

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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IA No. 58 of 2024 in Case No. 148 of 2024

Interlocutory Application (IA) of Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for urgent listing of matter in Case No. 148 of 2024.

Case No. 148 of 2024

Petition by MSEDCL for adoption of tariff for procurement of 1601 MW of Wind-Solar Hybrid power in respect of MSEDCL's tender for procurement of 2000 MW Wind-Solar Hybrid power with Greenshoe option of additional capacity upto 2000 MW through competitive bidding.

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

: Petitioner

M/s. JSW Neo Energy Limited
M/s. Avaada Energy Private Limited
M/s. BN Peak Power-1 Private Limited
M/s. Juniper Green Energy Private Limited

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: Respondents

&

IA No. 59 of 2024 in Case No. 149 of 2024

Interlocutory Application (IA) of MSEDCL for urgent listing of matter in Case No. 149 of 2024.

Case No. 149 of 2024

Petition by MSEDCL for approval of adoption of tariff for procurement of 1000 MW of Wind-Solar Hybrid power in respect of MSEDCL's tender for procurement of 1650MW Wind-Solar Hybrid power with Greenshoe option of additional capacity upto 1650 MW through competitive bidding.

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

: Petitioner

M/s. JSW Neo Energy Limited
M/s. Avaada Energy Private Limited
M/s. TATA Power Renewable Energy Limited
M/s. Juniper Green Energy Private Limited

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}

: Respondents

Coram

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

For the Petitioner

: Mr. Udit Gupta (Adv)
Ms. Kavita Gharat (Rep)

For the Respondents

: Mr. Rakesh Rathore (Rep.)
Mr. Rahul Tyagi (Rep)
Mr. Vishrov Mukerjee (Adv.)
Mr. Sumit Sood (Rep.)

ORDER

Date: 11 October 2024

1. Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) has filed these Petitions numbered as Case No. 148 of 2024 & Case No. 149 of 2024 on 5 September 2024 for adoption of tariff for procurement of 1601 MW and 1000 MW of Wind-Solar Hybrid power. MSEDCL referred to Regulation 7 of MERC (Renewable Purchase Obligation, its compliance and implementation of Renewable Energy Certificate Framework) Regulations, 2019 and its 1st amendment and Regulation 39 (a) & (c) of MERC (Transaction of Business and Fees & Charges) Regulations, 2022.
2. On 03 October 2024, MSEDCL filed two (2) IAs i.e. IA No.58 of 2024 in Case No.148 of 2024 & IA No.59 of 2024 in Case No.149 of 2024 for urgent listing of matter.
3. The IAs along with main matters were listed for hearing on 08 October 2024. The Advocate of the Petitioner elaborated the scheme of procurement and prayed for adoption of the discovered tariff.

4. **MSEDCL's main prayers are as under:**

Case No.148 of 2024

“

- a) *To admit the Petition as per the provisions as per the provisions of the Regulation 19 of MERC (RPO, Its Compliance and Implementation of REC Framework) Regulations, 2019 and under Section 63 of the Electricity Act (EA), 2003.*
- b) *To accord approval for adoption of tariff for 1601 MW Wind-Solar Hybrid at weighted average tariff of Rs. 3.61 per kWh discovered in the e-reverse auction conducted by MSEDCL followed by bids under green-shoe options.*
- c) *To accord approval for signing of the Power Purchase Agreement with the successful bidders at the competitively discovered Tariff along with green shoe capacity.*
- d) *To consider procurement of Wind-Solar Hybrid for meeting Wind RPO and Other RPO (which includes Solar Source) requirement of MSEDCL.*
....”

Case No.149 of 2024

“

- a) *To admit the Petition as per the provisions as per the provisions of the Regulation 19 of MERC (RPO, Its Compliance and Implementation of REC Framework) Regulations, 2019 and under Section 63 of the Electricity Act (EA), 2003.*
- b) *To accord approval for adoption of tariff for 1000 MW Wind-Solar Hybrid at discovered tariff of Rs. 3.60 per kWh discovered in the e-reverse auction conducted by MSEDCL followed by bids under green-shoe options.*
- c) *To accord approval for signing of the Power Purchase Agreement with the successful bidders at the competitively discovered Tariff along with green shoe capacity.*
- d) *To consider procurement of Wind-Solar Hybrid for meeting Wind RPO and Other RPO (which includes Solar Source) requirement of MSEDCL.*
....”

