR, 440026, IN
Maharashtra
GSTIN: 27AAACP0252G1ZT

Bill of Supply for one time consolidated rebate by POWERGRID for April' 20 on account of Covid-19

CIN No : L40101DL1989GOI038121

POWERGRID PAN No: AAACP0252G

DIC No : 2100032

Name of DIC: MSEDCL

Address of Dic: MSEDCL (Distr. Co.), "Prakashgad" ,,Bandra(East),

GSTIN of DIC: 27AAECM2933K1ZB

Bill of Supply No.: MI2703200009

Bill of Supply Date: 12.06.2020

GST_SAC: 996911

S No.	Description	Amount (Rs.)
1	Petition Filing Chrg	0.00
2	Publication Charges	0.00
3	Surcharges	0.00
4	Rebate COVID-19	547,103,756.00-
5	Miscellaneous Charges	0.00
7	Credit for STOA	0.00
8	IN: State GST	0.00
9	IN: Central GST	0.00
Grand Total		547,103,756.00-

Authorized signatory

For & On behalf of Power Grid Corporation Of India Ltd.

स्वहित एवं राष्ट्रहित में ऊर्जा बचाए
Save Energy for Benefit of Self and Nation

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पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)

Western Region Transmission System - 1
Nari Ring Road, P. O. Regional Head Quarters
Nagpur-440026
Tel : 0712-2641478-79 Fax : 0712-2641366 Email :

Ref No:POWERGRID/WR01/Comm/Serial No:91501540

Date: 12 JUN 2020
CIN NO :L40101DL1989GOI038121

To,
MSEDCL
MSEDCL (Distr. Co.), "Prakashgad",
Bandra(East),
Mumbai, 400051
Maharashtra

Customer PAN : AAECM2933K

Bill of Supply for one time consolidated rebate by POWERGRID for May'20 on account of Covid-19

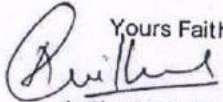
Please find enclosed Bill of Supply for one time consolidated rebate by POWERGRID for May'20 on account of Covid-19.

1. Bill of Supply No :M12703200008

Dated : 12 JUN 2020

2.Amount : Rs.544,179,996.00-

Thanking You,

Yours Faithfully,

Authorized signatory
For & On Behalf of Power Grid
Corporation of India Ltd

Encl: a/a

Registered Office : B9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016
Ph 011-26560112, 26560121, 26564892 Fax: 011-26601081

स्वहित एवं राष्ट्रहित में ऊर्जा बचाएँ
Save Energy for Benefit of Self and Nation

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पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)

66, POWERGRID, NARI RING ROAD, SAMPRITI NAGAR, NAGPUR, 440026, IN
Maharashtra
GSTIN: 27AAACP0252G1ZT

Bill of Supply for one time consolidated rebate by POWERGRID for May'20 on account of Covid-19

CIN No : L40101DL1989GOI038121
POWERGRID PAN No: AAACP0252G
DIC No : 2100032
Name of DIC: MSEDCL
Address of Dic: MSEDCL (Distr. Co.), "Prakashgad" ,,Bandra(East),
GSTIN of DIC: 27AAECM2933K1ZB
Bill of Supply No.: MI2703200008
Bill of Supply Date: 12.06.2020
GST_SAC: 996911

S No.	Description	Amount (Rs.)
1	Petition Filing Chrg	0.00
2	Publication Charges	0.00
3	Surcharges	0.00
4	Rebate COVID-19	544,179,996.00-
5	Miscellaneous Charges	0.00
7	Credit for STOA	0.00
8	IN: State GST	0.00
9	IN: Central GST	0.00
Grand Total		544,179,996.00-

Authorized signatory

For & On behalf of Power Grid Corporation Of India Ltd.

स्वहित एवं राष्ट्रहित में ऊर्जा बचाएं
Save Energy for Benefit of Self and Nation

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Annexure-11

एन टी पी सी लिमिटेड

(भारत सरकार का उद्यम)

NTPC Limited

(A Govt. of India Enterprise)

पश्चिम क्षेत्र-1 मुख्या. / WESTERN REGION - I HQs

Date: 17.08.2020

REF: NTPC/WR-1HQ/COMML/402

To
Director(Finance),
Maharashtra State Electricity Distribution Company Ltd,
Prakashgad, Bandra(East),
Mumbai - 400051.

SUB: Passing on of relief to Discoms on account of lockdown due to Covid-19 pandemic.

This is in reference with the NTPC letter dated 12.06.2020 regarding Passing on of relief to Discoms on account of lockdown due to Covid-19 pandemic.

NTPC has passed on the following benefits to the MSEDCL:

- Rebate of Rs.167.97 Crore on capacity charges billed for the lockdown period due to COVID-19.
- Capacity charges amounting to Rs.257.01 Crore to be deferred and payable without interest in three equal monthly instalments.

