

**Before the**  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
**World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005**  
**Tel. 022 22163964/65/69**  
**Email: mercindia@merc.gov.in**  
**Website: [www.merc.gov.in](http://www.merc.gov.in)**

**Case No. 199 of 2023**

**Maharashtra Industrial Township Limited's Petition for approval and adoption of tariff determined through transparent bidding process for procurement of short-term power for the period 1 December 2023 to 30 November 2024 (12 Months).**

Maharashtra Industrial Township Limited (MITL)	...Petitioner
NTPC Vidyut Vyapar Nigam Limited (NVTNL)	...Respondent No.1
Jhabua Power Limited (A Joint Venture of NTPC Limited) (JPL)	...Respondent No.2
Maharashtra Electricity Transmission Company Limited (MSETCL)	...Respondent No.3
Maharashtra State Load Despatch Centre (MSLDC)	...Respondent No.4

**Coram**

**Sanjay Kumar, Chairperson**  
**Anand M. Limaye, Member**  
**Surendra J. Biyani, Member**

**Appearance:**

For the Petitioner:	Adv. Deepa Chawan
For the Respondent No.1:	Mr.Prasanta Kanjilal
For the Respondent No.2:	Ms. Monica Nanda
For the Respondent No.3:	Mr. Nitiket Gade
	Mr. Umesh Bhagat

**ORDER**

**Date: 1 April, 2024**

1. Maharashtra Industrial Township Limited (**MITL**) erstwhile Aurangabad Industrial Township Ltd (**AITL**) has filed the present Case on 20 October 2023 under Sections 63 of the Electricity Act, 2003 (**EA, 2003**) read with Ministry of Power's Guidelines dated 30 March 2016 (**Guidelines**) seeking Adoption of Tariff discovered through Competitive Bidding for Short - Term Power Purchase for 1 December 2023 to 30 November 2024 (12 Months) for 15 MW on Round the clock (**RTC**) basis and 6 MW Peak Power (17:00 Hrs to 24:00 Hrs).

**2. Main prayers of MITL are as follows:**

- (i) Admit the present petition;*
- (ii) Approve the adoption of tariff for Short Term Power Procurement for the period 01.12.2023 to 30.11.2024 at the rate of Rs. 7.82 per kWh for RTC and Rs. 9.733 for evening peak discovered through competitive bidding.*
- (iii) MITL may kindly be permitted to procure power from power market in case there need apart from PPA with M/s NTPC Vidyut Vyapar Nigam Limited. MITL may kindly be allowed to charge consumers in its area of operation, the same tariff structure and tariff components including schedule of charges that are applicable for the respective category of consumers in the area of Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) as 'Ceiling Tariff' till such time the ARR and the tariff is determined by Hon'ble Commission for MITL on submission of its Tariff petition.*
- (iv) Direct MSETCL to complete the work of 220 KV MITL connectivity with 220 KV GIS Shendra MIDC substation on priority.*

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

- 3.1. It is a Local Authority for management and distribution of electricity in notified area of Shendra-Bidkin Industrial Area (**SBIA**) which is also known as Aurangabad Industrial City (AURIC).
- 3.2. The Government of Maharashtra (**GoM**) vide Notification dated 15 January 2019 recommended the Commission to recognise MITL as a Local Authority for management and distribution of electricity in notified area of AURIC for 25 years and grant exemption form availing License for distribution in accordance with section 2(41), Section 12 and Section 13 of Electricity Act, 2003 (**EA 2003**).
- 3.3. Erstwhile AITL had filed a Petition in Case No. 29 of 2019 on 1<sup>st</sup> February 2019 seeking exemption of Distribution Licence for Shendra-Bidkin Industrial Area (Notified Area) and to allow AITL for undertaking distribution business for said area.
- 3.4. The Commission vide order dated 03<sup>rd</sup> September 2021 in Case No. 29 of 2019 granted exemption under Section 13 of the EA, 2003 from availing a Distribution Licence for its notified area and held that Section 12 of the EA, 2003 shall not apply for its notified area. The relevant para of order is reproduced as below:

*“2. The Commission grants an exemption to Aurangabad Industrial Township Ltd. under Section 13 of the Electricity Act, 2003 from availing a Distribution Licence for its notified area and holds that Section 12 of the Electricity Act, 2003 shall not apply to Aurangabad*

*Industrial Township Ltd. for its notified area.”*

- 3.5. Further, it filed a petition for issue of notification for the special conditions of distribution license in Case No. 161 of 202. The Commission in its Order dated 02 August 2022 in Case No. 161 of 2021 directed as below:

*“Aurangabad Industrial Township Ltd. (AITL) shall file its Petition seeking approval of Power Purchase Agreement within three months of the issuance of the Licence exemption to AITL”.*

- 3.6. Further, it filed petition for approval of Short-Term Power Purchase for one year period starting from 01 April 2023 to 31 March 2024 in Case No. 206 of 2022. The Commission vide its Order dated 20 January 2023, allowed such Petition and directed AITL to file Petition for tariff adoption post competitive bidding.
- 3.7. Meanwhile, Ministry of Corporate Affairs, vide its notification dated 05 October 2022 has changed the name of AITL to MITL.
- 3.8. As regards with the Power Supply Arrangement, MSETCL has initiated the process for 220 kV incoming supply arrangement from its Shendra MIDC substation. 220 kV Gas Insulated Substation (GIS) with 220/33 kV, 2 Nos. 50 MVA power transformers and associated 220 kV underground cable from MIDC Shendra substation is under progress due to RoW issue.
- 3.9. MSETCL has planned 220 kV substation to supply load of Phase-1 of Bidkin area. Further, MSETCL has also planned to augment 220 kV substation to 400/220 kV considering future load growth. However, there is no appreciable progress for establishment 220 kV GIS substation.
- 3.10. At present MSEDCL is supplying power to the consumers in Shendra and Bidkin Industrial (notified area). Out of 60 consumers, 20 are HT consumers and 40 are LT consumers with connected load of 40 MW and peak demand met till date is around 25.96 MW.
- 3.11. As MITL is intending to start its operation as Distribution Licensee from 1 December 2023, STU has granted Grid Connectivity to MITL from 220 kV Shendra substation and 220 kV Chittegaon. Before commencing operations, MITL will finalize the development of consumer metering infrastructure for all existing consumers in the Shendra and Bidkin areas.
- 3.12. Considering future planning of MITL, number of consumers in MITL area are expected to increase to 126 based on allotment of plots. As per the planning of plot owner’s industries, commencement of their business is expected in upcoming 1 to 2 years. As per analysis, it is estimated that total connected load of consumers in MITL area will increase up to about 66 MW in next 2 to 3 years.

- 3.13. MITL carried out analysis of consumer demand and load profile for last two (2) years historical data for consumption of existing consumers. Since AURIC is in its development stage, forecasting of load profile for future years is difficult at this stage. Hence, MITL is planning for Short Term Power Purchase for first year of commencement of its operation from 1 December 2023 to 30 November 2024. After gaining the experience of one year of operation, study of load profile of consumers and estimated load requirement of upcoming consumers, MITL will be in position to estimate consumer load profile for fairly correct Demand Forecast for future years and its requirement of power for next 4-5 years. Hence, after first year of operation, MITL shall plan for Medium Term Power Purchase for next 4-5 years.
- 3.14. MITL carried out Power procurement through e-tendering and e-reverse auction through DEEP e-bidding Portal. M/s PFC consulting limited had published tenders of MITL on DEEP Portal.
- 3.15. The Tender was initially published on 07 March 2023, for supply of 24 MW conventional power for 01 May 2023 to 31 May 2024 with different load profile varying from 8 MW in off peak to 24 MW in evening peak hours. The Bid submission date was extended two times on request of bidders. However, there was no response to the tender.
- 3.16. As there was no response, fresh medium-term tender for conventional power were published on 17 April 2023 for 15 MW RTC power and 6 MW peak power in evening peak hour for the period 01 June 2023 to 31 May 2025. The Bid submission date was extended till 23 May 2023 on request of bidders. However, there was no response to the tender.
- 3.17. Further, MITL decided for procurement of short-term power for one year starting from 1 October 2023 to 30 September 2024 (The period as per Tender Document) and published the fresh tender for conventional power on 12 July 2023 for 15 MW RTC power and 6 MW evening peak power. On request of bidders the bid submission date was extended till 17 August 2023.
- 3.18. MITL had setup bid evaluation committee comprising of Joint Managing Director, Chief Finance Officer, General Manager (P-E) and DGM Electrical, (PRA) for evaluation of bid.
- 3.19. Finally, in response to the bidding process carried out three times through DEEP Portal and extensions for bid submission, MITL received rate from NVVNL for supply of power from M/s Jhabua Power Limited (A Joint Venture of NTPC Limited) for the period 1 December 2023 to 30 November 2024 as below:

Sr. No.	Bidders Name	Type of supply	Period	Quantity	Rate (Rs/kWh)
1	NVVNL	RTC Power	00:00 to 24:00 hrs	15 MW	7.97
2	NVVNL	Peak Power	17:00 to 24:00 hrs	06 MW	11.00

3.20. MITL negotiated with NVVNL for the rates quoted in bid on 30 August 2023. NVVNL responded to the request of MITL and informed the revised rates as below:

Sr. No.	Bidders Name	Type of supply	Period	Qty	Rate (Rs/kWh)
1	NVVNL	RTC Power	00:00 to 24:00 Hrs	15 MW	7.820
2	NVVNL	Peak Power	17:00 to 24:00 Hrs	06 MW	9.733

3.21. The rate of **Rs. 7.82/kWh** quoted by NVVNL for supply of power are inclusive of CTU Transmission losses and Charges and are at Maharashtra State periphery.

3.22. The Competitiveness of the rates discovered in tender.

Sr. No.	Utility	Quantum	Period	Rate adopted	Order reference
1	BEST	15 to 63 MW	1 April 2023 to 31 March, 2024	Weighted average tariff of Rs 7.43/kWh	Case No. 37 of 2023 dated 31.03.2023
2	Nidar Utilities Panvel LLP	03 MW	1 July 2023 to 30 June, 2024	Rs. 5.40/kWh.	Case No. 9 of 2023 dated 29 March, 23
3	TPC-D	50 to 63 MW	1 April 2023 to 30 June 2023	Rs. 6.60/kWh in daytime and Rs.11.25/kWh for evening peak	Case No. 63 of 2023 dated 25 May 2023

3.23. As per condition under bidding document, MITL has issued LoA to NVVNL subject to approval of the Commission. The rates discovered through bidding are competitive and reflecting market trend. The trend of power procurement rates adopted by the Commission in recent past as follows:

3.24. Further, the trend of reverse auction results available on DEEP portal in recent period are as follows:

Sr. No.	Utility Name	Quantum	Period	Rate discovered as per RA result
1	JNPT	2 MW	01.07.2023 to 30.06.2024	Rs. 6.5 per unit
2	EON Kharadi Phase I and Phase II	6 MW + 4 MW	10.07.2023 to 09.07.2024	RS. 4.65 per unit
3	KRC Infrastructure and Projects Pvt Ltd	1 MW in August and September and 4 MW in October	01.08.2023 to 31.08.2023	Rs. 9.00 per unit

3.25. Above trend shows that short term power purchase rate is varying from Rs. 4.65 to Rs. 11.25/kWh depending on period and quantum of power. In response to bidding process carried out by MITL, only one bidder has responded, and the rate discovered by MITL through competitive bidding is Rs. **7.82/kWh** for RTC power and Rs. **9.733/kWh** for evening peak.

3.26. These rates quoted are at Maharashtra state periphery and are competitive and reflecting market trend. Accordingly, MITL has requested the Commission to adopt the tariff discovered through current competitive bidding process. After approval, MITL will execute the PPA with NVVNL for supply of power from 1 December 2023 to 30 November 2024.