In its additional submission dated 07 October 2024 in Case No. 149 of 2024, MSEDCL Prayed following:

“

b) To accord approval for adoption of tariff for 1650 MW Wind-Solar Hybrid at discovered tariff of Rs. 3.60 per kWh discovered in the e-reverse auction conducted by MSEDCL followed by bids under green-shoe options.
....”

5. The Commission notes that the proposed power procurement in both these Petitions is inter linked and is based on similar sets of tender conditions. Hence, for sake of brevity, the submissions are captured combinedly in this common Order.

6. MSEDCL in its Petitions has stated as follows:

Tendering process in procurement of 1601 MW Wind-Solar Hybrid Power:

6.1. Major events in bidding process in Case No. 148 of 2024 are tabulated below:

Date	Event
11.03.2024	MSEDCL had floated a tender for procurement of 2000 MW power from Wind-Solar Hybrid Projects with additional capacity up to 2000 MW through Green Shoe Option through competitive bidding (E-reverse auction) on Bharat-ETS web portal.
13.03.2024	MSEDCL intimated the Commission with regards to proposed power procurement.
20.03.2024	The Pre-bid meeting was conducted.
16.04.2024	The replies to pre-bid queries were conveyed.
24.05.2024	The last date of submission. Initially last date was 04.04.2024, which was later extended to 23.04.2024, 17.05.2024 and 24.05.2024 on request of prospective bidders.
24.05.2024	The technical bids were opened
27.05.2024.	The financial bids were opened

6.2. Total 4 bidders have submitted online bids on Bharat-ETS portal for total quantum of 851 MW. The details are as under:

Sr. No.	Name of Bidder	Capacity (MW)
1	JSW Neo Energy Ltd.	200
2	Avaada Energy Private Ltd.	500
3	BN Peak Power-1 Pvt. Ltd.	76
4	Juniper Green Energy Pvt. Ltd.	75
	Total	851 MW

All the bidders were technically qualified.

6.3. As per the clause no. 4.2 (ii) of tender document ‘Second Envelope (Financial Bid) Evaluation (Step-2)’, the e-Reverse Auction was conducted for 50% of bid capacity i.e 425 MW capacity on Bharat Portal.

6.4. E-reverse auction was carried out and after completion of e-reverse auction, following is the final result:

Sr. No.	Name of Bidder	Bidding Capacity (MW)	IPO Rate (Rs./kWh)	e-RA Result	
				Quantum Awarded (MW)	Price (Rs./kWh)
1	JSW Neo Energy Ltd.	200	3.75	200	3.60 (L1)
2	Juniper Green Energy Pvt. Ltd.	75	3.88	75	3.60 (L1)
3	BN Peak Power - 1 Pvt. Ltd.	76	3.72	76	3.62 (L2)
4	Avaada Energy Pvt. Ltd.	426	3.79	74.5	3.69 (L3)
	Total	851 MW		426 MW	

6.5. As per Clause 3.4 (e) of Tender document, Bidders were invited to submit addition capacity under green shoe option with matching the tariff of L1 bidder.

6.6. Accordingly, JSW Neo Energy Ltd. offered 400 MW and M/s. Avaada Energy Pvt. Ltd. offered 775 MW Wind-Solar Hybrid power at L1 Tariff of Rs.3.60/kWh. With such green shoe option total power quantum becomes 1601 MW.

Tendering process in procurement of 1000 MW Wind-Solar Hybrid Power:

6.7. In earlier tendering exercise, MSEDCL was able to tie up 1601 MW Wind-Solar Hybrid power. For contracting balance capacity, MSEDCL re-initiated the tendering process and floated tender for procurement of 1650 MW +1650 (Green Shoe) MW Wind-Solar Hybrid power through competitive bidding.

