

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**Case No. 30 of 2023**

**TP Saurya Limited seeking approval for sale of 100 MW wind power under short term arrangement to MSEDCL.**

M/s TP Saurya Limited (TPSL)...

Petitioner

M/s. Maharashtra State Electricity Distribution Company Ltd (MSEDCL)...

Respondent

**Coram**

**Sanjay Kumar, Chairperson**

**I. M. Bohari, Member**

**Mukesh Khullar, Member**

**Appearance:**

For the Petitioner :

Mr. Rahul Ranade (Rep.)

For the Respondent :

Mr. Rahul Sinha (Adv..)

**ORDER**

**Date: 08 April 2023**

1. M/s. TP Saurya Limited (TPSL) has filed the present Petition on 10 February 2023 under Section 86 (1) (b) of the Electricity Act, 2003 seeking approval for sale of 100 MW non-solar (wind) power under short term arrangement.

2. **TPSL's main prayers are as follows:**

“

A. Approve the sale of power from wind project at rate of Rs 2.56 /kWh on short term basis to MSEDCL till the commissioning of the entire Hybrid plant to MSEDCL;

...”

3. **TPSL in its Petition has stated as follows:**

- 3.1 MSEDCL initiated a competitive bidding process on 07 May 2021 through BHARAT portal for procurement of 500 MW grid connected Wind-Solar Hybrid Power capacity on long term basis, to meet its solar as well as non-solar RPO. The tender documents prepared by MSEDCL were consistent with the MNRE National Wind Solar Hybrid policy dated 14 May 2018 and MNRE Guidelines dated 14 October 2020 for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind Solar Hybrid Projects.
- 3.2 The e-Reverse Auction (e-RA) was conducted on 09 July 2021. The tariff discovered through the transparent competitive bidding process was Rs. 2.62 P.U. The final result of e-RA is as under:

Sr. No	Name of Bidder	Bidding Capacity (MW)	e-RA result		Remarks
			Quantum Awarded (In MW)	Price (Rs./kWh)	
1	M/s TP Saurya Ltd	300	300	2.62	Successful
2	M/s Azure Power India Power Ltd	300	200	2.62	Partially Successful

Subsequently, MSEDCL filed Petition (Case No. 15 of 2022) praying for adoption of discovered Tariff.

- 3.3 The Commission vide its Order dated 11 March 2022 in Case No. 15 of 2022 rejected adoption of tariff proposed in Petition. The Commission suggested option to successful bidder to match the tariff to Rs. 2.49 P.U. (landed cost at Maharashtra STU periphery for procurement from SECI) and if successful bidder did not wish to do so then MSEDCL shall return their EMD as per process. If successful bidders agreed to match the tariff with Rs. 2.49 P.U. then MSEDCL shall sign PPA with such bidder.
- 3.4 M/s. T.P. Saurya Limited (TPSL) subsequently filed a Petition (Case No. 59 of 2022) seeking Review of the Order dated 11 March 2022. TPSL in its Petition sought tariff of Rs. 2.56 P.U.

Based on rationale and circumstances, the Commission adopted the reduced tariff of Rs. 2.56 P.U. for supply of 300 MW RE Wind Solar Hybrid power. The Commission further directed the parties to sign the PPA.

- 3.5 The PPA was signed by TPSL and MSEDCL on 22 July 2022. As per PPA, the project needs to be commissioned within 18 months from the effective date. As per the PPA the project is said to be part commissioned if the Solar and wind capacity is commissioned simultaneously. PPA clause stated below:

“  
*4.1.7 The Part commissioning of the project may be accepted by MSEDCL subject to the condition that minimum capacity for acceptance of first part commissioning shall be 50 MW for inter-state project and 25 MW for intra-state project. The project shall be further commissioned in parts of at least 25 MW batch size, with last part could be balance capacity. **The part commissioning should not be construed by just installing one source of generation, the HPD shall install both Solar and Wind capacities in proposed ration on pro-rata basis.**”*