**4. MSETCL reply received on 22 November 2023 is summarised below:**

4.1. MSETCL has stated that it has no role to play in respect of tariff discovery through competitive bidding, or adoption of tariff. Hence, the present petition is liable to be dismissed against the Respondent No.3 under Order I Rule 3 of the Code of Civil Procedure, 1908 (“CPC”) on account of misjoinder of parties.

4.2. MSETCL is neither a necessary party nor a proper party in the present case, and hence, the present case is liable to be dismissed because of misjoinder of parties by MITL.

4.3. MITL has sought direction in para (iv) of the prayer clause of the petition against the Respondent No.3 with respect to the work of 220kV MITL connectivity with 220kV GIS Shendra MIDC substation, which is not related to the adoption of tariff. It is submitted that there are two separate causes of action for the Petitioner that cannot be joined together, especially when the Respondents are not same. Therefore, the present petition is liable to be dismissed due to misjoinder of causes of actions.

5. At the e-hearing, MITL's reiterated its submissions, and NVVNL consented to providing short-term power supply at the discovered rates. Upon query, MITL confirmed that no changes were made to the bidding documents. Subsequently, the Commission directed MITL to submit an undertaking confirming that no clause of the Guidelines was amended during the bidding process. This underscores the importance of transparency and adherence to established guidelines in the bidding process.

**6. MITL additional submission dated 7 February 2023.**

6.1. MITL has stated that during the hearing held on 6 February 2023, the Commission directed MITL to submit an undertaking that there were no changes made in model tender document over the different succeeding rounds of bidding including the round in which NVVNL was identified as the bidder. The details are as follows:

Sr No	MITL Tender Details	Date	PFC Event
1	MITL/SBIA/Medium/Lumpsum/22-23/006	07 <sup>th</sup> Mar2023	PFC Consulting Ltd/Medium/ Lumpsum tariff/ET/10
	Corrigendum-1	22 <sup>nd</sup> Mar2023	Bid submission date extended up-to 6 <sup>th</sup> Apr 2023 due to no response
	Corrigendum-2	6 <sup>th</sup> Apr 2023	Bid submission date extended up-to 17 <sup>th</sup> Apr 2023 due to no response
2	Fresh Tender MITL/SBIA/Medium/Lumpsum/23-24/009	17 <sup>th</sup> Apr 2023	PFC Consulting Ltd/Medium/Lumpsum tariff/23-24/ET/40
	Corrigendum-1	4 <sup>th</sup> May 2023	Bid submission date extended up-to 23 <sup>rd</sup> May 2023
<b>Due to no response bid submission date not extended</b>			
3	Fresh tender for procurement of conventional power on short term basis. MITL/SBIA/STPP/23-24/012	12 <sup>th</sup> July 2023	PFC Consulting Ltd/short/23-24/ET/77. Bid submission date-27 <sup>th</sup> Jul 2023
	Corrigendum-1	25 <sup>th</sup> July 2023	Due date extended up-to 3 <sup>rd</sup> Aug 2023. Clarification related to CTU and STU transmission charges & losses.
	Corrigendum-II	02 <sup>nd</sup> August 2023	As per request of prospective bidders, date of bid submission extended up to 17 <sup>th</sup> Aug 2023

6.2. The details of the tenders floated on e-DEEP portal are uploaded as above. There were no major changes made in tender documents except changes in terms as below vide Corrigendum-I dated 25 July 2023.

Original Clause	Modified Clause
Bidder shall quote firm price (Rs./kWh) (Single Part Tariff) at delivery point for contracted period mentioned in the bid document and shall be inclusive of capacity charges, variable charges <b>transmission charges (CTU/STU)</b> , trading margin, all taxes, duties, levy, cess etc. imposed by Central/ State Governments / Statutory authorities, etc.	Bidder shall quote firm price (Rs./kWh) (Single Part Tariff) at delivery point for contracted period mentioned in the bid document and shall be inclusive of capacity charges, variable charges <b>transmission charges (CTU/STU)</b> , trading margin, all taxes, duties, levy, cess etc. imposed by Central/State Governments/ Statutory authorities, etc.
The Tariff shall not change during contractual period if any tax/duty/levy/cess /charges/fees become applicable after the submission of bids.	The Tariff shall not change during contractual period if any tax/duty/levy/cess /charges/fees become applicable after the submission of bids.