6.8. Major events in bidding process in Case No. 149 of 2024 are tabulated below:

Date	Event
09.07.2024	For contracting balance capacity, MSEDCL floated tender of 1650 MW with additional capacity 1650 MW (Green Shoe option) for wind-solar hybrid power procurement on Bharat-ETS web portal.
18.07.2024	The Pre-bid meeting was conducted.
29.07.2024	The replies to pre-bid queries were conveyed.
12.08.2024	The last date of submission. Initially last date was 05.08.2024, which was later extended to 09.08.2024 and 12.08.2024 on request of prospective bidders.
16.08.2024	The financial bids were opened

- 6.9. Total 4 bidders have submitted online bids on Bharat-ETS portal for total quantum of 975 MW. All bidders were technically qualified.
- 6.10. As per the clause no. 4.2 (ii) of tender document ‘Second Envelope (Financial Bid) Evaluation (Step-2)’, the e-Reverse Auction was conducted for 50% of bid capacity i.e 488 MW capacity at Bharat Portal.
- 6.11. E-reverse auction was carried out and after completion of e-reverse auction, following is the final result:

Sr. No.	Name of Bidder	Bidding Capacity (MW)	IPO Rate (Rs./kWh)	e-RA Result	
				Bidding Capacity (MW)	Price (Rs./kWh)
1	JSW Neo Energy Limited	200	3.75	200	3.60 (L1)
2	Juniper Green Energy Pvt. Ltd.	75	3.65	75	3.65 (L2)
3	Tata Power Renewable Energy Limited	200	3.74	200	3.68 (L3)
4	Avaada Energy Pvt. Ltd.	488	3.69	13	3.69 (L4)
	TOTAL			488 MW	

- 6.12. Subsequently, vide e-mail dated 30 August 2024, M/s Tata Power Renewable Energy Limited matched the rate of Rs. 3.60/kWh i. e. L1 tariff for 200 MW capacity.
- 6.13. As per Clause 3.4 (e) of the tender documents, Bidders were invited to submit addition capacity under green shoe option with matching the tariff of L1 bidder. Accordingly, JSW Neo Energy Ltd. offered 400 MW and M/s. Tara Power Renewable Energy Ltd. offered 200 MW wind-solar hybrid power at L1 Tariff of Rs.3.60/kWh.

Justification for discovered tariff:

- 6.14. The recent discovered tariff for procurement of Wind-Solar Hybrid power in e-auction conducted by other utilities / RDA is as below:

(in Rs./kWh)

Bidding Company	Discovered Rate	Trading Margin	Trans. Losses	Trans. Charges	Landed tariff at Maharashtra periphery
NHPC 500 MW, Feb-2024	3.48-3.49	0.07	0.09	0.12	3.76-3.77
SJVN, 1500 MW, Feb-2024	3.43-3.49	0.07	0.09	0.12	3.71-3.77

The tariff discovered in MSEDCL’s tender is at par with recently discovered tariff.

- 6.15. Further, the proposed locations by the bidders against this tender are within Maharashtra State.
- 6.16. The actual Average Power Purchase Cost (APPC) of FY 2023-24 is Rs.4.82/kWh and discovered Tariff is lower than APPC of FY 2023-24.
- 6.17. Considering recent Wind-Solar Hybrid tender results, actual APPC, and increasing power demand of the State, the discovered tariff rates are appeared as reasonable and market reflective.

Resource Adequacy Framework:

- 6.18. As per Tender conditionalities, the Scheduled Commencement of Supply Date (SCSD) of the proposed Wind-Solar Hybrid project shall be 24 months from date of execution of Power Purchase Agreement (PPA). Accordingly, these Wind-Solar Hybrid Projects will likely to be commissioned in FY 2026-27.

