

9	-1005	400	-605
10	-1468	400	-1068
11	-2080	400	-1680
12	-2025	400	-1625
13	-2122	400	-1722
14	-2024	400	-1624
15	-2427	400	-2027
16	-2550	400	-2150
17	-2111	400	-1711
18	-1298	400	-898
19	-732	400	-332
20	-1565	400	-1165
21	-908	400	-508
22	-998	400	-598
23	-1782	400	-1382
24	-2092	400	-1692

9	-374	400	26
10	-207	400	193
11	-849	400	-449
12	-1311	400	-911
13	-1238	400	-838
14	-1447	400	-1047
15	-2220	400	-1820
16	-1965	400	-1565
17	-1458	400	-1058
18	-881	400	-481
19	-750	400	-350
20	-1214	400	-814
21	-746	400	-346
22	-844	400	-444
23	-1840	400	-1440
24	-1915	400	-1515

7.5. New short term power purchase tender (ET-115)

7.5.1 In addition to the quantum discovered in tender floated i.e. ET-100, as specified in the present Petition and in order to meet the balance shortfall, a new tender was also floated on 19 July 2022 vide tender No. ET-115 on DEEP E-bidding portal for procurement of RTC power up to 1000 MW on short term basis.

The detailed requisition is as below:

Requisition	Period	Timings (Hour)	Quantum in (MW)	Minimum Bid Quantity (in MW)	Delivery Point
1	01.10.2022 to 15.10.2022	00:00 to 24:00	500	100	MSETCL Periphery i.e. Maharashtra State Transmission System periphery [The interconnection of Maharashtra STU, and CTU Western Region (WR)].
2	16.10.2022 to 31.10.2022	00:00 to 24:00	500	100	
3	01.11.2022 to 15.11.2022	00:00 to 24:00	500	100	
4	01.03.2023 to 15.03.2023	00:00 to 24:00	1000	100	
5	16.03.2023 to 31.03.2023	00:00 to 24:00	1000	100	
6	01.04.2023 to 15.04.2023	00:00 to 24:00	1000	100	
7	16.04.2023 to 30.04.2023	00:00 to 24:00	1000	100	
8	01.05.2023 to 15.05.2023	00:00 to 24:00	1000	100	

9	16.05.2023 to 31.05.2023	00:00 to 24:00	1000	100	
10	01.06.2023 to 15.06.2023	00:00 to 24:00	500	100	

7.5.2 In the second tender (ET-115), two additional requisitions were also added in the tender i.e. 01 November 2022 to 15 November 2022 and 01 June 2023 to 15 June 2023 in anticipation of discovery of the cheaper rates.

7.5.3 As per the tender process timeline, 27 July 2022 was the last date of bid submission, however in anticipation of higher response from the bidders the last date was extended till 02 August 2022 and further extended till 10 August 2022.

7.5.4 In the tender, the bidder NTPC Vidyut Vyapar Nigam Limited (NVVNL) participated with the two bids. The E-Reverse auction was held on 10 August 2022 as scheduled and the rates and quantum discovered in the tender ET-115 are as below:

Sr. No	Period	Timings (Hour)	Tender Quantum in (MW)	e-RA L1 Rate (Rs/unit)	Quantum (MW)	Bidder	Source
1	01.10.2022 to 15.10.2022	00:00 to 24:00	500	8.82	100	NVVNL	Jindal Power Limited, Tamnar, Chhattisgarh
2	16.10.2022 to 31.10.2022	00:00 to 24:00	500	8.68	275	NVVNL	IL & FS Tamil Nadu Power Company Limited (ITPCL), Cuddalore, Tamil Nadu
				8.68	100	NVVNL	Jindal Power Limited, Tamnar, Chhattisgarh
3	01.11.2022 to 15.11.2022	00:00 to 24:00	500	8.68	275	NVVNL	IL & FS Tamil Nadu Power Company Limited (ITPCL), Cuddalore, Tamil Nadu
				8.68	100	NVVNL	Jindal Power Limited, Tamnar, Chhattisgarh
4	01.03.2023 to 15.03.2023	00:00 to 24:00	1000	8.82	200	NVVNL	Jindal Power Limited, Tamnar, Chhattisgarh
5	16.03.2023 to 31.03.2023	00:00 to 24:00	1000	8.82	200	NVVNL	
6	01.04.2023 to 15.04.2023	00:00 to 24:00	1000	9.03	200	NVVNL	
7	16.04.2023 to 30.04.2023	00:00 to 24:00	1000	9.03	200	NVVNL	
8	01.05.2023 to 15.05.2023	00:00 to 24:00	1000	9.34	200	NVVNL	