As mentioned in the letter dated 12.06.2020, the above rebate was subjected to following conditions:

- MSEDCL agrees not to pursue or invoke any Force Majeure related claims in any form at any forum.**
- The rebate provided by NTPC shall be passed on to the end-consumers.**

The above lump-sum rebate and deferment amounts are being extended to Discoms as a one-time measure to mitigate the difficulties being faced by them to some extent. These are final amounts as decided by NTPC Board and are not subject to any change.

Till now, NTPC has not received any communication regarding the above force majeure conditions by MSEDCL. In absence of this communication, the rebate of Rs.167.97Crore will not be considered and delayed payment surcharge at the rate of 1.50% per month will be applicable beyond a period of 45 days from the date of presentation of bill (CERC Rebate scheme 2020-21).

In view of this, it is requested to provide us the communication regarding above conditions at the earliest.

With regards.

Yours faithfully,






(Pravin Pande)
GM(Comm)

Copy to: CMD, MSEDCL for kind information please.

समृद्धि वेंचर पार्क, द्वितीय तल, एम. आई. डी. सी., अंधेरी (पूर्व), मुंबई - 400 093.
Samruddhi Venture Park, 2nd Floor, MIDC, Andheri (E), Mumbai - 400 093.

पंजीकृत ऑफिस : एनटीपीसी भवन, स्कोप कॉम्प्लेक्स, 7, इंस्टीट्यूशनल एरिया, लोधी रोड, नई दिल्ली-110 003.
Registered Office : NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003.

सीआईएन : L40101DL1975GOI007966 | टेल.: 022-2831 0213/15 | फॅक्स : 022-2825 9331 | www.ntpc.co.in
CIN : L40101DL1975GOI007966 | Tel.: 022-2831 0213/15 | Fax : 022-2825 9331 | www.ntpc.co.in

Visit :  /ntpc1  /ntpcltd1  /ntpc174  /company/ntpc  /ntpclimited





Maharashtra State Electricity Distribution Co. Ltd.

Prakashgad, Plot No.G-9, Bandra (East), Mumbai – 400 051

☎ (P) 26476843, (O) 26474211 / 26472131 Website: www.mahadiscom.in

Ref. No. MSEDCL/IPP/16209

DATE: 01.10.2020

Without Prejudice

To
M/s. JSW Energy Limited,
JSW Centre, Bandra Kurla Complex
Bandra East, Mumbai.

Subject: Rebate in fixed charges for lockdown period on account of COVID pandemic in line with MoP's notification dated 15.05.2020.

Reference: MoP's notification dated 15.05.2020

Dear Sir,

The Covid-19 (Coronavirus) Pandemic has resulted inter alia in an adverse impact on the economy. This is with further reference to the prevalent "Lock-Down" imposed by the Government of Maharashtra on 22.03.2020, across the entire State, resulting in closure of Industrial & Commercial activities in the State of Maharashtra, all of sudden. Thus, the lockdown is a result of the Pandemic due to Covid-19 Coronavirus which natural calamity, an act of God, has impacted the electricity consumption of MSEDCL in the State of Maharashtra, due to nearly all the industrial and commercial entities closing down suddenly their operations, with the commencement of the Lockdown, a factor completely beyond the control of MSEDCL.

You are well aware that firstly, such an unforeseen and unavoidable reduction of Industrial and Commercial consumption and secondly, the reduced demand for electricity in the State of Maharashtra which is higher during the summer months was impossible, to foresee and unavoidable. This event which adversely impacted the Industrial and Commercial demand in the State of Maharashtra was beyond the control of MSEDCL. MSEDCL was prevented, impeded and hindered by the lockdown from suddenly supplying power for its industrial and commercial consumers. The overall lockdown has resulted into an overnight, sudden, unfathomable, unknown, unforeseen, unavoidable and uncontrollable, steep reduction of power demand by the Industrial and Commercial consumers of MSEDCL in Maharashtra. The MSEDCL demand has overnight crashed from 21570 MW (19-02-2020) to @14500-15000 MW which otherwise remains in the range of 20500-21000 MW. You are aware that during the summer months an average range of demand of 20100 to 20300 MW has been recorded in last two years and considering the good rainfall and availability of water for agriculture demand during Summer this year was expected around 20500-21000 MW as mentioned above. The year on year increase in demand in summer months has been observed consistently during the years of the operation of the PPA.



Hon'ble MERC has acknowledged this situation of the state of Maharashtra and issued 'Practice direction measures to minimise public interface in view of Coronavirus Epidemic (Covid-19)' on 26 March 2020. In these practice directions Hon'ble Commission directed distribution companies to suspend non-essential services as read below –

"b. The Distribution Licensees may suspend other non-essential services which require visiting consumer premises or meeting consumer in person i.e. Meter reading, Billing, Offline Bill Collection at Bill Payment Centres, release of new connections etc."

