

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**Case No. 137 of 2022**

**Case of Adani Electricity Mumbai Ltd.- Distribution for in principle approval for procurement of additional power procurement under Section 86 (1) (b) of the Electricity Act, 2003 read with Regulation 22 of MERC (Multi Year Tariff) Regulations 2019.**

**Coram**

Sanjay Kumar, Chairperson  
I. M. Bohari, Member  
Mukesh Khullar, Member

Adani Electricity Mumbai Ltd.- Distribution (AEML-D):

Petitioner

Appearance:

For Petitioner:

Adv. Hemant Singh  
Shri. Kishor Patil (Rep)

**ORDER**

**Date:** 17 November, 2022

1. Adani Electricity Mumbai Ltd.- Distribution (**AEML-D**) has filed this Case on 29 June, 2022 seeking in principle approval for additional power procurement under Section 86(1) (b) of the Electricity Act, 2003 (**EA, 2003**) read with Regulation 22 of MERC (Multi Year Tariff) Regulations 2019.

2. **AEML-D's main prayers are as under:**

a) *Approve the proposed quantum and cost of power for H1 and H2 of FY 2022-23 as enumerated in the present petition, and allow recovery through Fuel Adjustment Charge as per Tariff Regulations and guidelines issued by the Hon'ble Commission from time to time, in view of the submissions made in the present petition;*

b) *Approve the estimated short-term power purchase rate at Rs. 6.0/- per unit for FY 2022-23 for the period commencing from June 2022 onwards; and*

.....”

3. **AEML-D in its Petition has stated as follows:**

- 3.1 The Commission has determined the Tariff for the Control Period FY 2020-21 to FY 2024-25 for AEML-D in the MYT Order dated 30 March 2022 under the terms and conditions of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 (MYT Regulations, 2019).
- 3.2 Section 86 (1) (b) of the Electricity Act, 2003 specifies that the Commission shall regulate electricity purchase and procurement process of Distribution Licensees including the price at which electricity shall be procured from the generating companies.
- 3.3 Further, Regulation 22 of the MYT Regulations, 2019 stipulates that if there is any variation 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 for any block of six months, the Distribution Licensee shall have to obtain prior approval of the Commission.
- 3.4 In view of the above Regulatory provisions, AEML-D has filed the present Petition in anticipation that the total cost of power purchase for H1 of FY 2022-23 may exceed five percent of the approved cost in the MYT Order dated 30 March 2020 in Case No 325 of 2019. The reasons for the same are mentioned in subsequent paragraphs.
- 3.5 The details of the approved Power Purchase from various sources for FY 2022-23 in the MYT Order of AEML-D dated 30 March 2020 in Case No. 325 of 2019 is as under:

Particulars	FY2022-23		
	Quantum (MU)	Cost (Rs. Crore)	Rate PU
DTPS	3733	1838.64	4.93
DSPPL	66.19	68.17	10.30
New Wind Solar Hybrid	3066	993.38	3.24
Existing – Non solar sources	97.49	54.02	5.54
Short Term	3,334.60	1167.11	3.50
Total	10,297.29	4121.33	4.00

- 3.6 In the MYT Order, the approved quantum and cost of power is for the full financial year and break-up into H1 and H2 is not available. Therefore, for the purposes of this Petition, AEML-D has bifurcated in two halves the approved quantum and cost for H1 and H2 for FY 2022-23 as under:

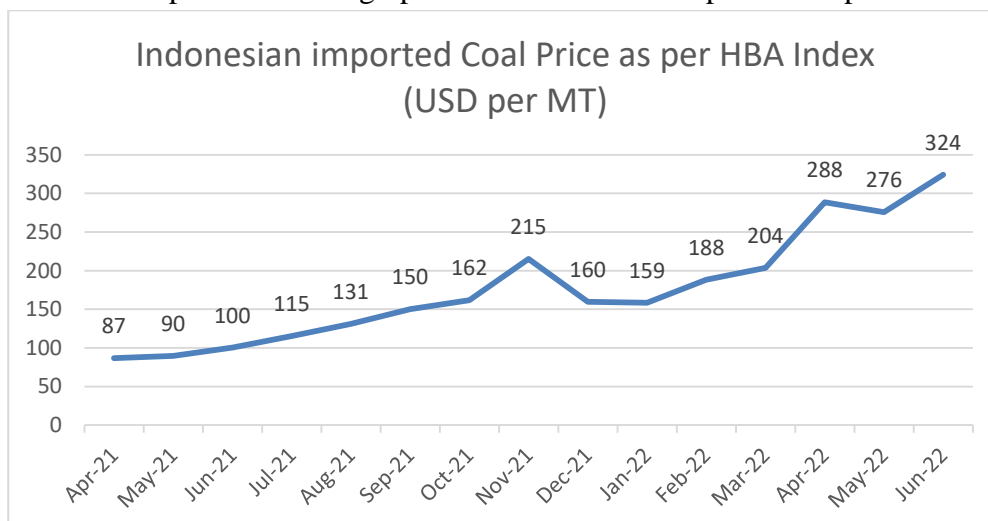
Particulars	FY 2022-23		
	H1	H2	Total as approved
Total power purchase Requirement – MU	5148.65	5148.65	10297.29
Total Power Purchase Cost - Rs Cr	2060.67	2060.67	4121.33