Sr. No	Period	Timings (Hour)	Tender Quantum in (MW)	e-RA L1 Rate (Rs/unit)	Quantum (MW)	Bidder	Source
9	15.05.2023 to 31.05.2023	00:00 to 24:00	1000	9.34	200	NVVNL	
10	01.06.2023 to 15.06.2023	00:00 to 24:00	500	8.75	350	NVVNL	IL & FS Tamil Nadu Power Company Limited (ITPCL), Cuddalore, Tamil Nadu
				9.34	100	NVVNL	Jindal Power Limited, Tamnar, Chhattisgarh

7.6. Need of Advance Power planning and procurement of power through short-term tender thereof.

7.6.1 In response to the addition requisitions as stipulated in short term tender ET-115 i.e. 01 November 2022 to 15 November 2022 and 01 June 2023 to 15 June 2023 the rates discovered are Rs. 8.68 per unit and Rs. 8.75 per unit to Rs. 9.34 per unit respectively.

7.6.2 Generally, demand in the months of November and June remains on lower side due to the winter and start of monsoon respectively. In second tender ET-115 these requisitions were added only to explore the discovery of cheaper rates, however the rates discovered are much higher than the rates in power exchanges. The abstract of rates in power exchanges for June and October month in last 4 years is as below:

Month/ Year	November	June
	Rate (Rs/Unit)	Rate (Rs/Unit)
2022		6.49
2021	3.08	3.06
2020	2.73	2.35
2019	2.85	3.32
2018	3.58	3.68
2017	3.55	2.59

Thus, MSEDCL is not considering the procurement of power for 01 November 2022 to 15 November 2022 and 01 June 2023 to 15 June 2023 at the rates discovered in tender ET-115.

7.6.3 In the months of March-23, April-23 and May-23, the demand supply gap may remain in the same trajectory as that of the year 2022. Thus, to cope up with the demand supply gap, advance power planning is utmost necessary.

7.6.4 Hence, in addition to the quantum discovered in short term tender ET-100 for October-22 and March-23 to May-23, the quantum discovered in short term tender ET-115 in the said period is also required to meet the expected shortfall.

The required quantum against the second tender (ET-115) is as below:

Sr. No	Period	Timings (Hour)	e-RA Rate discovered (Rs/unit)	Discovered Quantum (MW)
1	01.10.2022 to 15.10.2022	00:00 to 24:00	8.82	100
2	16.10.2022 to 31.10.2022	00:00 to 24:00	8.68	275
			8.68	100
3	01.03.2023 to 31.03.2023	00:00 to 24:00	8.82	200
4	01.04.2023 to 30.04.2023	00:00 to 24:00	9.03	200
5	01.05.2023 to 31.05.2023	00:00 to 24:00	9.34	200

8. At the E-hearing held on 23 August 2022, MSEDCL made explicit presentation providing rationale for short term power procurement.

Commission's Analysis and Rulings

7. Present Petition has been filed by the MSEDCL seeking approval for tariff discovered through Competitive Bidding for Short Term Power purchase for the month of October-2022 and March-2023 to May-2023 as per their two tenders ET 100 and ET 150 concluded for the period.
8. Considering the submissions made in the matter, the Commission frames following issues for its considerations:
- A. Provisions under which Short Term Power procurement of Distribution Licensee requires approval of the Commission.
- B. Whether the quantum of additional short term power procurement proposed by MSEDCL is justified?
- C. Whether the discovered tariff is consistent with the market trend?

The Commission is addressing these issues in following paragraphs.

9. Issue A: - Provisions under which Short Term Power procurement of Distribution Licensee requires approval of the Commission

- 9.1 The Commission notes that MERC MYT Regulations, 2019 which is applicable for control period of FY 2020-21 to FY 2024-25, has following provisions related to the additional power procurement by Distribution Licensee:

“

22.1 The Distribution Licensee may undertake additional power procurement during the year, over and above the power procurement plan for the Control Period approved by the Commission, in accordance with this Regulation.