- 3.6 Accordingly, as per the PPA, the project is declared to be a part commissioned only if both components i.e. Solar and Wind have been commissioned in the proposed ratio. The PPA does not have any provision for early or part commissioning of the project from single source.
- 3.7 As part of this project, TPSL is developing 100 MW wind generating capacity. It is estimated that on account of availability of the project site and strategic tie ups with the WTG supplier, the wind generation capacity is likely to be commissioned much before the SCOD. Some of the WTGs are in advance stage of construction and TPSL is expecting that the 100 MW wind generation capacity would be commissioned in a phased manner during the period from April, 2023 to July, 2023.
- 3.8 On 15 November 2022, TPSL wrote a letter to MSEDCL offering the power generated from the wind generation capacity getting commissioned ahead of schedule. In response, MSEDCL, vide its letter dated 23 January 2023 indicated that they would be willing to purchase power from the 100 MW wind generation capacity in case it is commissioned early, subject to approval of the Commission.
- 3.9 In view of the consent letter from MSEDCL and the terms and conditions of the PPA which do not allow part commissioning from a single source, TPSL vide the instant Petition seeks the approval of the Commission to sell the power generated from the Wind Generating capacity in tandem with the commissioning, which will be in a phased manner between April- 2023 to July-2023 in short term till the entire plant is commissioned.
- 3.10 TPSL is offering the power generated from the wind generation capacity getting commissioned

ahead of schedule. MSEDCL is willing to purchase power from the 100 MW wind generation capacity in case it is commissioned early. The green energy generated from the Wind Generating Capacity ahead of PPA schedule may help MSEDCL meet its RPO requirement at a competitive tariff.

3.11 The Commission vide order dated 21 July 2022 in Case No. 52 of 2022 has allowed a similar power purchase under short term due to early commissioning of the wind component of the 225 MW Hybrid project to Tata Power - Distribution.

3.12 TPSL is requesting to allow sale of power from the 100 MW Wind Generating Capacities to MSEDCL under short term at Rs. 2.56 per kWh.

**4. MSEDCL in its reply has stated as follows:**

4.1. As per the PPA dated 22 July 2022, the project is declared to be a part commissioned only if both components i.e. Solar and Wind have been commissioned in the proposed ratio. The PPA does not have any provision for early or part commissioning of the project from single source.

4.2. TPSL vide its letter dated 15 November 2022 has informed MSEDCL regarding the development of 100 MW wind generating capacity. MSEDCL vide letter dated 23 January 2023, made it clear that the said short term purchase, as offered vide TPSL's letter dated 15 November 2022, will be outside the scope of PPA executed between MSEDCL and TPSL.

4.3. Further, it is the understanding between the parties that the present Petition if allowed would not affect the PPA dated 22 July 2022 executed between MSEDCL and TPSL and accordingly, the PPA shall not be altered in any case and shall be binding on the parties.

4.4. TPSL has offered to sell the wind power under short term at the rate of Rs. 2.56/- per unit. It would be noteworthy that latest wind tenders discovered rate in SECI Tranche XIII in December 2022 is Rs. 2.90-Rs. 2.95 per unit and in GUVNL Tranche IV in January-2023 is Rs. 2.96 – Rs 3.01 per unit.

4.5. MSEDCL also highlighted that there is cumulative shortfall of Non-Solar RPO up to FY 2021-22.

5. During e-hearing held on 23 March 2023, in response to commission's query, Representative of TPSL and MSEDCL submitted that proposed short term procurement will be done by entering into separate short-term PPA which will have terms and conditions applicable to short term PPAs being entered by MSEDCL with other Wind Generators. Advocate of MSEDCL submitted that proposed power procurement will not alter term & conditions of the existing signed PPA dated 22 July 2022.

