

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 105 of 2008

In the matter of
Petition of MSEDCL seeking approval of PPA between MSPGCL and
MSEDCL for the sale and purchase of power from the proposed 2x500
MW Bhusawal TPS expansion project

Shri. V. P. Raja, Chairman
Shri. S. B. Kulkarni, Member

O R D E R

Dated: December 24, 2009

The Maharashtra State Electricity Distribution Company Limited (MSEDCL) submitted a Petition under affidavit before the Commission on November 21, 2008, seeking approval of the draft Power Purchase Agreement (PPA) between MSEDCL and Maharashtra State Power Generation Company Limited (MSPGCL) for sale and purchase of power from the proposed 2x500 MW Bhusawal TPS expansion project.

2. MSEDCL, in its Petition, prayed as under:

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1. *Examine and approve the draft PPA for power purchase from the 2x500 MW TPS expansion project at Bhusawal.*”

3. MSEDCL, in its Petition, submitted as under:

a. Maharashtra State Electricity Board (MSEB), a Board constituted under the Electricity (Supply) Act, 1948 was the integrated electricity board in the State of Maharashtra undertaking the electricity generation, transmission, distribution and supply in the State. MSEB has been unbundled into separate entities, viz., MSPGCL, MSETCL

and MSEDCL for undertaking the generation, transmission and distribution of electricity, respectively, with effect from June 6, 2005.

- b. MSPGCL and MSEDCL being separate entities are required to enter into PPA for the sale and purchase of power from the generating Stations of MSPGCL.
- c. MSPGCL is establishing a new coal based thermal power Generating Station of 1000 MW (2x500 MW) capacity at Bhusawal and wishes to enter into a long term PPA for sale of energy from such power plant. MSPGCL has also applied to Ministry of Power (MoP), Government of India (GoI) for grant of Mega Power Plant (MPP) status for this project. The final approval from the MoP is awaited. MSPGCL desires to sell the entire power to MSEDCL other than the minimum power (10%) required to be sold outside the State as per Mega Power Project Policy.
- d. MSPGCL and MSEDCL agree that in case 2x500 MW Bhusawal Generating Station achieves Mega Power Plant status, MSPGCL shall have right to allocate maximum of 10% of installed capacity of this Generation Station to other States as may be directed by MoP, GoI Mega Power Plant policy.
- e. MSEDCL desires to purchase the entire power, other than the power (10%) required to be sold outside the State after getting the MPP status, at the tariff fixed by the Commission.
- f. MSEDCL and MSPGCL have finalised a draft PPA to be signed.

4. The Commission, vide its Notice dated December 3, 2008, scheduled an admissibility hearing in the matter on January 6, 2009, and directed MSEDCL to serve a copy of its Petition along with its accompaniments to the Respondent and the four authorised Consumer Representatives.

5. The Commission vide its letter dated January 9, 2009 sent the data gaps/discrepancies/additional information requirement to MSEDCL.

6. MSEDCL, vide its letter dated March 3, 2009, submitted that the replies to the data gaps will be submitted immediately after receipt of directives regarding Mega Power Project status from the Government of Maharashtra. Till date, MSEDCL has not submitted any documents to the Commission in this regard.

7. Having heard MSEDCL and after considering the materials placed on record, the Commission is of the view that MSEDCL may approach the Commission after obtaining the necessary clarity on the Mega Power Project status for the Project and after compiling the data gaps/discrepancies/additional information required in the case as sought for by the Commission.

8. As MSEDCL, though having been asked on March 23, 2009 to submit replies to data gaps, has not submitted any documents to the Commission till date, the matter needs to be dismissed for non-prosecution.

9. In the circumstances, the Petition filed by MSEDCL in Case No.105 of 2008 stands dismissed with a liberty to file a fresh Petition once the necessary documents are compiled and submitted to the Commission.

(S. B. Kulkarni)
Member

(V. P. Raja)
Chairman



(Sanjay Sethi)
Secretary, MERC