- 6.19. The following table shows the CEA’s Resource Adequacy planning in MW terms:

Year	Thermal	Solar	Wind	Hydro	Nuclear	PSP	DRE	Biomass	Storage (4hrs)	Gas	StOA	Total
2025/26	22442	17068	3905	2812	1186	574	3001	3439	0	1076	3310	58813
2026/27	22442	21568	5405	2921	1186	574	4050	3439	378	1076	2359	65399
2027/28	22442	25068	6905	3234	1186	574	5171	3439	853	1076	1687	71635
2028/29	22670	26285	8405	3338	1186	574	6379	3439	1180	1076	2057	76589
2029/30	25275	26285	9905	3338	1186	574	7737	3439	1180	1076	1117	81113
2030/31	25894	27285	11405	3338	1186	574	8818	3439	1320	1076	1250	85585
2031/32	26018	28285	12905	3626	1186	574	9922	3439	1411	1076	1218	89660
2032/33	26560	29285	14405	3949	1186	574	11254	3439	1755	1076	1487	94970
2033/34	27562	30285	15905	3949	1186	574	12694	3439	2094	1076	1457	100222

- 6.20. Based on CEA’s projections, the balance requirement of Solar and Wind Capacity is as below:

Source	Requirement as per RA Planning for FY 2026-27 (MW)	MSEDCL's Contracted as on 31.08.2024	EPAs expiring till March 2027	Balance capacity could be contracted
Solar (Other than Distributed RE) (MW)	21568	7924	NA	13645
Wind (MW)	5405	3788	523	1094

- 6.21. Apart from above, MSEDCL has filed Petition before the Commission bearing Case No. 123 of 2024 seeking approval for long term procurement of 480 MW Wind-Solar Hybrid power (Wind 162.5 MW and Solar 350 MW) from grid connected renewable energy power projects under development mode selected by NTPC for meeting the Wind and Other Renewable Purchase Obligations. In said matter, MSEDCL has signed PSA of 300 MW. The total quantum of 780 MW contracted with NTPC consists of 650 MW Solar and 262 MW Wind.
- 6.22. In view of above, it is observed that the MSEDCL could contract the 13645 MW Solar Power and 1094 MW Wind Power. Hence, this Wind-Solar Hybrid procurement of 2601 MW (1601 MW +1000MW) is within the requirement of RE power as ascertained in CEA's Resource Adequacy Planning report.

Offers accepted by MSEDCL

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Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Limited	600 = 200 +400 (Green Shoe)	3.60
2	Juniper Green Energy Pvt. Ltd.	75	3.60
3	BN Peak Power - 1 Pvt. Ltd.	76	3.62
4	Avaada Energy Pvt. Ltd.	850 = 75+775 (Green Shoe)	3.69(75) +3.60(775)
	TOTAL	1601 MW	

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Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Limited	600=200 + 400 (Green shoe)	3.60
2	Tata Power Renewable Energy Limited	400=200 + 200 (Green shoe)	3.60
	TOTAL	1000 MW	

RPO Regulations, 2019 and 1st Amendment dated 24 February 2024

- 6.23. MSEDCL referred to following RPO trajectory, stipulated in 1st amendment to RPO Regulations 2019:

Year	Wind RPO	HPO	Distributed RPO	Other RPO	Total RPO
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

6.24. As per Regulation 7.6 of the RPO Regulations, 2019, procurement of RE power by a Distribution Licensee at a rate discovered through transparent process of competitive bidding may be considered by the Commission for fulfilment of RPO of Distribution Licensee.

MSEDCL's RPO Status:

6.25. As on 30 June 2024, MSEDCL has contracted 24732 MW renewable energy capacity for meeting RPO requirements, out of which 10188 MW has been commissioned.

6.26. RPO compliance status for MSEDCL is as below:

Sr. No.	Financial Year	Solar	Non-solar
1	Shortfall till FY 2019-20	6115	4320
2	2020-21	60	3883
3	2021-22	1176	3838
4	2022-23 (Provisional)	1174	4216
5	2023-24 (Provisional)	5124	7248
	Cumulative Shortfall	13649	23505
Total RPO Shortfall till FY 2023-24 is 37154 MU			

6.27. Considering the future Wind and Other RPO targets (which includes Solar Power), MSEDCL needs to procure considerable quantum of Wind and Solar power for fulfilment of RPO targets.