6.3. No major changes were made in the tender document, the tender document for short Term Power purchase was as per guidelines issued by Ministry of Power.

7. Further, MITL vide its letter dated 7 February 2024 has submitted that the period contemplated in the Petition for supply of electricity will have to be reckoned, as one (1) year, from operationalizing of distribution of electricity business.

### **Commission's Analysis and Rulings**

8. MITL has filed the present Petition for adoption of tariff discovered through competitive bidding for short term power procurement for the period from 1 December 2023 to 30 November 2024 (12 Months) under Section 63 read with Section 86 of EA, 2003.
9. The Commission granted MITL (formerly AITL) an exemption under Section 13 of the EA, 2003, allowing them to forgo obtaining a Distribution License for their notified area. Furthermore, the Commission also ruled that Section 12 of the EA, 2003 would not be applicable to AITL for its notified area in its Order in Case No 29 of 2019 dated 3 September 2021.
10. The Commission vide its Order dated 20 January 2023 in Case No. 206 of 2022 has approved short-term power procurement plan of MITL and further directed MITL to file Petition for adoption of tariff post competitive bidding as per Guidelines issued by the Central Government. The present petition is after such a competitive bidding process conducted by MITL.
11. Considering the submissions made in the matter, the Commission frames following issues for its considerations:
  - A. Whether the quantum of short-term power procurement proposed by MITL in present Petition is in accordance with quantum approved by the Commission?
  - B. Connectivity and Power Supply arrangement
  - C. Whether the approval for signing of PPA at discovered tariff can be granted?

The Commission is addressing these issues in the following paragraphs.

#### **12. Issue A: Whether the quantum of short-term power procurement proposed by MITL in present Petition I in accordance with quantum approved by the Commission?**

- 12.1. The Commission notes that in its Order dated 20 January 2023 in Case No. 206 of 2022, it has allowed MITL to initiate competitive bidding for procurement of short-term power for following period and quantum:

*“10.3 The Commission notes that the calculations are based on projected demand growth in the period 01 April 2022 to 31 March 2023. The projections are rational and*



considerate. Accordingly, the Commission approves the following quantum of power as required on firm basis, as proposed by AITL:

<b>Contract Period</b>		<b>Slot time Hrs</b>		<b>Quantum in MW</b>	<b>Delivery point</b>
<b>From</b>	<b>To</b>	<b>From</b>	<b>To</b>		
1 April 2023	31 March 2024	00.00	24.00	12	Maharashtra STU network at
1 April 2023	31 March 2024	08.00	24.00	4	Transmission and Distribution interface

12.2. The Commission notes that as against 12 MW RTC and 4 MW peak power procurement approved in above quoted Order, MITL in present Petition has proposed procurement of 15 MW RTC and 6 MW peak power which is higher than the approved quantum.

12.3. For justifying higher quantum, MITL has stated that at present MSEDCL is supplying power to their consumers in SIBA (notified area) having connected load of 40 MW and peak demand of around 25.96 MW. MITL has arrived at power procurement quantum based on analysis of demand and load profiles data of existing consumers for last two years.

12.4. The Commission notes that considering limited number of consumers in its licence area, Distribution licensees with small geographical area like MITL are in best position to project its power procurement requirement after discussing with its consumers. Further, the Commission notes that peak demand of 25.96 MW has already been recorded by the consumers in MITL area which are being supplied by MSEDCL. Proposed power procurement of 15 MW RTC and 6 MW peak would be within such recorded peak demand.

12.5. In view of above, the Commission is allowing such power procurement quantum proposed in the present Petition.

### 13. Issue B: Connectivity and power supply arrangements.

13.1. MITL in present Petition sought direction against MSETCL to complete the work of 220 kV MITL connectivity with 220 kV GIS Shendra MIDC substation on priority. MSETCL in its reply opposed such prayer as present Petition is related to adoption of tariff and if require MITL can file separate Petition of such issue of grid connectivity.