## Commission's Analysis and Rulings

6. The Commission notes that TPSL has PPA with MSEDCL for 300 MW grid connected Wind-Solar Hybrid project at tariff of Rs. \_\_\_ P.U. Out of this 300 MW capacity, its wind generation capacity of around 100 MW is getting commissioned ahead of schedule. Hence, TPSL through present Petition is seeking approval for sale of 100MW wind power under short term arrangement to MSEDCL at tariff of Rs. 2.56 P.U. MSEDCL has also consented to the proposed procurement.
7. The Commission notes that TPSL in its correspondence to MSEDCL dated 15 November 2022 categorically mentioned that it will be commissioning Solar component of the project as per PPA terms. Further, following timeline is intimated for part commissioning of Wind Generator:

Month	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Installed capacity- MW- (Cummulative basis)	10.8	32.4	54	75.6	97.2	100.6

8. With the above background, the main aspect to be decided is whether the Hybrid Project selected through bidding process qualifies for part commissioning. Therefore, it is necessary to examine the various provisions of the PPA signed between the parties defining the terms and conditions related to the part COD.
9. The Commission notes that PPA dated 22 July 2022 signed between MSEDCL and TPSL requires the project to be commissioned in 18 months from the effective date. Said PPA has following provisions with regards to part commissioning:

“  
*4.1.7 The Part commissioning of the project may be accepted by MSEDCL subject to the condition that minimum capacity for acceptance of first part commissioning shall be 50 MW for inter-state project and 25 MW for intra-state project. The project shall be further commissioned in parts of at least 25 MW batch size, with last part could be balance capacity. The part commissioning should not be construed by just installing one source of generation, the HPD shall install both Solar and Wind capacities in proposed ration on pro-rata basis.*”

Clearly, in terms of PPA, commissioning of Wind generation capacity (single source) cannot be considered as part commission of the project.

10. Both parties highlighted the above aspect during proceedings and proposed that as an interim arrangement such power procurement be considered as short-term power procurement under separate PPA without altering any contractual rights under PPA dated 22 July 2022.
11. The Commission further notes that vide its Order dated 21 July 2022 in Case No. 52 of 2022 it

has allowed a similar short term power purchase due to early commissioning of the wind component in respect of 225 MW Hybrid project to Tata Power - Distribution. Relevant extract of the said Order is reproduced herein below for reference:

“

*19. In justification of part commissioning of Hybrid Project, TPC-D has submitted that wind power purchased will be utilised to meet the non-solar RPO, fulfill demand of TPC-D consumers and to optimize its power purchase cost. In this regard, it is a fact that the proposed wind Generators are existing units. Also, the Respondent is ready to supply the wind power at Rs. 2.59 /kWh as adopted by the Commission in Case No. 152 of 2020. Hence, the Commission is of the view that there are no restrictions on the TPC-D to procure the wind power at the rate derived through the competitive bidding through short term mode of power procurement, even in absence of part commissioning of the Hybrid project as per the PPA. Further, intended purpose of procurement of wind power shall be fulfilled.”*  
*(Emphasis added)*

12. Above ruling is squarely applicable to the present matter. Also tariff proposed for such short term power procurement i.e. Rs. 2.56 P.U. is lower than the recent discovered tariff for Wind Projects. Hence, considering the fact that such Wind Capacity being commissioned is already contracted with MSEDCL under RE Hybrid PPA dated 22 July 2022 but cannot be commissioned without corresponding Solar Component, in the interim to utilise such Wind Capacity, the Commission allows MSEDCL to procure such Wind Power by entering into a separate short term PPA with TPSL at tariff of Rs. 2.56 P.U.
13. Hence, the following Order.


### **ORDER**

- 1. The Case No. 30 of 2023 is allowed.**
- 2. TPSL and MSEDCL are allowed to enter into Short Term PPA for 100 MW Wind Power at tariff of Rs. 2.56 P.U. from TPSL’s Wind Capacity which is being developed under 300 MW RE Hybrid project.**
- 3. The Wind power procured as above shall be considered for meeting non-solar renewable purchase obligation requirement of MSEDCL.**

**Sd/-**  
**(Mukesh Khullar)**  
**Member**

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

**Sd/-**  
**(Sanjay Kumar)**  
**Chairperson**

  
**(Abhijit Deshpande)**  
**Secretary**

