

CE/RE/Petition/PPP/ No, 2 1 1 5 1

Date: 30 JUL 2019

To,  
**The Secretary,**  
**Maharashtra Electricity Regulatory Commission,**  
13<sup>th</sup> Floor, Centre No.1, World Trade Centre,  
Cuffe Parade, Colaba,  
**Mumbai – 400 005.**

**Sub:** Filing of Petition for seeking approval for short term procurement of power from captive power plants (conventional) under section 62 and 86 (1) (b), (e) of the Electricity Act 2003.

Respected Sir,

Please find enclosed herewith petition for seeking approval for short term procurement of power from captive power plants (conventional) under section 62 and 86 (1) (b), (e) of the Electricity Act 2003.

The requisite fee of Rs. 50,000/- is paid on 04.06.2019 through RTGS (UTR NO : MAHBH19155630581).

Submitted for your further needful please.

Thanks & Regards,

*pharad*

**Chief Engineer (Renewable Energy)**

**Copy s.w.r. to:**

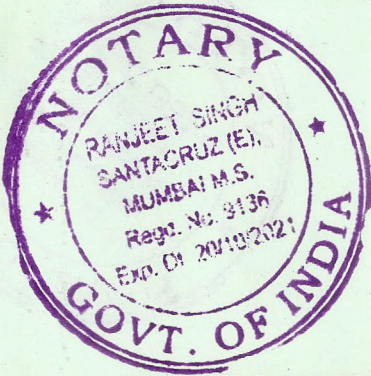
The Director (Commercial), MSEDCL, Mumbai.

**BEFORE THE MAHARASHTRA STATE REGULATORY  
COMMISSION**

**CASE NO. OF 2019**

**Filing No.:**

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**IN THE MATTER OF**

**PETITION FOR SEEKING APPROVAL FOR SHORT TERM  
PROCUREMENT OF POWER FROM CAPTIVE POWER PLANTS  
(CONVENTIONAL) UNDER SECTION 62 AND 86 (1) (b), (e) OF THE  
ELECTRICITY ACT 2003.**

**AND**

**IN THE MATTER OF**

**REGULATION 94 OF MERC (CONDUCT OF BUSINESS) REGULATIONS -  
2004,**

Affidavit in support of petition

I, Kavita Gharat , aged 41 years, having my office at MSEDCL, Prakashgad, Bandra (E), Mumbai- 400 051, do hereby solemnly affirm and state as under;

I am Chief Engineer (Renewable Energy) of the Maharashtra State Electricity Distribution Co. Ltd, (herein after referred to as "MSEDCL" for the sake of brevity), in the above matter and am duly authorized to make this affidavit.

The averments made in the enclosed petition are based on the information received from the concerned officers of the Company and I believe them to be true.



I say that there are no proceedings pending in any court of law/ tribunal or arbitrator 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 ..... that the contents of this affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

**MOST RESPECTFULLY SHOWETH:**

**MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.**

**RESPECTFULLY SUBMITS:**

**1. Background:**

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


1.2. MSEDCL is a Company constituted under the provisions of Government of Maharashtra, General Resolution No. PLA-1003/C.R.8588/Energy-5 dated 25th January 2005 and is duly registered with the Registrar of Companies, Mumbai on 31st May 2005.

1.3. MSEDCL is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged, within the framework of the Electricity Act, 2003, in the business of Distribution of Electricity to its consumers situated over the entire State of Maharashtra, except some parts of city of Mumbai.

**2. Conventional Captive Power Plants (CPPs):**

2.1. As per the provisions of Electricity Act 2003 and Electricity Rules 2005, CPP holder can generate power for self use as well as sell power to third party (upto 49%). It is the responsibility of the CPP holder to abide to the provisions of the Act & rules.



