

- 38 MSEDCL submitted the present Petition for adoption of above-mentioned Tariff for 14 MW solar power discovered through competitive bidding process under Section 63 of the Electricity Act, 2003.
- 39 At the e-hearing through video conferencing held on 28 June 2022, the Petitioner reiterated its submissions made in the Petition. None of the Respondent raised any objection to the Petition.

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

4. MSEDCL has filed this Petition for adoption of tariff discovered for 14 MW Solar project under PM-KUSUM Component-A scheme selected through competitive bidding process under Section 63 of the Electricity Act, 2003.
5. The Commission notes that under component A of KUSUM-A, Solar PV project of 0.5 to 2 MW capacity is to be setup by farmers/ group of farmers/ cooperatives/ panchayats/ Farmer Producer Organizations & Water User associations. Option of independent developer setting up such a project by taking land from the framers on lease agreement is also available under this scheme. MNRE has sanctioned 500 MW capacity under KUSUM-A scheme for MSEDCL. Under this scheme, MSEDCL is eligible for procurement-based incentive of Rs. 0.40 P.U. or Rs. 6.6 lakh per MW of installed capacity, whichever is less, for a period of 5 years from CoD of the project.
6. Accordingly, MSEDCL floated a tender for procurement of 500 MW Solar power under PM-KUSUM Component-A wherein 0.5 to 2 MW of solar projects are to be setup and connected to 11 or 22 kV level in MSEDCL's substation. MSEDCL fixed ceiling rate of Rs. 3.10/kWh for this bidding process. Further, MSEDCL used model PPA provided by MNRE for bidding purpose without any deviation.
7. As MSEDCL has received less response against bid capacity, it re-floated the tender for remaining capacity. Details of Bids floated, discovered tariff and its adoption Order by the Commission till dated are tabulated below:

Sr No	Tender floated (MW)	Bid Capacity received	Capacity finalized (MW)	Tariff Discovered (Rs per Unit)	Tariff adoption Order
1	500	12.5	12.5	3.05-3.10	16 Feb 2022 in Case No. 9/2022
2	487	46.75	31.75	2.93-3.10	25 Apr 2022 in Case No. 23/2022
3	444	13	10.5	3.10	4 May 2022 in Case No. 51/2022
		<b>59.25</b>	<b>54.75</b>		

8. Subsequently, MSEDCL refloated the tender for further balance capacity of 445 MW out

of 500 MW. Last date for bid submission was 11 April, 2022. In response, MSEDCL received 13 bids with cumulative Capacity of 15 MW. However, 12 out of 13 bids were found technically qualified for cumulative capacity of 14 MW, whose financial bids were opened on 6 May 2022.

9. Accordingly, after competitive bidding process, MSEDCL has received following tariff:

Sr.No	Tender No.	Name of Bidder	Capacity per location (MW)	Quoted Tariff (Rs/unit)
1	T-45	Ashutosh Valmik Rajput	1	3.09
2		Laxmikant Narayanrao Loharekar	2	3.05
3		Majid Rafik Shaikh	0.5	3.10
4		Manda Maruti sanap	1	3.10
5		Pandurang Shankar Gajare	1	3.09
6		Prasen Hemantrao Vinchurkar	1	3.10
7		Rahul Pritamsingh Upwanshi	1	3.10
8		Rajesh Uttamrao Vitekar	2	3.10
9		Ramhari Vyankatrao Mantri	2	3.09
10		Sadashiv Vyankatrao Mantri	0.5	3.09
11		V.D Electricals	1	3.10
12		Varad Electricals & Engineering	1	3.10
			<b>14 MW</b>	

Above discovered rate is comparable to the recently adopted Tariff (as tabulated in para 7 above) for 0.5 to 2 MW projects under PM-KUSUM (Component A).

10. It is pertinent to note that under PM-KUSUM Component-A scheme, MSEDCL will get procurement-based incentive (Rs. 0.40 P.U. or Rs. 6.6 lakh per MW of installed capacity, whichever is less) from MNRE for first 5 years from CoD of the project. Therefore, apart from the fact that the tariff discovered in present bidding process is reflective of current market trends, the procurement based incentive will further impact in reducing the power purchase cost to that extent.
11. Accordingly, in line with the mandate under Section 63 of the Electricity Act 2003, the Commission deems it fit to adopt and approve tariff as highlighted in above para 9 for 14 MW Cumulative Solar projects on long term basis (for the period of 25 years) under PM-KUSUM Component-A scheme.
12. Having ruled as above, the Commission notes that as against balance 445 MW capacity out of 500 MW allocated by MNRE, only 14 MW bids have been received. Considering benefit under PM-KUSUM scheme, MSEDCL needs to take extra efforts to provide adequate publicity to the scheme/bidding process so that more and more bids are received.

13. Hence, the following Order.

**ORDER**

1. Case No. 114 of 2022 is allowed.
2. The Commission accords its approval for procurement of 14 MW on long term basis from solar generator as stated in Para 11. Parties shall sign the PPA based on documents published during bidding process. This signing shall be completed within 30 days from issuance of this Order. MSEDCL shall submit a copy of the PPA to the Commission within 15 days of entering into it.
3. The Solar Power procured from these projects shall be eligible towards fulfilment of Maharashtra State Electricity Distribution Co. Ltd.'s Solar RPO for the respective periods.

Sd/-  
(Mukesh Khullar)  
Member

Sd/-  
(Sanjay Kumar)  
Chairperson

  
(Abhijit Deshpande)  
Secretary

