

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
Tel. 022 6987 6666
Email: mercindia@merc.gov.in
Website: www.merc.gov.in

IA No. 101 of 2024 in Case No. 142 of 2025

Interlocutory Application (IA) of Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for urgent listing in Case No. 142 of 2025.

Case No. 142 of 2025

Petition of MSEDCL for seeking approval to bidding documents for Medium Term Procurement of 1000 MW Power through Competitive Bidding Process in the State of Maharashtra read with Regulation 21 of the MERC (Multi Year Tariff) Regulations, 2019).

&

IA No. 102 of 2024 in Case No. 190 of 2025

Interlocutory Application (IA) of Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for urgent listing in Case No. 190 of 2025.

Case No. 190 of 2025

Petition of MSEDCL seeking approval for adoption of tariff discovered through the competitive bidding process held for procurement of 993 MW thermal power for 5 years.

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

Petitioner

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

For the Petitioner

: Ms. Deepa Chawan (Adv)

COMMON ORDER

Date: 17 September 2025

1. Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) on 20 June 2025 has filed Petition for seeking approval for deviation in standard bidding documents from MoP notified Standard Bidding Documents (SBD) & Guidelines for 1000 MW power procurement. Subsequently, on 7 August 2025 MSEDCL filed the Petition for adoption of tariff for procurement of 993 MW Thermal Power. Both the Petitions are numbered as Case No.142 of 2025 and Case No.190 of 2025, respectively.
2. In both matters, MSEDCL has referred to Regulation 21 of the MERC (Multi Year Tariff) Regulations, 2019 (MYT Regulations-2019) read with Regulation 39 (c) of MERC (Transaction of Business and Fees & Charges) Regulations, 2022. Apart from that MSEDCL has mentioned explicit provisions in MYT Regulations, 2024 in Petitions in support of arguments. The Commission notes that MYT Regulations, 2019 has been repealed and now succeeded by MYT Regulations, 2024 regime. Hence, the Commission is considering both the Petitions under appropriate provisions of MYT Regulations, 2024.
3. On 07 August 2025, MSEDCL filed two (2) IAs i.e. IA No.101 of 2025 in Case No.142 of 2025 & IA No.102 of 2025 in Case No.190 of 2025 for urgent listing of matters.
4. The IAs along with main matters were listed for hearing on 19 August 2025. The Advocate of MSEDCL elaborated the scheme of procurement. She narrated that MSEDCL is intended to procure 1000 MW conventional power for which it has already floated the tender document on Bharat Poral. She elaborated on deviations and justified the same. She submitted that tendering process has been concluded and discovered tariff are market reflective.
5. The Commission notes that both the Petitions are related and deal with the purchase of medium-term power. Ideally, MSEDCL is expected to commence the tendering works only after the Commission's approval to bidding documents (if it contains deviations). However, in present matters MSEDCL has proceeded with the tendering process and tariffs have been discovered. With regards to procedural non-compliance, the Commission expressed its displeasure and directed MSEDCL to restrain itself from such procedural lapse. Being a regulated entity, MSEDCL is expected to plan its power procurement well in advance and obtain regulatory approvals. Considering demand-supply scenario and impact on power planning, the Commission is considering both the matters and common Order has been passed herein below:

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

(Case No.142 of 2025)

“

- a) *To admit the present Petition under Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2015.*
- b) *To accord approval for initiation of competitive bidding process for procurement of 1000 MW power through competitive bidding under Section 63 of the Electricity Act, 2003 for medium term procurement.*
- c) *To accord approval for deviation in standard bidding documents from MoP SBD Guidelines for the present 1000 MW power procurement and consequently allow incorporation of the deviations in the Bidding Documents in terms of Appendix III.*
- d) *To condone any error/omission and to give opportunity to rectify the same;*
- e) *To permit the Petitioner to make further submissions, additions and alterations to this Petition as may be necessary from time to time; and*
- f) *Pass such other or further orders as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the case and in the interest of justice.*

....”

(Case No.190 of 2025)

- a) *To admit the Petition as per the provisions under Section 63 of the Electricity Act, 2003.*
- b) *To accord approval for the procurement of 993 MW thermal power for medium term for 5 years starting from 01.11.2025 to 31.10.2030 from the successful bidders through competitive bidding under tender NIT No. CE/PP/Mid-Term/04 dated 20.03.2025.*
- c) *To accord approval for entering into PPA with the successful bidders as the detail given under para 7.1 at discovered tariff.*
- d) *To consider the submission made by the Petitioner and consider the same positively while deciding the Petition;*
- e) *To pass any other order/relief as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice;*
- f) *To condone any error/omission and to give opportunity to rectify the same;*

g) To permit the Petitioner to make further submissions, addition and alteration to this Petition as may be necessary from time to time.