- 3.7 As per internal estimation of AEML-D, the projected quantum of power purchase for H1 and H2 of FY 2022-23 is not likely to exceed five percent of the approved quantum in the MYT Order. However, after considering the actuals for April 2022 and estimates from May 2022 onwards, AEML-D estimates that the cost of the power procurement for both

halves of FY 2022-23 is likely to exceed five percent than the approved cost. The reasons for the same are provided as under:

- (a) AEML-D entered into a Banking arrangement with M/s Manikaran Power Limited (MPL) and Arunachal Pradesh Power Corporation Private Limited (APPCPL), wherein it received power during the period commencing from February 2022 to April 2022, which shall be returned during the period July 2022 to September 2022. The return power is secured at Rs. 4.03 per unit for the period from July 2022 to August 2022, and at Rs. 4.21 per unit for the month of September 2022.
- (b) As a result of the same, there shall be an additional cost of about Rs. 171 Crores to be incurred by AEML-D in FY 2022-23, part of which pertains to previous financial year. The consumers have immensely benefited from this transaction as the rate of short-term power during February 2022 to April 2022 period have ranged from Rs 4.44/- Per unit to Rs. 10.06 per unit as per the Monthly average MCP of RTC power at Indian Energy Exchange, which is much higher than the rate secured for banking return.
- (c) In recent times, prices have shot up in the spot market due to unfavorable demand supply positions. This was on account of shortage of coal in the country, and the consequent increase in the price of coal. There is a huge demand and supply gap in Day ahead market (DAM) of Power Exchanges. The Buy to Sell ratio reached as high as 1607% (total sell bids were of 47 MUs against total buy bid of 762 MUs). As a result, in Day Ahead Market (DAM) and Real Time Market (RTM), discovered rate for most of the time blocks were at ceiling rate. The factors which have resulted in to increase of spot prices of power are as given below:
  - (1) **Higher Power Demand across country:** There has been significant increase in power demand across country. On 29<sup>th</sup> April 2022, India recorded an all-time high peak power demand of 207.11 GW (2,07,110 MW). Major factors like rise in temperature causing early onset of summers and increase in economic activities with lifting of COVID-19-related restrictions, have contributed significantly to the increase in electricity demand.
  - (2) **Supply side constraints:** There was supply side constraints due to geo-political factors affecting the fuel supply and certain domestic supply constraints, which has also resulted in an upshot in the price of electricity. As on 12 May, 2022, the average coal stock at thermal plants using domestic coal was 31% of the Normative level and due to this there has been limitation on electricity generation across the country.
  - (3) **Higher prices of imported coal and gas:** There has been sharp increase in imported coal prices. The prices of coal are hovering around \$ 288 per MT as per HBA Index of Indonesian imported Coal Price. These high prices of imported coal are leading to high variable charge for imported coal-based plants which results in lower generation from such plants. Similarly, due to an

increase in the international price of gas, the existing gas-based plants are declaring lower availability of power. The prices of imported coal have tripled since April 2021. The graph of international coal prices is reproduced as under:



- (4) Further, Adani Dahanu Thermal Power Station (ADTPS) has procured imported coal at a rate of Rs. ~12581 per MT considering the prevailing high coal prices in the international market. ADTPS is planning to blend 15% imported coal with domestic coal, which is in line with notifications issued by the Central Government dated 28 April, 2022, 13 May, 2022 18 May, 2022, and 26 May, 2022. Hence, it is likely that energy charges will be on higher side vis-à-vis the energy rate approved by the Commission in the MYT Order. However, since for ADTPS, the said increase in cost is accounted under Fuel Adjustment Charges (FAC), accordingly, as per proviso to Regulation 22.3 of MYT Regulations, ADTPS has been excluded from the energy purchase portfolio for measuring the deviation in cost of power purchase vis-à-vis approved.
- (5) Due to the factors mentioned above, AEML-D estimates that the short-term power procurement rate will hover around Rs. 6.00 per unit on a weighted average basis for the whole of FY 2022-23 as against Rs. 3.50 per unit considered in the MYT Order. The actual average rate realized in the months of April 2022 and May 2022 has been Rs. 11.1 / unit and ~ Rs. 9.2/ unit respectively.
- (6) Further the Commission has considered full availability from 700 MW hybrid plant during FY 2022-23. However, actual commissioning of 700 MW hybrid plant has been impacted by force majeure events such as Covid-19 pandemic and resurgence of covid-19 pandemic in 2021. As on 30 April, 2022, 289 MW of Hybrid capacity has been commissioned and balance hybrid capacity of 175 MW and 236 MW shall be commissioned by June, 2022 and July 2022 respectively as per the commissioning schedule provided by the generator. Therefore, AEML-D expects full 700 MW of wind solar hybrid capacity

availability from 1 August, 2022. Till that time, the shortfall in power shall be replaced with purchase of power from short-term market.

- (7) AEML-D has initiated a bid process for purchase of 500 MW RTC power for the period 1 September, 2022 to 14 October, 2024 based on the Model Bidding Documents issued by the Ministry of Power. This Medium-Term power is proposed to replace the short-term purchase quantum reflected in the MYT Order. The same is being done to reduce dependency on short term power. AEML-D shall approach the Commission for adoption of tariff separately upon the rate discovery.

3.8 As a result of quantum of power, rate of power and mixed variance of sources as described above, AEML-D estimates that the total cost of power procurement by AEML-D for both halves of FY 2022-23 is likely to remain more than 105% of the cost approved by the Commission. AEML-D has estimated this for two scenarios – one without MTPP (in case the rate discovered is not reflective of market and the process is abandoned) and the other with MTPP (500 MW RTC @ Rs. 4.50 per unit).

3.9 These Scenarios are compared with 105% of the quantum and the cost as approved in the MYT Order for FY 2022-23 (split into half between H1 and H2) as follows:

**(a) Scenario 1 (without MTPP):**

Particulars	105% of approved		Estimated-FY 23		Variation	
	MUs	Rs Crore	MUs	Rs Crore	MUs	Rs Crore
	A	B	C	D	e=a-c	f=b-d
H1	5406.08	2163.70	5359	3243	46.73	-1079.02
H2	5406.08	2163.70	4798	2481	607.95	-317.58
Total	10812.2	4327.4	10157	5724	654.68	-1396.60

**(b) Scenario 2 (with MTPP):**

Particulars	105% of approved		Estimated-FY 23		Variation	
	MUs	Rs Crore	MUs	Rs Crore	MUs	Rs Crore
	A	B	C	D	e=a-c	f=b-d
H1	5406.08	2163.70	5359	3212	46.72	-1048.19
H2	5406.08	2163.70	4798	2278	607.95	-113.97
Total	10812.2	4327.4	10157	5490	654.68	-1162.15

3.10 Thus, there is no variation in quantum, rather the variation only pertains to the cost of power procurement by AEML-D. While variations of ADTPS are counted under FAC, which has a separate prior approval process and are excluded from five percent variation as per proviso to Regulation 22.3 of the MYT Regulations, however, even if the same is excluded from both approved and actual cost for H1 and H2, the variation in cost is still above 105%. Hence, there is a need for prior approval of the Commission in terms of Regulation 22.3 of the Tariff Regulations, 2019. It is also possible that the rate of MTPP

realized through competitive bidding might turn out to be lower than what is estimated above, in which case it is possible that the total cost in H2 of FY 2022-23 may not exceed 105% of what is approved by the Commission, but AEML-D is seeking prior approval for H2 as well, for reasons of abundant caution.

**4. At the time of E-hearing held on 21 October 2022:**

- 4.1 AEML -D reiterated the submission made in the Petition. AEML -D stated that it has approached the Commission for in principle approval of the additional power purchase cost as per Regulation 22 of MYT Regulations, 2019 and allowing it to recover the same through FAC mechanism. This is a Regulatory compliance Petition.
- 4.2 As H1 of FY 2022-23 has already been over, on the query from the Commission, AEML-D agreed to submit details of actual power procurement for the said period.