It is to inform you that, with these restrictions in force, there are limitations on MSEDCL to recover the dues from its consumers in time for such period of lock down. Also in this situation it is the duty of MSEDCL to supply uninterrupted supply to its consumers.

Further Ministry of Power, Government of India vide its letter No. 23/22/2019-R&R Part-4 dated 28.3.2020 has acknowledged the force majeure situation being faced by distribution companies and has issued the following directions under Section 107 of the Electricity Act, 2003 (hereinafter referred to as "the Act") to the Central Electricity Regulatory Commission with regard to the Late Payment Surcharge to be charged by the generating companies and transmission licensees on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishment etc. MoP has clearly indicated in the directives as follows;

1. We are in receipt of representations from power distribution companies and State Governments requesting to waive payment of Late Payment Surcharge in view of the force majeure situation arising due to severe restrictions placed on movement of public and opening of offices and establishments etc. by the State Governments and vide order dated 24.03.2020 of Ministry of Home Affairs (MHA), Government of India. It has been informed that the consumers of the power distribution companies (discoms) are unable to pay their dues because of this unprecedented situation which is likely to continue for sometime. This will affect the liquidity position of the discoms thereby reducing their ability to make timely payments to the generating companies (gencos) and transmission companies (transcos).

2. The matter has been examined in the Ministry of Power. The Ministry acknowledges the gravity and unprecedented nature of the situation. Payments received in the month of March 2020 account for a large share of the annual revenues of these companies. Extremely low receipt due to nonpayment or delayed payment by consumers, the cash flow in the system may be impeded. To mitigate the problem, some relief requires to be granted to the discoms to make payments to generating companies and transmission licensees.

3. CPSU gencos/transcos are being advised not to use coercive means for recovering the dues and continue supply/transmission of electricity since it is an essential service, as also recognized by MHA vide its order dated 24.03.2020. RBI has also provided a three-month moratorium on repayments of outstanding loans and interest on working capital.

Accordingly, Hon'ble CERC vide its order in Petition No.6/SM/2020 dated 03.04.2020 has acknowledged the situation and given orders as follows;



"13. Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month."

Further, Ministry of Power, vide its notification dated 20.08.2020 has also clarified as under:

"In order to alleviate the financial stress on the Discoms, the Generating Companies and Transmission Companies are advised to charge LPS at a rate not exceeding 1 % pm for all payments made under the Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat."

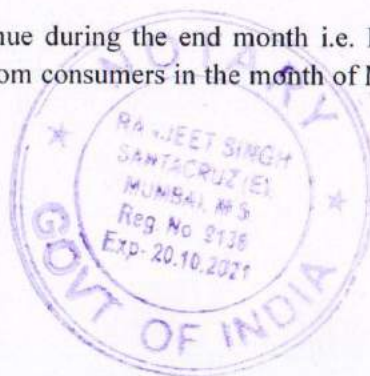
Further, it needs to be noted that Hon'ble MERC has issued MYT tariff order for MSEDCL in Case No. 322 of 2019 on 30th March 2020 wherein MERC has given special relief to Industrial and Commercial Consumers in the State of Maharashtra and put a moratorium on payment of fixed charges for three billing cycles. The relevant paragraphs are reproduced as follows:

"11.1.2 This Tariff order is being issued at a critical time when the country is passing through one of the most debilitating epidemics in the form of Covid19. In fact taking note of the current situation prevailing in the state, commission issued a practice direction on 26/3/2020 whereby meter reading and physical bill distribution work was suspended and utilities were asked to issue bills on average usage basis till the current crisis gets subsided. Commission is aware that a number of industrial and commercial establishments have been shut down due to the lockdown enforced by Government.

11.1.3 To mitigate to some extent the difficulties being faced by the Electricity consumers of Maharashtra and all out efforts to contain the spread of Corona Pandemic, the Commission deems it fit to put a moratorium on payment of fixed charges of the electricity bill by consumers under Industrial and Commercial category for next three billing cycles beginning from the lockdown date of 25/3/2020 "

Due to the allowed moratorium by Hon'ble Commission has resulted in further worsening of the cash flows of MSEDCL and it has become difficult for MSEDCL to adhere to payment schedules.

MSEDCL has been collecting maximum revenue during the end month i.e. March of each financial year in the past. MSEDCL collection from consumers in the month of March 19



was 5621 Cr and the same has been reduced to 5057 Cr in March this year which was otherwise expected to be higher than last year's collection. The Covid-19 pandemic has affected the performance of MSEDCL and this is totally beyond control of MSEDCL and never expected.

MSEDCL as the affected party due to the Covid – 19 Pandemic has been subjected to uncontrollable reduction in demand due to lack of industrial and commercial demand and reduced collection as a result of restriction due to Covid - 19 Pandemic.