13.2. The Commission notes that such issue of grid connectivity was highlighted by the MITL in its earlier Petition and the Commission in its Order dated 20 January 2023 has directed as follows:

*“12.5 As far as progress of 220 kV connectivity schemes is concerned, it is necessary to highlight that MSETCL shall take initiative and drive the schemes. It is pertinent to note that 220 kV substation to supply load of Phase-1 of Bidkin area is not even sanctioned. MSETCL is directed to consider the connectivity schemes on priority and*

*complete all sanctioning related works (including finalization of Right of Way) at the earliest.”*

Thus, the Commission has already directed MSETCL to expedite work related to grid connectivity. MITL needs to take follow-up with MSETCL for early completion of work.

13.3. Although, the Commission take note of the fact that construction of the power supply infrastructure is primarily revolving around right-of-way (ROW) issues, which have led to the deferral of the construction of an overhead line. As a solution, a 220 KV underground cable is proposed from the Shendra MIDC substation to MITL's GIS substation to address these challenges. Additionally, MITL has deposited funds to MSETCL to account for the change in construction plans. However, if MITL is aggrieved by specific delay of MSETCL, it should file separate Petition for the same.

#### **14. Issue C: - Whether the approval for signing of PPA at discovered tariff can be granted?**

14.1 The Commission notes that MITL has undertaken the short-term power procurement as per the competitive guidelines of MoP dated 30 March 2016 by floating the bid on DEEPportal. It had floated tender for procurement of Power on DEEP E-bidding portal. Initially, the tender was issued on 7 March 2023, for the supply of 24 MW conventional power from 1 May 2023, to 31 May 2024, with load profiles ranging from 8 MW in off-peak to 24 MW in evening peak hours. Despite two bid submission date extensions, there was no response to the tender.

14.2 Given the lack of response, fresh medium-term tenders for conventional power were published on 17 April 2023, for 15 MW RTC power and 6 MW peak power during evening peak hours for the period 1 June 2023 to 31 May 2025. The bid submission date was extended to 23 May 2023, upon bidder request, but again, there was no response.

14.3 Subsequently, MITL opted for the procurement of short-term power for a year starting from 1 October 2023 to 30 September 2024 and released a fresh tender for conventional power on 12 July 2023 for 15 MW RTC power and 6 MW evening peak power. The bid submission date was extended to 17 August 2023, at the request of bidders. Post bidding process and e-Reverse Auction, MITL received offer from NVVNL for supply of power from M/s Jhabua Power Limited (A Joint Venture of NTPC Limited) as below:

<b>Sr. No.</b>	<b>Bidders Name</b>	<b>Type of supply</b>	<b>Period</b>	<b>Quantity</b>	<b>Rate (Rs/kWh)</b>
1	NVVNL	RTC Power	00:00 to 24:00 hrs	15 MW	<b>7.97</b>
2	NVVNL	Peak Power	17:00 to 24:00 hrs	06 MW	<b>11.00</b>

14.4 The Commission notes that a single bidder has participated and was qualified in the bidding process and subsequently in the e-Reverse Auction process. The Commission notes that Para 7.1 of the Competitive Bidding Guidelines (Short Term Power Procurement) dated 30 March 2016 notified by the Government of India under Section 63 of the EA, 2003, stipulates

following remedy in case of single bidder:

*“To ensure competitiveness, the minimum number of Bidders should be at least two for each requisition. If the number of Bidders responding to the RfP is less than two, and Procurer still wants to continue with the selection process, the selection of that single Bidder may be done with the consent of the Appropriate Commission.”* (Emphasis added)

The above clause empowers the Commission to approve power procurement from a single bidder after ensuring the competitiveness of quoted tariff.