22.2 Where there has been an unanticipated increase in the demand for electricity or a shortfall or failure in the supply of electricity from any approved source of supply during the Year or when the sourcing of power from existing tied-up sources becomes costlier than other available alternative sources, the Distribution Licensee may enter into additional agreement or arrangement for procurement of power.

22.3 Any variation, during the first or second block of six months of a Year, in the quantum or cost of power procured, including from a source other than a previously approved source, that is expected to be in excess of five per cent of that approved by the Commission, shall require its prior approval:

Provided that the five per cent limit shall not apply to variation in the cost of power procured on account of changes in the price of fuel for own generation or the fixed or variable cost of power purchase that is allowed to be recovered in accordance with Regulation 10.”

Thus, in cases where there is an anticipated shortfall in fulfilling the demand and for optimising the power purchase cost, Licensee can procure additional power subject to the variation of excess of five percent in the quantum or cost of power procured during the first or second block of six months of a Year from the sources other than approved by the Commission.

9.2 Further, Ministry of Power’s Guidelines dated 30 March 2016 notified under Section 63 of the Electricity Act 2003 for short-term procurement of power by Distribution Licensees through tariff-based bidding process stipulate as follows:

“

11.4 If the quantum of power procured and tariff determined are within the blanket approval granted by the Appropriate Commission in Annual Revenue Requirement (ARR) of the respective year, then the same will be considered to have been adopted by the Appropriate Commission.

In all other cases, the Procurer(s) shall submit a petition to the Appropriate Commission for adoption of tariff within 2 days from the date of signing of PPA. Appropriate

Commission should communicate the decision within 7 days from the date of submission of petition.”

Thus, if the quantum of power procured and the tariff determined are not within the blanket approval specified by the Commission in ARR/ Tariff Order, Distribution Licensee needs to approach the Commission for approval of the additional power procurement and to adopt the tariff discovered through competitive bidding process.

9.3 It is pertinent to note that with regards to short-term power purchase the Commission in its MYT Order dated 30 March 2020 ruled following:

“

Short-term Power Purchase and FBSM

6.6.41 The Commission has not considered any projection of short-term purchase in line with submissions made by MSEDCL since the entire projected energy requirement would be met through the projected sources of power.

6.6.42 However, the Commission will consider the actual short-term power purchase and FBSM adjustment, if any, subject to prudence check at the time of true-up. (Emphasis added)

Clearly, power procurement from Short Term Sources is not approved in Tariff Order. Hence, proposed short term power procurement needs to be treated as new source. Further, the Commission has indicated tariff for short term power procurement as Rs. 4.50 per unit over the 4th Control Period. Tariff for proposed short term power procurement in present Petition is more than said tariff indicated in Tariff Order.

9.4 As the source of power is different and the tariff is higher than that has been approved by the Commission in MYT Tariff Order, it fulfils the criteria specified in MYT Regulations, 2019 and in the MoP Guidelines dated 30 March, 2016. Hence, prior approval of the Commission is required for the proposed short term power procurement by MSEDCL.

10. Issue B: - Whether the quantum of additional short-term power procurement proposed by MSEDCL is justified?

10.1 The Commission notes that MSEDCL has floated two tenders (ET-100 and ET-115) for short term power procurement for October-2022 and March 2023 to May 2023 on DEEP E-bidding portal for procurement of RTC power up to 1000 MW.

10.2 For justifying procurement, MSEDCL has mapped its demand projections with anticipated

generation availability.

10.3 Demand Projections:

- a. The Commission notes that MSEDCL has projected its demand based on the CAGR of each hour from the hourly average demand of each month based on the hourly average demand data of period 2017 to 2022. For capturing unexpected likely rise in demand in the months of September-2022, October-2022 and March-2023 to May-2023, demand has been further escalated by application of correction factors/safety factors.
- b. The Commission notes that MSEDCL system witnessed substantial increase in demand for FY 2021-22 with respect to FY 2020-21. During FY 2020-21, demand was suppressed on account of Covid-19 pandemic effect. Same can be seen from energy purchase details being reported by MSEDCL in FAC submissions as below:

Power Purchase Particulars	FY 2020-21	FY 2021-22	FY 2022-23*
Approved Quantum (MU)	1,39,584.49	1,41,940.02	26,105
Actual Quantum (MU)	1,22,092.85	1,43,751.99	28,951
Variation (+/-)	-17,491.64	1,811.97	2,845.54

**up to May 2022*

As seen from above during FY 2020-21 on account of Covid-19 pandemic, power procurement is lower than that approved by the Commission. However, post Covid-19, in the year FY 2021-22, power procurement is slightly higher than that approved by the Commission. Same trend is seen in FY 2022-23.