Due to the uncontrollable and extraordinary circumstances, which are an outcome of the Covid-19 Pandemic, the performance of obligations by MSEDCL (the affected party) to the extent of the sudden, unforeseen, uncontrollable downward spiral of demand in the State of Maharashtra are adversely affected.

Accordingly, the meeting (VC) dated 13.04.2020 was scheduled at CMD, MSEDCL level and also Hon'ble Energy Minister, GoM had called a meeting on 27.04.2020 for Review of IPP Companies, power distribution, preparedness during Lockdown and post lockdown period & related issues wherein the situation was discussed and requested to take the burden or share the financial impact because of this unprecedented situation.

Meanwhile, MoP, vide its notification dated 15.05.2020, has directed to all Central Public Sector Generation/Transmission Companies under MoP, GoI including their Joint Ventures/Subsidiaries, to offer following rebate to Discoms for passing on to the same to end consumers for the lockdown period on account of Covid-19 pandemic:

- a. Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly installments.
- b. Rebate of about 20-25% on power supply billed to Discoms and inter- state transmission charges levied by PGCIL.

Further MoP, vide its Corrigendum, dated 16.05.2020, has clarified that the Rebate to Discom as under:

Rebate of about 20-25% on power supply billed (fixed cost) to Discoms and inter-state transmission charges levied by PGCIL.

In line with the MoP's notification dated 15.05.2020 M/s. NTPC has already passed rebate for the months of April and May 2020 to MSEDCL and has deferred the capacity charges and payable without interest in three equal monthly installments. Further NTPC has also discounted the energy bills for the month of Feb 20, Mar 20 & Apr 20 with interest @ 6 % p.a. for the period of 1 (one) year. As per notification, PGCIL has also provided rebate for the months of April and May 2020.

In View of the above and in line with the GoI notification, as a long term stakeholder of MSEDCL, RIPL is requested as under

- 1) To pass on the rebate of Rs. 5.32Cr for April and May 2020 as under:

Name of IPP	Apr-20	May-20	Total (Fixed Cost)	Rebate (20%)
JSW	13.19	13.40	26.58	5.32

Amount in Rs. Crore



- 2) For levying the DPC on the payable due bills from date 24.03.2020 till normalization of Covid-19 situation, at the rate lower of (i) the MCLR +2 % Rate as per MSEDCL's Appeal before APTEL Case No. 77 of 2018, or (ii) 12% as per CERC Order dated 03.04.2020 (Case No. 06/SM/2020).

It is requested to provide the consent for the rebate/DPC/Deferment as mentioned above within 7 days from receipt of this letter.

Anticipating your cooperation in this difficult situation,

With Regards.

Yours Faithfully,

S/d

Paresh Bhagwat

Chief Engineer (Power Purchase)

Copy s.w.r.to:

The Director (Commercial), MSEDCL, Corporate office Mumbai.





Maharashtra State Electricity Distribution Co. Ltd.

Prakashgad, Plot No.G-9, Bandra (East), Mumbai – 400 051

☎ (P) 26476843, (O) 26474211 / 26472131 Website: www.mahadiscom.in

Ref. No. MSEDCL/IPP/16206

DATE: 01.10.2020

Without Prejudice

To
M/s. RattanIndia Power Limited,
5th Floor, Tower-B, Worldmark 1,
Aerocity, New Delhi.

Subject: Rebate in fixed charges for lockdown period on account of COVID pandemic in line with MoP's notification dated 15.05.2020.

Reference: MoP's notification dated 15.05.2020

Dear Sir,

The Covid – 19 (Coronavirus) Pandemic has resulted inter alia in an adverse impact on the economy. This is with further reference to the prevalent "Lock-Down" imposed by the Government of Maharashtra on 22.03.2020, across the entire State, resulting in closure of Industrial & Commercial activities in the State of Maharashtra, all of sudden. Thus, the lockdown is a result of the Pandemic due to Covid-19 Coronavirus which natural calamity, an act of God, has impacted the electricity consumption of MSEDCL in the State of Maharashtra, due to nearly all the industrial and commercial entities closing down suddenly their operations, with the commencement of the Lockdown, a factor completely beyond the control of MSEDCL.

You are well aware that firstly, such an unforeseen and unavoidable reduction of Industrial and Commercial consumption and secondly, the reduced demand for electricity in the State of Maharashtra which is higher during the summer months was impossible, to foresee and unavoidable. This event which adversely impacted the Industrial and Commercial demand in the State of Maharashtra was beyond the control of MSEDCL. MSEDCL was prevented, impeded and hindered by the lockdown from suddenly supplying power for its industrial and commercial consumers. The overall lockdown has resulted into an overnight, sudden, unfathomable, unknown, unforeseen, unavoidable and uncontrollable, steep reduction of power demand by the Industrial and Commercial consumers of MSEDCL in Maharashtra. The MSEDCL demand has overnight crashed from 21570 MW (19-02-2020) to @14500-15000 MW which otherwise remains in the range of 20500-21000 MW. You are aware that during the summer months an average range of demand of 20100 to 20300 MW has been recorded in last two years and considering the good rainfall and availability of water for agriculture demand during Summer this year was expected around 20500-21000 MW as mentioned above. The year on year increase in demand in summer months has been observed consistently during the years of the operation of the PPA.