7. **In its additional submission in Case No. 149 of 2024, MSEDCL stated as follows:**

7.1 At the time of filing Petitions, MSEDCL has accepted the green shoe offer of following bidders:

Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Ltd.	600=200 + 400 (Green shoe)	3.60
2	Tata Power Renewable Energy Ltd.	400=200 + 200 (Green shoe)	3.60
	TOTAL	1000	

7.2 Thereafter, M/s Avaada Energy Private Ltd. and M/s. Juniper Green Energy Private Limited have offered capacity of 500 MW and 150 MW, respectively, at tariff of Rs 3.60/kWh (matching to L1 tariff).

7.3 Against 3300 MW (base capacity + Green shoe Capacity), MSEDCL has given consent to 1000 MW, there is balance quantum available and the rate offered by M/s. Avaada Energy Private Limited (500 MW) and Juniper Green Energy Private Limited (150 MW) is matching to L1. Hence, MSEDCL has accepted the same. Accordingly, the finalized quantum is as below:

Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Limited	600=200 + 400 (Green shoe)	3.60
2	Tata Power Renewable Energy Limited	400=200 + 200 (Green shoe)	3.60
3	Avaada Energy Private Limited	500=13 + 487 (Green shoe)	3.60
4	Juniper Green Energy Private Limited	150=75 + 75 (Green shoe)	3.60
	TOTAL	1650 MW	

8. At the E-hearing held on 08 October 2024 an Advocate appearing on behalf of MSEDCL presented rationale of the proposed procurement. He asserted that the tariff has been discovered through transparent process of competitive bidding and are market reflective. Representative of the Respondents, which are successful bidders, supported MSEDCL's Petition for tariff adoption. Representative of MSEDCL assured the Commission that it will execute PPAs with successful bidders with one month of this Order.

Commission's Analysis and Rulings:

9. The Commission notes that in present Petition MSEDCL is seeking adoption of tariff for procurement of 1601 MW and 1650 MW Wind-Solar Hybrid Power.

10. Before delving into merits of the matter, it would be appropriate to highlight following timeline in the proposed procurement:

Date	Event
Procurement of 1601 MW Win-Solar Hybrid Power	
11.03.2024	MSEDCL had floated a tender for procurement of 500 MW power from Wind-Solar Hybrid Projects with additional capacity up to 500 MW through Green Shoe Option through competitive bidding (E-reverse auction).
(Updated on Bharat Portal)	Addendum I- Bid capacity is revised to 1000 MW
	Addendum III- Bid capacity is revised to 1000 MW +1000 MW (Green Shoe)
	Addendum V- Bid capacity is revised to 2000 MW + 2000 MW (Green Shoe)
13.03.2024	MSEDCL intimated the Commission with regards to proposed power procurement.
20.03.2024	The Pre-bid meeting was conducted.
16.04.2024	The replies to pre-bid queries were conveyed.
24.05.2024	The last date of submission. Initially last date was 04.04.2024, which was later extended to 23.04.2024, 17.05.2024 and 24.05.2024 on request of prospective bidders.
24.05.2024	The technical bids were opened
27.05.2024.	The financial bids were opened
Procurement of 1650 MW Win-Solar Hybrid Power	
09.07.2024	For contracting balance capacity, MSEDCL floated tender of 1150 MW with additional capacity 1150 MW (Green Shoe option) for wind-solar hybrid power procurement on Bharat-ETS web portal.
	Addendum II- Bid capacity is revised to 1650 MW +1650 MW (Green Shoe)
18.07.2024	The Pre-bid meeting was conducted.
29.07.2024	The replies to pre-bid queries were conveyed.
12.08.2024	The last date of submission. Initially last date was 05.08.2024, which was later extended to 09.08.2024 and 12.08.2024 on request of prospective bidders.
16.08.2024	The financial bids were opened

11. Considering the above background and submissions on record, the Commission frames following issues for its consideration:

- a. Whether Competitive bidding process is accordance with the Guidelines notified under Section 63 of the EA, 2003
- b. Quantum of power procurement to be allowed;
- c. Whether tariff discover through competitive bidding is in accordance with market condition.

The Commission's ruling on above issues is provided in the subsequent paragraphs.