- c. This establishes MSEDCL's claim that actual power procurement requirement could be higher than that approved in MYT Order. But at the same time, the Commission likes to bring to the notice of the MSEDCL that increasing power procurement is not being reflected in commensurate consumer sales. Sales being reported under FAC submissions is tabulated below:

Consumer sales Details	FY 2020-21	FY 2021-22	FY 2022-23*
Approved Sales (MU)	1,15,464.24	1,19,905.22	22503.52
Actual Sales (MU)	1,04,976.23	1,14,463.06	21651.03
Variation (+/-)	-10,488.01	-5,442.16	-852.49

**up to May 2022*

As seen from above, as against increased power procurement for FY 2021-22 and FY 2022-23, actual consumer sales in these years are lower than the approved sales. This indicates increased level of transmission and distribution losses or increase in Agriculture sales beyond the approved limits specified by the Commission in the MYT Order. This aspect

needs to be seriously considered by MSEDCL since the same will be analysed by the Commission during the MTR proceedings.

- d. The increased power procurement than that approved in MYT Order without commensurate increase in metered consumption would result in increase in the loss compared to the trajectory given in the MYT Order. In this eventuality, MSEDCL may have to face disallowances towards increased losses during trueing up process.
- e. To avoid such disallowance, MSEDCL has to take efforts to reduce the level of Distribution Losses by ensuring increase in the sales and revenue so the loss trajectory of the MYT order is maintained. This will also help in reducing the quantum of power to be procured at G <> T periphery and hence would avoid procurement of costly short-term power.
- f. With above observations without going into further analysis (since the proposal is for short term power purchase and the quantum is relatively small), for time being the Commission is considering G <> T periphery demand projected by the MSEDCL. But considering the fact that increased power procurement is not being reflected into consumer sales, the Commission in subsequent part of this Order has allowed only part of capacity tendered by MSEDCL.

10.4 Supply Availability:

- a. While assessing the generation availability from the contracted thermal generators, MSEDCL has considered the outages proposed in Load Generation Balance Report (LGBR) 2022-23 as published by WRPC/CEA.
- b. MSEDCL has also considered the possible increase in generating capacity on account of MoP's directives regarding coal blending. MSEDCL has factored increase in generation capacity of MSPGCL by @4%.
- c. Further, coal stock availability is built up at contracted NTPC Plants with respect to normative stock (aggregate 77%). Hence, the projected generation availability of NTPC is considered over and above normative availability.
- d. In case of IPPs 100% generation availability has been considered. There is no planned outages proposed in the months in which power procurement has been planned. However, in the power planning the generation availability from contracted generators CGPL (760 MW) and JSW (300 MW) have not been considered.
- e. The Commission during the first hearing directed MSEDCL to showcase the considerations

of generation availability w.r.t MYT Order. In reply to the above query, MSEDCL has provided the factual matrix of availability. Generation availability consideration matrix is as below:

Generator	Contracted Capacity	Available Capacity considering the Planned outage (MW)	% Availability as per MYT	Availability as per MYT (MW)	Oct-22		Mar-23		Apr-23 & May-23	
					% Availability Considered by MSEDCL	Availability considered by MSEDCL (MW)	% Availability Considered by MSEDCL	Availability considered by MSEDCL (MW)	% Availability Considered by MSEDCL	Availability considered by MSEDCL (MW)
MSPGCL	9540	9540	83.00%	7918	68.64%	6500	78.60%	7500	78.62%	7500
NTPC	4841	For Oct-22- 4793	85.00%	4115	87.63%	4200	98.00%	4500	92.96%	4500
		For Mar-23- 4588								
		For Apr-23- 4841								
IPP	5511	4478	82.90%	4567	99.40%	4451	99.40%	4451	99.40%	4451

It is evident that, on one side MSEDCL is suggesting that MSPGCL's availability will increase on account of coal blending but in actual case, it is below the MYT projections. During the hearing, the Commission enquired with MSEDCL whether it has drawn such conclusions by engaging with MSPGCL or not? MSEDCL in reply stated that it has communicated MSPGCL to reschedule the outages in the months of October-2022, March-2023 to May-2023 and worked out availability on the basis of the past performance data.