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Further Ministry of Power, Government of India vide its letter No. 23/22/2019-R&R Part-4 dated 28.3.2020 has acknowledged the force majeure situation being faced by distribution companies and has issued the following directions under Section 107 of the Electricity Act, 2003 (hereinafter referred to as "the Act") to the Central Electricity Regulatory Commission with regard to the Late Payment Surcharge to be charged by the generating companies and transmission licensees on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishment etc. MoP has clearly indicated in the directives as follows;

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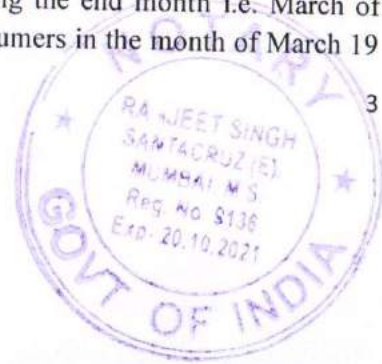
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In View of the above and in line with the GoI notification, as a long term stakeholder of MSEDCL, RIPL is requested as under

- 1) To pass on the rebate of Rs. 23.15 Crs for April and May 2020 as under:

Name of IPP	Apr-20	May-20	Total (Fixed Cost)	Rebate (20%)
RIPL	56.92	58.81	115.73	23.15

*Rs. In Cr.



- 2) Adjustment in the deferment of capacity charges corresponding to power not scheduled of Rs. 92.58 Crs. (After considering rebate of 20%) i.e. Rs. 30.86 Crore in three equal installments and payable on 31st July, 31st Aug & 30th Sept 2020 without interest.
- 3) For levying the DPC on the payable due bills from date 24.03.2020 till normalization of Covid-19 situation, at the rate lower of (i) the MCLR +2 % Rate as per MSEDCL's Appeal before APTEL Case No. 77 of 2018, or (ii) 12% as per CERC Order dated 03.04.2020 (Case No. 06/SM/2020).

It is requested to provide the consent for the rebate/DPC/Deferment as mentioned above within 7 days from receipt of this letter.

Anticipating your cooperation in this difficult situation,

With Regards.

Yours Faithfully,

S/d

Paresh Bhagwat

Chief Engineer (Power Purchase)

Copy s.w.r.to:

The Director (Commercial), MSEDCL, Corporate office Mumbai.





Maharashtra State Electricity Distribution Co. Ltd.

Prakashgad, Plot No.G-9, Bandra (East), Mumbai – 400 051

☎ (P) 26476843, (O) 26474211 / 26472131 Website: www.mahadiscom.in

Ref. No. MSEDCL/IPP/16207

DATE: 01.10.2020

Without Prejudice

To
The Chief Executive Officer
Adani Power Maharashtra Ltd.
Adani Corporate House,
Shantigram, S G Highway,
Ahmedabad 382 421
Gujarat, India

Subject: Rebate in fixed charges for lockdown period on account of COVID pandemic in line with MoP's notification dated 15.05.2020.

Reference: MoP's notification dated 15.05.2020

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Further Ministry of Power, Government of India vide its letter No. 23/22/2019-R&R Part-4 dated 28.3.2020 has acknowledged the force majeure situation being faced by distribution companies and has issued the following directions under Section 107 of the Electricity Act, 2003 (hereinafter referred to as "the Act") to the Central Electricity Regulatory Commission with regard to the Late Payment Surcharge to be charged by the generating companies and transmission licensees on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishment etc. MoP has clearly indicated in the directives as follows;

1. We are in receipt of representations from power distribution companies and State Governments requesting to waive payment of Late Payment Surcharge in view of the force majeure situation arising due to severe restrictions placed on movement of public and opening of offices and establishments etc. by the State Governments and vide order dated 24.03.2020 of Ministry of Home Affairs (MHA), Government of India. It has been informed that the consumers of the power distribution companies (discoms) are unable to pay their dues because of this unprecedented situation which is likely to continue for sometime. This will affect the liquidity position of the discoms thereby reducing their ability to make timely payments to the generating companies (gencos) and transmission companies (transcos).

2. The matter has been examined in the Ministry of Power. The Ministry acknowledges the gravity and unprecedented nature of the situation. Payments received in the month of March 2020 account for a large share of the annual revenues of these companies. Extremely low receipt due to nonpayment or delayed payment by consumers, the cash flow in the system may be impeded. To mitigate the problem, some relief requires to be granted to the discoms to make payments to generating companies and transmission licensees.