**5. AEML-D in its submission dated 26 October 2022 has stated as under:**

- 5.1. This is a regulatory compliance Petition in accordance with the Regulation 22 of the MYT Regulations, 2019.
- 5.2. AEML-D had initiated a bid process for purchase of 500 MW RTC power for the period of 01 September, 2022 to 14 October, 2024 based on Model Bidding Documents issued by MoP. AEML-D has filed the Petition in Case No. 149 of 2022 before the Commission for adoption of discovered tariff.
- 5.3. In the present Petition, AEML-D has projected two scenarios (i) one through short-term power procurement without Medium Term Power Procurement; and (ii) one with MTPP. However, since the Commission has already approved 500 MW through MTPP @ Rs. 5.98 per unit vide an Order dated 29 August, 2022 in Case No. 149 of 2022, presently only Scenario 2 is relevant.
- 5.4. Now based on provisional actuals up to September 2022, considering aforesaid MTPP rate approved by the Commission, and considering STPP rate as Rs 6/- per unit, the revised estimate in Scenario 2, is given below:
  - a. Power Purchase Cost provisional actual up to Sep-2022 (i.e., H1) = Rs. 3236 Cr.
  - b. Estimate based on H1 provisional actual up to March-2023 (i.e., H2) = Rs. 2512 Cr.
  - c. The total power purchase cost for FY 2022-23 is estimated as Rs. 5748 Cr.
  - d. Variation with respect to FY 2022-23 power purchase cost approved in the MYT order dated 30.03.2020 passed in Case No. 325 of 2019 = Rs. 1627 Crores.
- 5.5. As such, in view of the submissions made hereinabove, AEML-D prays the Commission to approve the proposed quantum and cost of power for H1 and H2 of FY 2022-23 and allow recovery for remaining period through Fuel Adjustment Charges.

AEML-D also prays for approving the estimated short-term power purchase rate at Rs. 6.0/- per unit for FY 2022-23 for the period commencing from June 2022 onwards.

**Commission's Analysis and Ruling:**

6. Present Petition has been filed by the AEML-D seeking in principle approval for additional power procurement (i.e., more than 105% of the approved power purchase) under Section 86(1) (b) of the Electricity Act, 2003 read with Regulation 22 of MERC (Multi Year Tariff) Regulations 2019.
7. The Commission notes AEML-D's submission that it has filed the present Petition in anticipation that the total cost of power purchase for H1 of FY 2022-23 may exceed five percent of the cost approved in the MYT Order dated 30 March 2020 in Case No 325 of 2019. AEML-D has cited various reason for such increase in the power purchase cost and has requested the Commission to approve the same and allow recovery of such increased cost through FAC mechanism.
8. Considering the submissions made in the matter, the Commission frames following issues for its consideration:
  - 8.1. Issue A: Provisions under which the excess Power procurement (in excess 105% of the approved power purchase) of Distribution Licensee requires prior approval of the Commission.
  - 8.2. Issue B: Whether estimated cost of power procurement proposed by AEML-D is justified?
  - 8.3. Issue C: Other reliefs sought by AEML-D?

The Commission is addressing these issues in the following paragraphs.

**9. Issue A: - Provisions under which the excess Power procurement (in excess 105% of the approved power purchase) of Distribution Licensee requires prior approval of the Commission:**

- 9.1. The Section 86 (1) (b) of the Electricity Act, 2003 specifies that the Commission shall regulate electricity purchase and procurement process of Distribution Licensees including the price at which electricity shall be procured from the generating companies. The said provision is as under:

*Section 86. (Functions of State Commission): --- (1) The State Commission shall discharge the following functions, namely: -*

*.....*

*(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;*

.....”

- 9.2. 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 relating to variation in the quantum or cost of power procured:

*“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.*

*22.4 Where the Distribution Licensee has identified a new short-term source of supply from which power can be procured at a Tariff that reduces its approved total power procurement cost, it may enter into a short-term power procurement agreement or arrangement with such supplier without the prior approval of the Commission.....”*

- 9.3. From perusal of the above provisions, it is evident that the Regulation 22 of the MYT Regulations, 2019 stipulates that if there is any variation 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 for any block of six months, the Distribution Licensee shall have to obtain prior approval of the Commission.
- 9.4. In present case, the Commission notes that present Petition has been filed by AEML-D on 29 June 2022 stating its estimate that projected quantum of power purchase for H1 and H2 of FY 2022-23 is not likely to exceed five percent of the approved quantum in the MYT Order, however, the cost of the power procurement for both halves of FY 22-23 is likely to exceed five percent than the approved cost.
- 9.5. In view of above, the Commission notes that AEML-D has correctly filed this Petition seeking prior approval of the Commission. Accordingly, the Commission is addressing other issues framed in this matter.