- f. Past performance data for the months during which power procurement is scheduled, is as below:

(In MW)

Month	Year	MSPGCL			
		Planned	Forced	Zero	Coal Shortage
OCT	2019	1660	1268	4140	460
	2020	210	2970	1800	0
	2021	920	1556	0	2040
March	2020	710	1466	6060	0
	2021	210	3020	840	0
	2022	210	2548	0	670
April	2019	250	2242	670	870
	2020	210	1966	6700	0
	2021	210	2834	630	0
	2022	210	1418	0	630
May	2019	250	1042	1975	420
	2020	210	1216	6410	0
	2021	210	3034	1800	0
	2022	0	1610	0	420

It is evident that in the past substantial capacity of MSPGCL has witnessed forced outage than the planned one. The lower availability of MSPGCL is a matter of serious concern and MSEDCL needs to engage with MSPGCL at the highest level to ensure maximum availability from MSPGCL. The scenario of the Short-Term Power Procurement would be very different in case MSPGCL is able to generate the quantum as was approved in the MYT Order.

- g. Beside above, the Commission also notes that energy available from Renewable Energy

sources is much less than that approved in MYT Order. Comparison of the same is based on FAC submissions is given below:

Renewable Energy Sources	FY 2020-21	FY 2021-22	FY 2022-23*
Approved Quantum (MU)	20,272.00	24,164.00	4,150
Actual Quantum (MU)	15,237.32	16,802.93	3,297
Variation (+/-)	-5,034.68	-7,361.07	-852.82

**up to May 2022*

As seen from above, energy availability from RE sources is lower 20 to 30% lower than that approved in MYT Order. To compensate this shortfall in RE quantum, MSEDCL has to resort to procurement from other sources including the present short term power procurement, to that extent.

- h. The Commission also notes that MSEDCL has not considered power procurement from CGPL (760 MW) and JSW (300 MW) stating that they are not supplying power to MSEDCL as per the PPA with MSEDCL. In this regard, the Commission notes that these two generators are covered under Section 11 direction dated 5 May 2022 issued by the Central Government for mandatory generation of electricity by importing coal. Said direction also stipulated that energy rate for electricity supplied during operation of Section 11 directions will be as decided by the Committee constituted by the Central Government. Energy rates approved by such Committee for various period for these two generators are tabulated below:

Plant	Benchmark ECR (Rs./kWh)				
	27.05.2022	17.06.2022	11.07.2022	02.08.2022	12.08.2022
CGPL Mundra (Tata)	6.22	5.99	5.98	5.73	5.27
JSW Ratnagiri	6.71	6.46	6.45	6.17	5.66

As seen from above, though the energy rates approved above are higher than variable rate approved in the PPA, they are lower than the tariff discovered under present bidding process. The Commission also notes that although MSEDCL in present Petition has stated that it has not considered power procurement from these two generators, but from the website of MSLDC it is observed that MSEDCL has started scheduling power from these generators. This might be because, recent energy rate declared by the Committee for these two generators is lower than the rate being discovered on power exchange. Due to such development, supply from generation capacity of 1060 MW which was excluded by MSEDCL while submitting present Petition becomes available for meeting projected demand. The Commission notes that CGPL has filed petition before the CERC for increase in above tariff decided by the Committee and decision of CERC may impact above tariff. But pendency of such dispute does not justify non consideration of these plants before opting for costly short term power procurement. Therefore, the Commission has considered

power procurement from these two generators in subsequent part of this Order while deciding on proposed short term power procurement.

10.5 Demand Supply mapping:

- a. Based on above mentioned demand and supply considerations, MSEDCL has projected shortfall scenario for the months of October-2022, March-2023, April-2023 and May-2023.