....”

7. **MSEDCL in its Petitions has stated as follows:**

For sake of simplicity, repeated averments have only been recorded once.

Case No. 142 of 2025

7.1. **Demand Supply Scenario :**

7.1.1. The demand of electricity has been significantly increased. As per Resource Adequacy study MSEDCL’s projected peak demand is as follows:

Financial Year	Energy Projections (MU)	Peak Demand Projections (MW)
2025-26	189488	27732
2026-27	199785	30520
2027-28	209497	33521
2028-29	219280	34287
2029-30	229798	35334
2030-31	242523	36958
2031-32	255316	38581
2032-33	268208	40208
2033-34	281178	41835
2034-35	294277	43469

7.1.2. Year Wise Generation Capacity to be tied up till 2029-30 in addition to the existing contracts (MW) as per CEA RA Study is as follows:

Year	Thermal	Hydro	SOLAR	Wind	Biomass	Storage	DRE
2025/26	967	0	12022	1274	665	0	0
2026/27	0	0	4500	1500	0	0	847
2027/28	0	294	3500	1500	0	378/1512	1121
2028/29	228	104	1217	1500	0	475/1990	1208
2029/30	2605	0	0	1500	0	327/1308	1358
Total	3800	398	21239	7274	665	1180/4720	4534

7.1.3. Considering the requirement to enhance resource adequacy and ensure reliable, round the clock power to its consumers, MSEDCL proposes to add 3800 MW coal based thermal power to its energy procurement portfolio. Out of the above requirement, MSEDCL has already tied-up 1600 MW thermal power through the competitive bidding route which will be commissioning in FY 2028-29.

7.1.4. The Commission in its Order dated 26 September 2024 in Case No. 155 of 2024, has approved procurement of this 1600 MW power from M/s Adani Power Limited (APL). Apart from above, MSEDCL has given its consent to procure power from the following Projects being developed under Section 62 of EA, 2003.

Sr. No	Power Plant/Entity	Capacity (MW)	inter-state /intra-state	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	NTPC Lara C'gad Stage 02, Unit 1&2 (2 X 800 MW)	228	inter-state	12/16/2010	FY 2029-30
2	NTPC Gadarwara Stage-II	111	inter-state	PPA signed	FY 2030-31
3	Sipat Project, Stage – III	264	inter-state	Consent given for allocation	FY 2029-30
4	MBPL	480	inter-state	Consent given for allocation	FY 2029-30
Total -Thermal		1083			

7.1.5. The total thermal capacity tie-up by MSEDCL for which PPA have been executed & capacity approved by the commission in MSEDCL's MYT Order in Case No. 217 of 2024 is 2683 MW (1600MW+1083 MW).

7.1.6. The Year wise MSEDCL's capacity addition plan is as follows:

Source	Commissioned Capacity (as on 31.03.2024)	Tied-up Capacity in MW									Capacity Addition	Total
		FY-2024-25	FY-2025-26	FY-2026-27	FY-2027-28	FY-2028-29	FY-2029-30	FY-2030-31	FY-2031-32	FY-2032-33		
Thermal + Gas	22551	-	-	-	-	1600	972	111	-	-	2683	25234
Nuclear	1191	-	-	-	-	-	-	-	-	-	-	1191
Large-Hydro	2636	-	183	109	163	104	-	-	288	323	1170	3806
PSP-BSES Storage	250	-	-	750	-	1750	2074	-	-	-	4574	4824
Wind	2631	-	-	-	-	-	-	-	-	-	-	2631
Solar	4331	1279	9597	13609	1000	3000	-	-	-	-	28484	32816
Hybrid	-	-	300	780	3264	-	-	-	-	-	4344	4344
FDRE	-	-	-	1468	-	-	-	-	-	-	1468	1468
Bagasse+Bi omass	2731	180	-	345	345	-	-	-	-	-	870	3601

Small Hydro	314	3	-	-	-	-	-	-	-	-	3	317
Total	36635	1462	10080	17061	4772	6454	3046	111	288	323	43596	80231

7.1.7. As per the commissioned capacity of MSEDCL, 22551 MW of thermal capacities is available against the demand.

7.1.8. Capacity Tied-up by MSEDCL as against projected capacity required by CEA in RA study till FY30 is as follows:

State	Thermal	Hydro	SOLAR	Wind	Biomass	Storage	DRE	Hybrid	FDRE
Capacity Requirement	3800	398	21239	7274	665	1180/4720	4534	-	-
Additional Capacity contracted	2683	559	26070	0	791	4574/31456	-	4044	1468
Ongoing tenders	1000 *	0	1700	0		-	4500	-	-
Balanced to be tied up	117	-	-	7274	-	-	34	-	-

*Note :- proposed 1000MW Thermal capacity addition under Medium Term Power Procurement plan.