12. Issue A: Whether Competitive bidding process is accordance with the Guidelines notified under Section 63 of the EA, 2003

- 12.1 The Commission notes that MSEDCL has prepared the tender documents based on MNRE's Guidelines dated 21 August 2023 for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind Solar Hybrid Projects.
- 12.2 Various events of tender process are summarised in para 10 above
- 12.3 Various events of tender process conducted by MSEDCL are summarised in para 10 above. This demonstrate that MSEDCL has conducted transparent process of bidding which is in accordance with the guidelines notified by the Government of India.
- 12.4 The Commission notes that multiple bids have been received in each of these tender processes which represent the competition amongst the bidders. Hence, the Commission concludes that fair competitive bidding process has been followed in accordance with Guidelines notified under Section 63 of the Electricity Act 2003.

13. Issue B: Quantum of Power Procurement to be allowed

- 13.1 The Commission notes that MSEDCL has filed the present Petitions with two fold objectives i.e. to meet future demand by accommodating RE sources in power basket and to comply with RPO targets.
- 13.2 In Petition, MSEDCL has referred to year wise contracted capacity projections (in MW), as mentioned in CEA's Resource Adequacy Study. The above projections are given by MSEDCL to CEA. For chalking out inferences, the Commission finds it appropriate to refer to the MSEDCL's submission on CEA's Resource Adequacy study as made and dealt in the Commission's Order dated 26 September 2024 in Case No. 155 of 2024. The

relevant paras read as under:

“

5.7 CEA has conducted the Resource Adequacy study for MSEDCL and the capacity projected by CEA considering ‘Loss of Load Probability’ and ‘Expected Energy Not Served’ is as under:

	Year	Coal	Gas	Nuclear	Bagasse + Biomass	Hydro	Wind	Solar	Hybrid (wind + Solar)	STOA/OA	Storage (4 Hours) + PSP	Total
CEA	2033-34	27562	1076	1186	3439	3949	15905	30285	0	1457	2668	87528

The present contracted and consented capacity of MSEDCL is as below:

	Coal	Gas	Nuclear	Bagasse + Biomass	Hydro	Wind	Solar	Hybrid (wind + Solar)	FDRE	Storage (4 Hours) + PSP	Total
MSEDCL	22733	1077	1191	3439	4273	3905	24785	2880	1468	574	66325

Thus, capacity addition required by MSEDCL by FY2033-34 is as under:

	Coal	Gas	Nuclear	Bagasse + Biomass	Hydro	Wind	Solar	Hybrid (wind + Solar)	DRE	Storage (4 Hours) + PSP	Total
MSEDCL	4829	0	0	0	0	12000	5500	0	12693	2094	37116

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13.3 From above, it is evident that MSEDCL will ends up in contracting more Hybrid Power than envisaged in CEA Resource Adequacy study. Same is illustrated below:

Consented for Hybrid (Wind + Solar) power component	2880 MW
Already contracted Hybrid power	780 MW
Proposed in present Petitions	3251 MW
Excess Hybrid Power	1151 MW

With regards to above excess capacity tie-up under hybrid mode, MSEDCL highlighted that its Wind EPAs to the tune of 523 MW are getting expired by March 2027. Further, it needs to add 13645 MW Solar and 1094 MW Wind power in its portfolio to meet resource adequacy requirement.

13.4 The Commission notes that procurement of hybrid power has advantage of higher CUF than standalone Wind or Solar power. MSEDCL has submitted following bifurcation of hybrid procurement:

Case	Wind (a)	Solar (b)	Hybrid Power (a)+(b)
148 of 2024	562	1039	1601
149 of 2024 [#]	398	602	1000

details for subsequently consented capacity of 650 MW is not provided.

By FY 2033-34, MSEDCL is required to add 12000 MW Wind power and 5500 MW Solar power. If Hybrid power basket is bifurcated then the quantum proposed in present Petitions is well within the RE capacity ascertained by CEA and hence justified.