3. CPSU gencos/transcos are being advised not to use coercive means for recovering the dues and continue supply/transmission of electricity since it is an essential service. as



also recognized by MHA vide its order dated 24.03.2020. RBI has also provided a three-month moratorium on repayments of outstanding loans and interest on working capital.

Accordingly, Hon'ble CERC vide its order in Petition No.6/SM/2020 dated 03.04.2020 has acknowledged the situation and given orders as follows;

"13. Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month."

Further, Ministry of Power, vide its notification dated 20.08.2020 has also clarified as under:

"In order to alleviate the financial stress on the Discoms, the Generating Companies and Transmission Companies are advised to charge LPS at a rate not exceeding 1 % pm for all payments made under the Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat."

Further, it needs to be noted that Hon'ble MERC has issued MYT tariff order for MSEDCL in Case No. 322 of 2019 on 30th March 2020 wherein MERC has given special relief to Industrial and Commercial Consumers in the State of Maharashtra and put a moratorium on payment of fixed charges for three billing cycles. The relevant paragraphs are reproduced as follows:

"11.1.2 This Tariff order is being issued at a critical time when the country is passing through one of the most debilitating epidemics in the form of Covid19. In fact taking note of the current situation prevailing in the state, commission issued a practice direction on 26/3/2020 whereby meter reading and physical bill distribution work was suspended and utilities were asked to issue bills on average usage basis till the current crisis gets subsided. Commission is aware that a number of industrial and commercial establishments have been shut down due to the lockdown enforced by Government.

11.1.3 To mitigate to some extent the difficulties being faced by the Electricity consumers of Maharashtra and all out efforts to contain the spread of Corona Pandemic, the Commission deems it fit to put a moratorium on payment of fixed charges of the electricity bill by consumers under Industrial and Commercial category for next three billing cycles beginning from the lockdown date of 25/3/2020 "



Due to the allowed moratorium by Hon'ble Commission has resulted in further worsening of the cash flows of MSEDCL and it has become difficult for MSEDCL to adhere to payment schedules.

MSEDCL has been collecting maximum revenue during the end month i.e. March of each financial year in the past. MSEDCL collection from consumers in the month of March 19 was 5621 Cr and the same has been reduced to 5057 Cr in March this year which was otherwise expected to be higher than last year's collection. The Covid-19 pandemic has affected the performance of MSEDCL and this is totally beyond control of MSEDCL and never expected.

MSEDCL as the affected party due to the Covid – 19 Pandemic has been subjected to uncontrollable reduction in demand due to lack of industrial and commercial demand and reduced collection as a result of restriction due to Covid - 19 Pandemic.

Due to the uncontrollable and extraordinary circumstances, which are an outcome of the Covid-19 Pandemic, the performance of obligations by MSEDCL (the affected party) to the extent of the sudden, unforeseen, uncontrollable downward spiral of demand in the State of Maharashtra are adversely affected.

Accordingly, the meeting (VC) dated 13.04.2020 was scheduled at CMD, MSEDCL level and also Hon'ble Energy Minister, GoM had called a meeting on 27.04.2020 for Review of IPP Companies, power distribution, preparedness during Lockdown and post lockdown period & related issues wherein the situation was discussed and requested to take the burden or share the financial impact because of this unprecedented situation.

Meanwhile, MoP, vide its notification dated 15.05.2020, has directed to all Central Public Sector Generation/Transmission Companies under MoP, GoI including their Joint Ventures/Subsidiaries, to offer following rebate to Discoms for passing on to the same to end consumers for the lockdown period on account of Covid-19 pandemic:

- a. Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equal monthly installments.
- b. Rebate of about 20-25% on power supply billed to Discoms and inter- state transmission charges levied by PGCIL.

Further MoP, vide its Corrigendum, dated 16.05.2020, has clarified that the Rebate to Discom as under:

Rebate of about 20-25% on power supply billed (fixed cost) to Discoms and inter-state transmission charges levied by PGCIL.

In line with the MoP's notification dated 15.05.2020 M/s. NTPC has already passed rebate for the months of April and May 2020 to MSEDCL and has deferred the capacity charges and payable without interest in three equal monthly installments. Further NTPC has also discounted the energy bills for the month of Feb 20, Mar 20 & Apr 20 with interest @ 6 % p.a. for the period of 1 (one) year. As per notification, PGCIL has also provided rebate for the months of April and May 2020.