Months	Night Peak (22 to 6 hrs)			Morning Peak (6 to 10 hrs)			Day Peak (10 to 18 hrs)			Evening Peak (18 to 22 hrs)		
	Demand	Avail. #	Shortfall	Demand	Avail.	Shortfall	Demand	Avail.	Shortfall	Demand	Avail.	Shortfall
Oct-22	19996	18883	-1112	21233	20889	-343	21977	20585	-1392	20028	19043	-985
Mar-23	23246	21074	-1882	24238	23071	-1167	25338	23589	-1749	22522	21050	-1472
Apr-23	24009	21368	-2351	23936	22468	-1468	25850	23423	-2427	22878	21312	-1565
May-23	23780	21417	-2073	23109	21409	-1700	24799	22580	-2220	22436	21222	-1214

Availability

- b. Based on above scenario, MSEDCL floated tender of RTC power of 1000 MW. It is also relevant to mention that MSEDCL has rightly exercised the option of banking facility.
- c. As highlighted in earlier part of this Order, following two factors have not been considered while floating tender for 500-1000 MW:
 - Possibility of reducing distribution losses and thereby reducing the demand supply shortfall. This is especially important under present market condition wherein MSEDCL has proposed short term power procurement at higher rate. Quantum of such costly power procurement can be reduced if MSEDCL takes efforts to reduce distribution losses.
 - Supply form CGPL (760 MW) and JSW (300 MW).
- d. After considering above factors, MSEDCL's short term power procurement can be reduced considerably. The Commission would like to caution MSEDCL about entering into short term contract for higher quantum in present market scenario having very high generation tariff. As short term contracts have take or pay obligation of 85% of contracted capacity, entering into a short term contract for capacity more than demand may require backing down of cheaper generator for honoring take or pay obligations. Hence, though the Commission is going ahead with the projection of MSEDCL at its risk and cost, the Commission directs MSEDCL to enter short term contract very vigilantly especially in the present scenario of higher discovered generation tariff.
- e. In the present case after bidding process following quantum has been proposed to be

contracted:

Sr. No	Period	Timings (Hour)	Discovered Quantum (MW) (ET-100)	Discovered Quantum (MW) (ET-115)	Total Quantum (MW)
1	01.10.2022 to 15.10.2022	00:00 to 24:00	100	100	200
2	16.10.2022 to 31.10.2022	00:00 to 24:00	300	375	675
3	01.03.2023 to 31.03.2023	00:00 to 24:00	400	200	600
4	01.04.2023 to 30.04.2023	00:00 to 24:00	400	200	600
5	01.05.2023 to 31.05.2023	00:00 to 24:00	100	200	300

Clearly, 100% tender capacity has not been subscribed. As against 1000 MW bid capacity, contracts proposed for approval are for 200 to 675 MW capacity.

- f. Considering the data submitted by MSEDCL (Including the sales projection, approved loss trajectory and the generation availability) and the consequent development of scheduling of 1060 MW power from CGPL and JSW has been started recently, there is no requirement of Short Term Power Purchase. However, the Commission is also aware of the various factors that could affect the generation availability esp in respect of MSPGCL and hence as an abundant precaution to avoid any shortfall in the demand-supply, the Commission is of the opinion that the quantum of power received through the bids under the first tender process (ET-100) would be sufficient to meet MSEDCL's demand at this point of time provided MSEDCL addresses the concerns stated above. Any subsequent shortfall can be met through power exchange or real time market.
- g. Hence, the Commission is considering only tender ET-100 for adoption in present proceeding.
- h. After considering the procurement of above power, if MSEDCL is still anticipating shortfall in supply for meeting their demand in the months of March, April and May 2023, MSEDCL may undertake fresh bidding process and approach the Commission for adoption of tariff, if such tariff is not below the ceiling tariff. While filing such tariff adoption Petition, MSEDCL shall include the following in its Petition:
- Generation capacity available from contracted sources and correspondence with generators for providing full contracted capacity.
 - MSPGCL shall be made party to such Petition and would require to explain reasons for lower availability, if any, of its plants.
 - Efforts taken by MSEDCL to convert the additionally procured power into sales so as to reduce the distribution losses to the MYT approved levels.

- Power Procurement Status in respect of CGPL and JSW for the months of March, April and May 2023.