**10. Issue B: - Whether estimated cost of power procurement proposed by AEML -D is justified?**

10.1. The Commission notes that AEML-D has provided following reasons for estimated increase in cost of power:

- a) Returned power under banking arrangement is procured at rate of Rs. 4.03 to 4.21 per unit which is more than short term rate of Rs. 3.50 per unit. This has led to additional cost of Rs. 171 Crores than approved power purchase cost for FY 2022-23.
- b) Increase in spot market price on account of various reasons such as Higher Power Demand across Country, Supply Side Constraints, Higher prices of imported coal and gas.
- c) Partial commissioning of the 700 MW hybrid plant. As on 30.04.2022, 289 MW of Hybrid capacity was commissioned, and balance hybrid capacity of 175 MW and 236 MW was to be commissioned by June, 2022 and July, 2022.

10.2. The Commission notes that although energy banking agreement has increased cost of approved power purchase cost by Rs. 171 Crore, if such agreement was not executed then increase in cost would have been much more than this amount. This is because, under energy banking agreement, AEML-D has received the power during the month of February 2022 to April 2022 at nil cost when rate on the power market was in the range of Rs. 4.44 to 10.06 per unit. Thus, it is substantial saving. While returning such power during the month of July 2022 to September 2022, AEML-D has procured it at the rate of Rs. 4.03 to 4.21 per unit. Thus, AEML-D has potentially saved around Rs. 0.41 to 5.52 per unit (difference in market rate at the time of receiving energy and returning energy).

10.3. The Commission is also cognizant of the fact that short term power purchase rate in market has substantially increased as compared to Rs. 3.50 per unit approved in MYT Order dated 30 March 2022. This is because, rate approved in MYT Order is based on the then prevailing market rate, but surge in electricity demand post COVID-19 pandemic coupled with lower availability of domestic coal and increase in cost of imported coal & gas has led to increase in power purchase cost. Also, 700 MW Wind-Solar Hybrid project is delayed on account of COVID-19 restrictions which has further increased AEML-D's dependency on short term market. All these things are beyond the control of AEML-D and hence, the Commission is according in-principle approval for increased cost of power procurement.

10.4. This Petition was filed in June 2022 i.e., before end of H1 of FY 2022-23 and hence estimated power purchase cost was considered and submitted for H1 and H2 of FY 2022-23. However, as H1 was already over, the Commission directed AEML-D to submit actual power purchase cost for H1 and revised estimates for H2 of FY 2022-23, as AEML-D's proposal for medium term power procurement has already been approved. In

reply, AEML-D in its additional submission dated 26 October 2022 has submitted actual details of H1 and provisional estimates for H2 as under:

FY 2022-23	Approved power purchase (Case 325)			Approved (broken into half) <sup>1</sup>			H1 Provisional Actual <sup>2</sup>			H2 Projected <sup>3</sup>			Annual Estimated (H1 + H2)		
	MU	Rs. Cr.	Rs./u	MU	Rs. Cr.	Rs./u	MU	Rs. Cr.	Rs./u	MU	Rs. Cr.	Rs./u	MU	Rs. Cr.	Rs./u
ADTPS	3,733.00	1,838.64	4.93	1,866.50	919.32	4.93	1,588.58	959.93	6.04	1,572.16	963.55	6.13	3,160.74	1,923.48	6.09
DSPL	66.19	68.17	10.30	33.10	34.09	10.30	24.83	25.58	10.30	27.00	27.81	10.30	51.83	53.38	10.30
AAA Sons	0.14	0.07	5.00	0.07	0.04	5.00	0.02	0.01	5.30				0.02	0.01	5.30
Vector Green	10.51	5.33	5.07	5.26	2.67	5.07	7.38	3.74	5.07	1.89	0.96	5.07	9.27	4.70	5.07
Tembhu Power	11.83	5.04	4.26	5.92	2.52	4.26	0.47	0.20	4.26	0.25	0.10	4.26	0.71	0.30	4.26
Reliance Clean Power	75.02	43.59	5.81	37.51	21.80	5.81	37.96	22.05	5.81	14.82	8.61	5.81	52.78	30.66	5.81
Reliance Innoventure							55.44	14.53	2.62	5.23	1.37	2.62	60.67	15.90	2.62
Hybrid RE 700 MW	3,066.00	993.38	3.24	1,533.00	496.69	3.24	971.34	314.72	3.24	1,428.61	462.87	3.24	2,399.96	777.59	3.24
Banking							134.95	171.76			0.37		134.95	172.13	
MTPP 500 MW							350.89	191.24	5.45	1,856.40	1,110.13	5.98	2,207.29	1,301.36	5.90
Short Term sources	3,334.60	1,167.11	3.50	1,667.30	583.56	3.50	2,224.06	1,577.47	7.09	446.62	267.97	6.00	2,670.68	1,845.44	6.91
Short term sale							-85.78	-34.32	4.00	-554.85	-331.80	5.98	-640.64	-366.12	5.71
Rebate								-11.28					-	-11.28	
<b>Total</b>	<b>10,297.29</b>	<b>4,121.33</b>	<b>4.00</b>	<b>5,148.65</b>	<b>2,060.67</b>	<b>4.00</b>	<b>5,310.14</b>	<b>3,235.62</b>	<b>6.09</b>	<b>4,798.12</b>	<b>2,511.94</b>	<b>5.24</b>	<b>10,108.27</b>	<b>5,747.56</b>	<b>5.69</b>