In View of the above and in line with the GoI notification, as a long term stakeholder of MSEDCL, APML is requested as under



- 1) To pass on the rebate of Rs. 95.15 Crs for April and May 2020 as under:

Name	Apr-20	May-20	Total (Fixed Cost)	Rebate (20%)
APML	241.42	234.33	475.75	95.15

Amount in Rs. Crore

- 2) Adjustment in the deferment of capacity charges corresponding to power not scheduled in respect of 440 MW PPA of Rs. 15.46 Crs.(After considering rebate of 20%) i.e. Rs. 5.15 Crore in three equal installments and payable on 31st July, 31st Aug & 30th Sept 2020 without interest.
- 3) For levying the DPC on the payable due bills from date 24.03.2020 till normalization of Covid-19 situation, at the rate lower of (i) the MCLR +2 % Rate as per MSEDCL's Appeal before APTEL Case No. 77 of 2018, or (ii) 12% as per CERC Order dated 03.04.2020 (Case No. 06/SM/2020).

It is requested to provide the consent for the rebate/DPC/Deferment as mentioned above within 7 days from receipt of this letter.

Anticipating your cooperation in this difficult situation,

With Regards.

Yours Faithfully,

S/d

Paresh Bhagwat

Chief Engineer (Power Purchase)

Copy s.w.r.to:

The Director (Commercial), MSEDCL, Corporate office Mumbai.



Annexure-13



JSW Energy Limited

Village – Nandiwade, Post – Jaigad
Tal. & Dist -Ratnagiri-415 614,
Maharashtra, India

Phone: 02357-242501 to 513
Fax: 02357-242507
CIN- L74999MH1994PLC077041
Website: www.jsw.in

Ref No: MSEDCL/LETTER/19-20/014

Date: October 08 , 2020

To,
Chief Engineer (Power Purchase)
Maharashtra State Electricity Distribution Company Limited,
5th Floor, Prakashgad, Plot No. G-9, Bandra (E),
Mumbai – 400 051

Sub: Rebate in fixed charges for lockdown period on account of Covid pandemic

Ref: 1. Your Letter No.16209 dated 01.10.2020

Dear Sir,

We are in receipt of your above referred letter; whereby, our consent was sought for deducting an amount of Rs. 5.62 crore towards the rebate of 20 % of fixed charges from the amount already paid towards fixed charges for the power supplied during April – May 2020 under the Power Purchase Agreement dated 23.02.2010 (PPA) on account of various reasons inter-alia power demand crash and less revenue collected on account of pandemic, various orders/guidelines issued by the authorities including the Hon'ble Commissions and Ministry of Power, Government of India.

In this context, at the outset, we wish to draw your kind attention that our Ratnagiri Plant is based and dependent upon the imported coal and you would also appreciate that supplying power under the PPA is a loss making affair for us, as the tariff at which we supply power is not even sufficient enough to cater the variable cost of generation of power from our plant and we are consistently incurring huge loss year on year because of adhering the terms of the PPA; therefore, we should not be compared with the other power generators especially with NTPC. In the present context, we reiterate and you would also appreciate that our Ratnagiri plant is under severe financial stress and facing long term commercial viability issues, due to under recovery of coal cost on account of promulgation of Indonesian Regulations. Total losses suffered by JSWEL on account of under recovery of coal cost is Rs. 1,148 Crs, from September 2010 to July 2020. Additional loss on account of under recovery towards ROE, from September 2010 to June 2020 is Rs. 592 Crs. Thus, JSWEL's Ratnagiri TPP is having accumulated losses of approximately Rs. 1,740 Crs, which is rising constantly and is much more than the total capital cost of Unit I of the Plant.

Without prejudice to the above, in the same set of circumstances, we have duly performed and fulfilled our obligations as required under the PPA. We deny that the alleged difficulties of reduction in demand by your consumers and/or of collection of revenue by you from your consumers discharges you, either wholly or partially, from the performance of your obligations under the PPA, and we .clear our stand that neither any force majeure event was occurred in April and May 2020 nor your obligations under the PPA is in any manner hindered or prevented during the lockdown.

Further, it appears that para 3 (c) of the Ministry of Power's clarification dated 06.04.2020 has escaped your attention. The said para clearly states that the 'obligation to pay for capacity charges as per the PPA

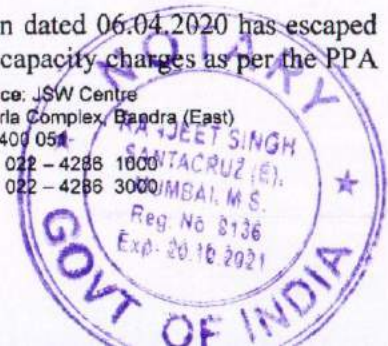


Part of O.P.Jindal Group

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Regd. Office: JSW Centre
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Mumbai – 400 051

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JSW Energy Limited
Village – Nandiwade, Post – Jalgad
Tal. & Dist.-Ratnagiri-415 614,
Maharashtra, India

Phone: 02357-242501 to 513
Fax: 02357-242507
CIN- L74999MH1994PLC077041
Website: www.jsw.in

shall continue', during the lockdown. You are well aware that the PPA as well as the Tariff Regulations are based on availability based recovery of capacity charges; and not on recovery based on scheduling by the Discoms.