11. Issue C: - Whether the discovered tariff is consistent with the market trend?

11.1 The Commission notes that MSEDCL has undertaken the short-term power procurement as per the competitive guidelines of MoP dated 30 March 2016 by floating the bid on DEEP portal.

11.2 In order to assess the competitiveness of the tariff discovered by MSEDCL in the present bidding, the Commission has referred to recent discovered tariff on DEEP Portal by other buyers and same is tabulated below:

Sr. No	Utility	Period	Qtm (MW)	L1 rate (Rs/Unit)
1	BSES Delhi	October-22	250	9.18
2	Jindal Steel and power Distribution	August-22 to March-23	150	5.50
3	Tata Power Company Ltd	October-22	100	8.99 to 12.00
		March-23	50	8.94
		April-23	100	8.92
		May-23	100	8.94
4	BEST Mumbai	October-22	50	8.66
5	Gujrat	October-22	500	7.35 to 7.36
6	Tata Power Delhi Distribution Ltd	October-22	100	7.92
7	Andhra Pradesh	October-22	450	8.37 to 9.99
8	Punjab	October-22	280	10.55 to 12.00
9	Torrent Power Ltd	October-22 to March-23	70	9.99
10	Uttarakhand Power Corporation Ltd	Mar-23	400	7.50 to 9.00

From the above it is observed that there is great deal of volatility in the market for short term power procurement with tariff ranging from 5.50 to 12 rupees. Apparently these are the quoted rates as per final bids and not necessarily the rates accepted by procurer. MSEDCL's discovered tariff seems to be in the median of such quoted market rates.

11.3 The Commission holds that MSEDCL has carried out the process of procurement of Short-Term Power in accordance with Competitive Bidding Guidelines and the tariff discovered is a median of of current market situations for ET 100 tender and hence the Commission is inclined to consider and approve the same.

11.4 Section 63 of the EA, 2003 mandates the Commission to adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.

11.5 In view of the foregoing, the Commission notes that tariff discovered by MSEDCL fulfils

mandates and requirements for adoption as set out in Section 63 of the EA, 2003 and MYT Regulations, 2019. Accordingly, the Commission adopts Power Procurement as follows:

Sr. No	Period	Timings (Hour)	ET-100	
			e-RA Rate discovered (Rs/unit)	Quantum (MW)
1	01.10.2022 to 15.10.2022	00:00 to 24:00		
2	16.10.2022 to 31.10.2022	00:00 to 24:00	7.44	100
3	01.03.2023 to 31.03.2023	00:00 to 24:00	7.44	300
4	01.04.2023 to 30.04.2023	00:00 to 24:00	7.85	400
5	01.05.2023 to 31.05.2023	00:00 to 24:00	7.85	400

11.6 MSEDCL has also requested to fix appropriate ceiling tariff for all future short term power procurement. The Commission notes that power procurement envisaged in present Petition falls under two tariff years i.e. FY 2022-23 (October-2022 & March-2023) and FY 2023-24 (April-2023 & May-2023). For FY 2023-24 onwards, ceiling tariff will be revised during Mid Term Review Order and hence in the present Petition, the Commission is considering revising ceiling tariff for FY 2022-23 only. Weighted average tariff of Rs. 7.44/kWh (for procurements in October-2022 and March-2023) is discovered through competitive bidding in present process, the same shall act as ceiling tariff for procurement of short-term power through competitive bidding process for FY 2022-23. Any tariff discovered below such ceiling shall be considered as deemed adopted as per provisions of competitive bidding guidelines notified by the Central Government for short-term power procurement.

12. Hence, following Order:

ORDER

1. **Case No. 148 of 2022 is partly allowed.**
2. **Short Term Power Procurement under tender ET-100 for the period from October-2022 and March-2023 to May-2023 by Maharashtra State Electricity Distribution Co. Ltd. as stated in para 11.5 above is approved.**
3. **If required, fresh bidding process be conducted for meeting any further demand-supply shortfall as directed in para 10(h) above.**
4. **Maharashtra State Electricity Distribution Co. Ltd., to submit all the relevant details of this Short term Power Procurement during the upcoming Mid Term Review.**

5. Maharashtra State Electricity Distribution Co. Ltd to submit the copies of Final PPAs to the Commission for records.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(I.M. Bohari)
Member

Sd/-
(Sanjay Kumar)
Chairperson