7.1.9. On 28 June 2023, the GoI has issued guidelines for Resource Adequacy Planning Framework for India with key objectives to ensure that adequate generation capacities are available, round-the-clock, to reliably serve demand under various scenarios.

7.1.10. The Commission has also formulated the MERC (Framework for Resource Adequacy) Regulations, 2024 (RA Regulations-2024). The planning of generation and transmission resources for reliably meeting the projected demand in compliance with specified reliability standards for serving the load with an optimum generation mix. The RA Regulations-2024 also stipulates that any non-compliance in terms of the said regulations would result in non-compliance charges being applicable to the Distribution Licensee.

7.2. Recent Medium Term Competitive Bid Results:

7.2.1. The tariff discovered in recent medium term power procurement on the basis of lumpsum tariff are as follows:

Sr. No.	Name of Utility	Fuel Type	Period	Allotted Quantity in MW	Rate Rs. /kWh
1	AEML, Mumbai	Lumpsum	01.04.2025 to 31.05.2027	325	5.58
2	Noida Power Company Ltd.	Lumpsum	01.04.2025 to 31.03.2028	25	5.41

Sr. No.	Name of Utility	Fuel Type	Period	Allotted Quantity in MW	Rate Rs. /kWh
3	Noida Power Company Ltd.	Lumpsum	01.04.2025 to 31.03.2028	50	5.9
4	Haryana Power Purchase Centre	Lumpsum	01.08.2024 to 31.07.2029	377	5.78
5	Gridco Ltd.	Lumpsum	01.07.2024 to 30.06.2028	100	6.5

7.2.2. The rates discovered in recent medium tenders are in the range of Rs. 5.41/kWh to Rs. 6.50/kWh.

7.2.3. In light of the requirements to ensure stable power to consumers & to meet present demand scenario, MSEDCL needs to tie-up for additional thermal capacity of 1000MW which is in line with CEA's Resource Adequacy study.

7.2.4. Therefore, MSEDCL through the present Petition is seeking approval for floating a tender for procurement of 1000 MW thermal power through the competitive bidding route on medium term basis for a period of 5 years i.e. for the period from 01 October 2025 to 30 September 2030.

7.3. Draft Bidding document

7.3.1. MoP vide its Notification dated 29 January 2014, has issued guidelines under Section 63 of the Electricity Act (EA), 2003 for Tariff based Competitive Bidding for Medium-term procurement on FOO basis.

7.3.2. MSEDCL has designed the present bid document on the basis of Lumpsum Tariff, with certain deviations. The deviations that have been taken by MSEDCL under the Bid Documents are set out in Appendix A.

7.3.1. As per bidding documents, bidders need to quote base variable charge comprising of cost of generation, ISTS transmission charges and ISTS transmission losses. The Base Fixed Charge will be equal to cost of generation.

7.3.2. The tariffs will be discovered through an e-reverse auction so that the increased competition can help in the discovery of competitive rates. Therefore, the lower averaged out tariff will also help in the reduction of MSEDCL's average power purchase cost basket.

7.4. Prior to the present Petition, MSEDCL on 21 January 2025 filed a Petition for the present procurement, however on 11 February 2025 the tender in question itself came to be withdrawn. Hence, on 12 March 2025 MSEDCL filed an application seeking withdrawal of its earlier Petition. Filing of present Petition is not an overlap with earlier Petition. The

present Petition is filed with respect to approval of the fresh tender with the deviations as enumerated in Appendix A.

Case No. 190 of 2025

7.5. Re-assessment of Supply Availability:

7.5.1. While assessing the generation supply availability, the existing commissioned capacity and additional tied-up capacity as per RA plan with delay scenario has been considered.