In view of the foregoing, we deny the occurrence/existence of any force majeure event and in turn not entitled for relief/rebate, as sought through the subject notice under the PPA and neither we are in a position to nor can afford any rebate to be given to MSEDCL.

Thanking You,

Yours Faithfully,

For JSW Energy Limited

(Authorised Signatory)
Atul Dikshit - AGM (Finance & Accounts)



Part of O.P.Jindal Group

RattanIndia

Ref: RPL/Amravati/MSEDCL/2020-21/11

Date: 28th October, 2020

To,

The Chief Engineer (Power Purchase),
Maharashtra State Electricity Distribution Company Limited,
 5th Floor, Prakashgad, Plot No. G-9,
 Bandra-(East),
 Mumbai - 400 051

Sub: Rebate in fixed charges for lockdown period on account of COVID pandemic

Ref: Your letter no. MSEDCL/IPP/16206 dated 1 October 2020

Dear Sir,

We are in receipt of your above mentioned letter requesting RPL for the following relief:

1. Rebate of 20% on the capacity charges for the months of April-2020 and May-2020,
2. Deferent of payment for the months April-2020 and May-2020 and
3. Levy of DPC on the payable due bills from date 24 March 2020 till normalization of Covid-19 situation at the rate lower of MCLR + 2 % or 12%.

As you are aware, RattanIndia Power Ltd. (RPL) is supplying power to MSEDCL under long term PPAs, aggregating to 1200MW since June-2013. In line with directions from MSEDCL issued from time to time, the Company has been taking steps to ensure that there is sufficient fuel stock available to generate on demand, especially during the peak summer season of 2020. While the Plant has been kept available at a Plant Availability Factor of 100% since January 2020, as a result of the pandemic and resulting drop in the state's demand, all units of the Plant have been kept under zero schedule for the last 8-9 months. RPL has procured and has been maintaining washed coal inventory of nearly 1.9 million tonnes (between the site and the washery), equivalent to approx. 4 months of coal stock, valuing in excess of Rs.750 Crores. As you would appreciate, this has blocked significant cash resources and burdened the company with unrecoverable interest and inventory carrying cost.

You would also be aware that the Company has undergone a One Time Settlement (OTS) effective 31 December 2019, under which the entire existing debt of the original lenders have been transferred to a set of new global investors, with strict agreements on cash management, debt servicing and obligations in meeting payment obligations/default. While the OTS was successfully completed, the Project has not fully emerged out of stress and continues to face challenges. In addition, the entire cash flows from operations now operate through a Trust & Retention Account (TRA), which is managed entirely by the lenders to the Project. With the above background, the Company has discussed MSEDCL's proposal with its new investors.

In light of the fact that the Plant has not received any schedule for more than last 8 months and the Company is incurring expenses to maintain 100% plant availability, the Company's new investors are of the view that RPL will not be able to sustain its financial obligations in case it was to accept MSEDCL's proposal of discounts and waiver of interest/LPS. Hence, RPL is unable to accede to any of the above mentioned requests of MSEDCL at this juncture.

RattanIndia Power Limited

Mumbai Office: 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz-(East), Mumbai-400 098, Tel No: 022.62649900

Registered Office: A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110 037

Website: www.rattanindia.com, CIN: L40102DL2007PLC169082



RattanIndia

However, given the long term relationship between RPL and MSEDCL and the intent to share some of the pains faced by MSEDCL and its consumers, the investors of RPL have agreed to alternatively offer MSEDCL a proposal to advance the Non-Escalable Energy Charge applicable from 01 April 2021 to become effective from 01 November 2020. This proposal will reduce RPL's Non-Escalable Energy Charges by 46 paise per unit w.e.f. 01 November 2020 and help MSEDCL in reducing its overall power procurement cost to the tune of Rs.170 Crores (at normative PLF) and alleviating the financial hardship being faced by it.

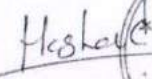
We request your kind consideration of our proposal. We value our relationship and look forward to continuing this into the future.

Our above proposal is a one-time offer and shall not be construed as a waiver of any of our rights under the PPAs.

Thanking you and looking forward to your earliest response.

Yours faithfully,

For RattanIndia Power Limited



Authorized Signatory

Copy to: Director (Commercial), MSEDCL, Mumbai

2 copies received


Received
28/10/2020

RattanIndia Power Limited

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Website: www.rattanindia.com, CIN: L40102DL2007PLC169082


NOTARY
SANTACRUZ (E)
MUMBAI, M.S.
Reg. No. 3136
Exp. 20.10.2021
GOVT OF INDIA