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- 2.2. MSEDCL is continuously receiving applications from Conventional including waste heat recovery CPPs with request for signing of PPA with MSEDCL for sale of surplus power from their plant.
- 2.3. Previously, MSEDCL had been procuring power from Conventional CPPs to meet the demand-supply gap since year 2009. The EPAs were executed for the maximum period of 1 year and the rates of such power purchase had been revised on yearly basis depending upon the market conditions.
- 2.4. Considering the surplus power situation, MSEDCL has discontinued the power procurement from CPPs since March, 2016.
- 2.5. The Hon'ble Commission vide its order dated 12.09.2018 in Case No. 195 of 2017 has directed MSEDCL to procure all short-term power through competitive bidding route.
- 2.6. The power requirement for meeting MSEDCL demand is predominantly during peak Hours.
- 2.7. MSEDCL has decided to explore the option of purchase of surplus power from CPPs to reduce the power purchase cost, saving Koyna Hydro & Coal. There is difference of about 2000-5000 MW Power between Peak and off peak due to seasonal demand variations. Hence, the power may be procured from CPPs at different rates in two slots i.e. Peak period (06.00 to 22.00 Hrs) and Off peak period (22.00 Hrs to 06.00 Hrs).
- 2.8. The power from CPPs being infirm in nature may be procured at rate lower than average variable cost of power purchase. The Average variable cost of power purchase for MSEDCL is around Rs. 2.84 per unit for FY 2018-19.
- 2.9. MSEDCL has no direct control over generation of CPPs. Therefore, the CPPs holder will have to submit the tentative day ahead generation schedule, as to enable MSEDCL to match its demand & supply.



3. **Procurement of short term power from Conventional Captive Power Plants (CPPs)**

3.1. The procurement of power from embedded and non-embedded CPP's (conventional) is proposed for FY 2019-20 & FY 2020-21 at rate as given under:

Sr. No.	Time slot	(Rs./Unit)
1	Upto 25 % of Total Generation	
	22.00 Hrs to 06.00 Hrs	1.00
	06.00 Hrs to 22.00 Hrs	2.25
2	Beyond 25 % and upto 49% of Total Generation:	
	22.00 Hrs to 06.00 Hrs	--
	06.00 Hrs to 22.00 Hrs	2.25

3.2. The power shall be purchased under following conditions:

- a. No Power will be purchased prior to CoD of its projects.
- b. The power offered by CPPs will be purchased upto 49% of total generation.
- c. The entire power supplied above 49% (including up to 49%) will be treated as lapsed.
- d. The CPP holder selling power above 49 % shall be treated as a generating company.
- e. The project holder shall install SEM meters with visibility at SLDC and Automatic Meter Reading arrangement for billing purpose.
- f. The project will have to submit the tentative day ahead generation schedule.
- g. MSEDCL may terminate the contract by giving 15 days Notice considering the then demand supply position of MSEDCL and financial impact from such purchase.

h. Online portal will be developed for submitting application for sale of power and also for declaration of tentative day ahead generation on the portal.

4. **Prayers:**

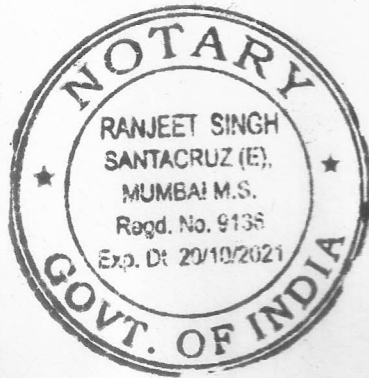
In view of the above the Petitioner respectfully prays to the Hon'ble Commission:

1. To admit the Petition as per the provisions of Section 62 and 86 (1) (b), (e) of the Electricity Act 2003.
2. To accord approval for purchase of short term power from embedded & non-embedded CPPs based on conventional for FY 2019-20 & FY 2020-21 as proposed by MSEDCL.
3. To consider the submission made by the Petitioner and consider the same positively while deciding the Petition as well as for further actions;
4. To pass any other order/relief as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice;
5. Condone any error/omission and to give opportunity to rectify the same;
6. To permit the Petitioner to make further submissions, addition and alteration to this Petition as may be necessary from time to time.

*K. Bharat*  
**Chief Engineer (Renewable Energy)**

**Place:** *Mumbai*

**Date:** 9 JUL 2019



**BEFORE ME**  
*Ranjeet Singh*  
**RANJEET SINGH**  
M.Sc.LL.B  
NOTARY  
MAHARASHTRA  
GOVT OF INDIA  
29 JUL 2019