- 14.5 The Commission also notes that MITL has carried out negotiations with the successful bidder. NVVNL responded to the request of MITL and informed the revised rates as below:

Sr. No.	Bidders Name	Type of supply	Period	Qty	Rate (Rs/kWh)
1	NVVNL	RTC Power	00:00 to 24:00 Hrs	15 MW	<b>7.820</b>
2	NVVNL	Peak Power	17:00 to 24:00 Hrs	06 MW	<b>9.733</b>

- 14.6 It is pertinent to note that that the price of short-term power purchase discovered through competitive bidding by different Distribution Licensees across the country through the DEEP portal is ranging between Rs. 5.32/kWh to Rs. 11.00/kWh and the weighted average tariff is Rs. 7.46/ kWh. The Weighted average Market Clearing Price on the Indian Energy Exchange (IEX) were in the range of Rs. 6.07 per unit to Rs. 6.54 per unit at the time of bidding and considering the small quantum of power requirement (15 MW + 6 MW), the rate of Rs 7.82/kWh and Rs. 9.733/kWh discovered by MITL is on higher side and hence cannot be considered as market reflective.

- 14.7 Under normal circumstances, when it is found that discovered tariff is not market reflective, the Commission directs concerned Distribution Licensee to invite fresh bids for the said quantum. However, in present case, MITL has already re-bided the tender three times and also extended period of bid submissions at each time. In one of such re-bidding process, MITL has also tried to invite bid for medium-term contract but did not succeed. Further, MITL is a new distribution licensee and is keen to operationalize its distribution business by procuring power and supplying to consumers located in its licence area. Considering these factual aspect and fact that MITL has already re-bided the capacity three times, as an exceptional circumstances, the Commission is allowing approval to MITL for procuring power from NVVNL at following tariff:

Sr. No.	Bidders Name	Type of supply	Period	Qty	Rate (Rs/kWh)
1	NVVNL	RTC Power	00:00 to 24:00 Hrs	15 MW	<b>7.820</b>
2	NVVNL	Peak Power	17:00 to 24:00 Hrs	06 MW	<b>9.733</b>

The Commission also notes that MITL vide its submission dated 7 February 2024 has requested to consider tenure of above PPA as one year from date of operationalization of

Distribution Business. The Commission presumes that such change in tenure has been submitted with consent of NVVNL and accordingly allows the same.

14.8 Having allow procurement of power at such higher tariff, the Commission would like to bring to notice of the MITL that weighted average tariff of above power procurement at 85% PLF is around Rs. 8/kWh at Maharashtra periphery. If intra-state transmission charges and losses, are added then landed cost of power would be above Rs. 8.50/kWh. Before operationalizing its Distribution Business, MITL needs to analyze as how it can supply electricity at competitive rate with such high cost of power. Further, before starting drawl of power as Distribution Licensee, MITL needs to complete formalities of registration with Maharashtra SLDC as a pool participant as per applicable Regulations and procedures. MITL shall complete all such formalities before operationalizing its Distribution Business.

15. Hence, following Order:

### **ORDER**

1. **Case No. 199 of 2023 is allowed.**
2. **As an exceptional circumstances, Short Term Power Procurement by Maharashtra Industrial Township Limited is allowed as below:**

<b>Sr. No.</b>	<b>Bidders Name</b>	<b>Type of supply</b>	<b>Period</b>	<b>Qty</b>	<b>Rate (Rs/kWh)</b>
1	NVVNL	RTC Power	00:00 to 24:00 Hrs	15 MW	<b>7.820</b>
2	NVVNL	Peak Power	17:00 to 24:00 Hrs	06 MW	<b>9.733</b>

**Tenure of the above PPA shall be one year from operationalization of electricity distribution business.**

3. **Maharashtra Industrial Township Limited to undertake study and activities mentioned in para 14.8 above, before initialization of distribution business,**
4. **Maharashtra Industrial Township Limited to submit the copies of Final PPAs to the Commission for records.**

**Sd/-**  
**(Surendra J. Biyani)**  
**Member**

**Sd/-**  
**(Anand M. Limaye)**  
**Member**

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

  
**(Dr. Rajendra G. Ambekar)**  
**Secretary**