13.5 Apart from above, the Commission notes that RPO (Amendment) Regulations, 2024 stipulates RPO trajectory till FY 2029-30. The notified trajectory is as below:

Year	Wind RPO	HPO	Other RPO	Total RPO
2022-23	0.81%	0.35%	23.44%	24.61%
2023-24	1.60%	0.66%	24.81%	27.08%
2024-25	2.46%	1.08%	26.37%	29.91%
2025-26	3.36%	1.48%	28.17%	33.01%
2026-27	4.29%	1.80%	29.86%	35.95%
2027-28	5.23%	2.15%	31.43%	38.81%
2028-29	6.16%	2.51%	32.69%	41.36%
2029-30	6.94%	2.82%	33.57%	43.33%

13.6 The quantum proposed to be procured by MSEDCL will supplement its effort to meet RPO targets and fulfil past RPO gaps. Apart from above, MSEDCL will be able to replace its costly peak power in crucial peak period. Considering these factors, the proposed quantum of 3251 MW of hybrid power procurement seems to be justified.

14. **Issue C: Whether tariff discovered through competitive bidding is in accordance with market condition.**

14.1 MSEDCL stated that tariff discovered under the present bidding process i.e. Rs. 3.60-3.62/kWh is reflective of market conditions and hence requested the Commission to adopt the same.

14.2 The Commission notes that discovered tariffs in both cases are as follows:

Case No.148 of 2024:

Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Limited	600 = 200+400 (Green Shoe)	3.60

Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
2	Juniper Green Energy Pvt. Ltd.	75	3.60
3	BN Peak Power - 1 Pvt. Ltd.	76	3.62
4	Avaada Energy Pvt. Ltd.	850 = 75+775 (Green Shoe)	3.61
	TOTAL	1601 MW	

Case No.149 of 2024:

Sr. No.	Name of Bidder	Capacity (MW)	Tariff rate (Rs./kWh)
1	JSW Neo Energy Limited	600=200 + 400 (Green shoe)	3.60
2	Tata Power Renewable Energy Limited	400=200 + 200 (Green shoe)	3.60
3	Avaada Energy Private Limited	500=13 + 487 (Green shoe)	3.60
4	Juniper Green Energy Private Limited	150=75 + 75 (Green shoe)	3.60
	TOTAL	1650 MW	

- 14.3 The Commission notes that the Solar Energy Corporation of India (SECI) in its recently concluded tenders for procurement of 1200 MW Wind-Solar Hybrid Power (Tranche VIII) discovered tariff of Rs.3.43-3.46/kWh. E-Reverse Auction in this matter was conducted on 14 June 2024. While comparing the discovered tariff in present matter with SECI tariff it is relevant to take into consideration the impact of trading margin (Rs.0.07/Unit), Transmission Losses (Rs.0.07/Unit) and Transmission charges (Rs.0.12/kWh). Considering above factors, landed tariff of SECI power at Maharashtra periphery works out to be Rs.3.69-3.72/kWh.
- 14.4 MSEDCL in present Petitions, categorically stated that the projects under considerations are being developed within Maharashtra. Hence, impact of Inter State transmission charges and losses are not applicable. Considering the same, it can be concluded that the Tariff discovered in the present bidding process is reflective of the current market trends.
- 14.5 Accordingly, in line with the mandate under Section 63 of the Electricity Act 2003, the Commission deems it fit to adopt and approve tariff Rs. 3.60-3.62/kWh for 3251 MW Wind-Solar Hybrid power procurement on long term basis (for the period of 25 years).
15. Hence, the following Order:


ORDER

1. **Petition in Case No. 148 of 2024 & Case No. 149 of 2024 are allowed and IA filed therein are disposed of accordingly.**
2. **The Commission accords its approval to MSEDCL's proposal for procurement of 3251MW Wind-Solar Hybrid RE Power (as stipulated in Para 14.2) at tariff of Rs. 3.60-3.62/kWh discovered through competitive bidding for 25 years.**
3. **The power procured from projects considered in this Petition shall be considered for meeting the Renewable Purchase Obligation requirement of MSEDCL.**
4. **As agreed during hearing, MSEDCL shall execute the Power Purchase Agreement within (30) days from the date of this Order and copy of the same shall be submitted for records of the Commission.**

Sd/-
(Surendra J. Biyani)
Member

Sd/-
(Anand M. Limaye)
Member

Sd/-
(Sanjay Kumar)
Chairperson


(Dr. Rajendra G. Ambekar)
Secretary

