

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.merc.gov.in

Date: 25 June 2024

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

I.A. No. 28 of 2024 in Case No. 96 of 2024

Interlocutory Application of Maharashtra State Electricity Distribution Company Limited (MSEDCL) for urgent listing in Case No. 96 of 2024 (MSEDCL seeking approval for deviations in standard bidding documents for long term procurement of 1600 MW thermal power and 5000 MW solar power in the state of Maharashtra).

&

I.A. No. 29 of 2024 in Case No. 98 of 2024

Interlocutory Application of Maharashtra State Electricity Distribution Company Limited (MSEDCL) for urgent listing in Case No. 98 of 2024 (Petition for seeking approval for bidding documents for procurement of 1,000 MW (up to 2000MW under green shoe option) energy storage capacity for 40 years from ISTS/InSTS connected pumped Hydro Storage Plant/s through competitive bidding.)

Maharashtra State Electricity Distribution Co. Ltd (MSEDCL) : Petitioner

Appearance:

For the Petitioner : Ms. Deepa Chawan (Adv)
Mr. Lokesh Chandra (Rep)

Daily Order

1. Heard the Advocate and Representative of the Petitioner. Representative of the Petitioner elaborated on scheme of arrangement in proposed power procurement. He asserted that the proposed procurement is based on Resource adequacy study and projections made by CEA.
2. Considering modalities proposed in captioned power procurement Petitions and submission made during the hearing, MSEDCL to clarify / submit replies to the following:
 - (a) Justification for not approaching the Commission before initiating bidding process.
 - (b) Submit copy of CEA Report on Resource Adequacy Study of MSEDCL (only PPT is submitted along with Petition).

- (c) Projected power procurement is for meeting demand of FY 2033-34. MSEDCL to clarify whether sufficient power is tied-up for meeting projected demand before FY 2033-34.
- (d) Proposed power procurement which is being undertaken to meet demand of FY 2033-34 (10 years ahead) will start commissioning in 2 to 4 years. MSEDCL to clarify whether such early contracting would create any stranded capacity?
- (e) Provide rationale for considering combined power procurement of (Solar + Thermal) through single entity and clarify whether all future thermal power procurement would be on same principles.
- (f) During the hearing, it is stated that use of weighted average tariff (thermal + solar) is not restricted to bid evaluation but it will be ensure that said weighted average tariff is available throughout the PPA tenure. MSEDCL to highlight such provisions in bidding documents.
- (g) During the hearing it is also stated that during solar hours Thermal unit will run on technical minimum and will be subsequently ramped up in non-solar hours. Further, if required Solar generation level is not achieved then penalty will be imposed. MSEDCL need to highlight such stipulations in bidding documents.
- (h) For Thermal and Solar bid, MSEDCL is mandating bidder to submit bid for 100% capacity, bidding for part capacity is not allowed. Whereas quoting for part of capacity (minimum 100 MW) is allowed for Pump Hydro. MSEDCL to justify such differential approach.
- (i) MSEDCL to demonstrate in quantifiable terms as how such deviations proposed by it would be in consumer interest.
- (j) Proposed power procurement is not location specific and hence possibility of setting up of project outside Maharashtra cannot be ruled out. Under such circumstances when there is transmission constraint in bringing power into Maharashtra from other State, how such issue is tackled with. MSEDCL to submit transmission capacity addition / strengthening plan coincide with proposed power procurement process and how it will ensure that MSEDCL is not subjected to penalty for non-evacuation of power on account of transmission constraints.


3. MSEDCL to file above submission within seven (7) days. Further considering urgency, these matters are scheduled for hearing on Tuesday 2 July 2024.

4. Accordingly, IA No. 28 of 2024 in Case No. 96 of 2024 and IA No. 29 of 2024 in Case No. 98 of 2024 stands disposed of.

Sd/-
(Surendra J. Biyani)
Member

Sd/-
(Anand M. Limaye)
Member

Sd/-
(Sanjay Kumar)
Chairperson


(Dr. Rajendra G. Ambekar)
Secretary