10.5. Based on above, the Commission notes that the variation from approved power purchase for FY 2022-23 are as follows:

Particulars	Approved in MYT Order		Actuals/Estimated- FY 2022-23		% Variation	
	MUs	Rs Crore	MUs	Rs Crore	MUs	Rs Crore
	A	B	C	D	C/A	D/B
H1	5148.65	2060.67	5310.14	3235.62	103%	157%
H2	5148.65	2060.67	4798.12	2511.94	93%	122%
<b>Total</b>	<b>10297.29</b>	<b>4121.33</b>	<b>10108.27</b>	<b>5747.56</b>	<b>98%</b>	<b>139%</b>

a. Quantum of power purchase is within the approved level, although it has increased by 3% in H1.

b. Cost of power purchase has increased by 157% and 122% in H1 and H2, respectively.

10.6. In earlier paragraph, the Commission has broadly scrutinized the reasons for such increased cost and it satisfied with the justification offered by AEML-D. Detailed scrutiny will be undertaken during upcoming MTR proceedings.

10.7. Therefore, the Commission accords its prior / in-principle approval for possibility of increase in cost of power during FY 2022-23 beyond 5%.

#### 11. Issue C: - Other reliefs sought by AEML-D

11.1. Having accorded its approval for estimated increase in power purchase cost, the Commission notes that AEML-D in its submission has also requested the Commission to allow pass-through of such increased power purchase cost through FAC mechanism and also approve Rs 6 per unit as rate for short term power procurement for FY 2022-23.

11.2. With reference to pass through of increased cost, AEML-D during the hearing has stated

that it is already recovering such increased cost through FAC mechanism, and such relief sought is just a regulatory compliance. In view of this submission no separate ruling is required on pass through of increased cost.

11.3. With reference to rate of short-term power procurement, the Commission notes that in MYT Order, rate for short term power is considered as Rs. 3.50 per unit. However, due to change in market condition, actual rate of short-term power has increased considerably. As submitted by AEML-D, its actual average short term power purchase rate for H1 of FY 2022-23 is Rs. 7.09 per unit and projected rate for H2 is Rs. 6 per unit. The Commission also notes that it has approved medium term power procurement of AEML-D at Rs. 5.98 per unit. Further in its recent Order dated 30 September 2022 in Case No. 165 of 2022, the Commission has approved Rs. 7.54 per unit as ceiling rate for short term power procurement to another Distribution Licensee (Tata Power Co. Ltd) in Mumbai. Considering these aspects, the Commission allows AEML-D's prayer and approves Rs. 6.00 per unit as ceiling rate for short term power procurement for FY 2022-23.

12. Hence, following Order:


### **ORDER**

- 1. Case No. 137 of 2022 is allowed.**
- 2. The Commission accords its prior / in-principle approval for possibility of increase in cost of power during FY 2022-23. Detailed scrutiny will be undertaken during upcoming Mid Term Review proceedings.**
- 3. Ceiling rate of Rs. 6.00 per unit is approved for short term power procurement in 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.**

Sd/-  
(Mukesh Khullar)  
Member

Sd/-  
(I.M. Bohari)  
Member

Sd/-  
(Sanjay Kumar)  
Chairperson

  
(Abhijit Deshpande)  
Secretary