7.5.2. The existing commissioned contracted capacity as on 31 March 2025 and year-wise expected source-wise capacity addition considered while assessing the generation availability is as follows:

Source	Commissioned Capacity (as on 31.03.2025)	Expected Tied-up Capacity							Total Capacity Addition	Total Capacity
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32		
Thermal	21474	-	-	-	1600	603	-	-	2203	23677
Gas	1077	-	-	-	-	-	-	-	-	1077
Nuclear	1191	-	-	-	-	-	-	-	-	1191
Large-Hydro	2636	183	209	54	63	-	-	288	797	3433
PSP/PHSP	250	-	-	-	1750	1750	324	-	3824	4074
BSES Storage	-	-	750	-	-	-	-	-	750	750
Wind	2631	-	-	-	-	-	-	-	-	2631
Solar	5046	3024	9625	7905	4804	-	-	-	25358	30404
Hybrid	300	-	239	2305	1500	-	-	-	4044	4344
FDRE	-	-	270	620	160	-	-	-	1050	1050
Bagasse +Biomass	2774	137	-	345	345	-	-	-	827	3601
Small Hydro	304	-	-	3	-	-	-	-	3	307
Total	37682	3344	11093	11232	10222	2353	324	288	38856	76538

7.5.3. Month-wise thermal power generation availability is assessed based on average monthly availability factors observed over the past three years, rather than normative annual availability factors. This methodology has been adopted to ensure a more realistic estimation of the expected generation, duly reflecting historical patterns and trends arising from planned maintenance as well as unforeseen forced outages.

7.5.4. For assessing the generation from must run sources, the generation profile of respective source have been considered.

7.5.5. The Koyna Hydro generation is considered to its full capacity to meet the shortfall during evening and morning peak. No shortfall is typically observe during Solar Hours.

7.5.6. MSEDCL has assessed the demand-supply scenario in light of MSEDCL's Resource Adequacy Study submitted and approved by the Commission with consideration of delayed scenario in some of the tied-up generation capacity, moreover considering the high variable cost of power, from kawas & Gandhar i.e. Rs.13.02/kWh & Rs. 13.30/kWh.

MSEDCL has not considered power from these two sources which is approx.405 MW while reassessing the demand supply gap.

- 7.5.7. MSEDCL has carried out a detail analysis with the help of AI/ML based Load Forecasting and Power Optimisation software tool developed by M/s SCS Tech. For supplementing the arguments MSEDCL submitted the day-wise hourly Load Generation Balance Report (LGBR).

As per day-wise Hourly LGBR prepared for the period 01 October 2025 to 30 September 2030, it is observed that there is a shortfall during morning peak (05:00 to 07:00 hrs) and evening peak hours (18:00 to 24:00 hrs) in most of the months. The month-wise expected maximum demand, corresponding expected dispatch generation schedule and expected shortfall during morning peak and evening peak hours is provided.

- 7.5.8. The expected average shortfall during morning peak and evening peak hours for each year is as below:

FY	Average shortfall in MW	
	Morning Peak (05:00 to 07:00 Hrs)	Evening Peak (18:00 to 24:00 Hrs)
FY26	-1933	-1961
FY27	-1962	-1595
FY28	-1558	-1131
FY29	-289	-2763
FY30	-278	-2383
FY31	-587	-2492

- 7.5.9. In view of the projected and recurring shortfall in generation capacity during the morning and evening peak demand hours, as established through the Load Generation Balance Report (LGBR) and resource adequacy assessment, and considering the gestation period associated with the development and commissioning of new long-term generation assets including but not limited to under-construction renewable energy projects, thermal power plants, and storage-based resources. MSEDCL finds it imperative to undertake the procurement of 1,000 MW of firm thermal power capacity through medium-term Power Purchase Agreements (PPAs) under Section 63 of the Electricity Act, 2003, by way of a transparent competitive bidding process.

- 7.5.10. This proposed medium-term procurement shall serve as a transitional or bridge arrangement during the intervening period until the tied-up long-term capacities are fully operational and integrated into the system. The said procurement is considered essential and prudent in order to:

- Ensure grid reliability and operational stability during peak periods.

- Secure adequate firm capacity to meet the expected peak demand in accordance with the MERC (Framework for Resource Adequacy) Regulations, 2024.
- Maintain uninterrupted supply of electricity to all categories of consumers, thereby preventing potential supply curtailment, load-shedding, or grid contingency scenarios.
- Fulfil the distribution licensee's universal service obligation under Section 43 of the Electricity Act, 2003, and ensure adherence to the Standards of Performance stipulated by the Commission.

7.6. MSEDCL Tendering, Events of Bid Opening and Reverse Auction for Discovery of Tariff:

- 7.6.1. In order to boost resource adequacy and ensure stable power supply to its consumer, MSEDCL floated Tender No. CE/PP/Mid-term/04 dated 20 March 2025 through the Bharat Portal, for procurement of 1000 MW for 5 years (i.e., from 01 October 2025 to 30 September 2030), through competitive bidding with specified ceiling price.
- 7.6.2. Subsequently, MSEDCL filed a Petition No. 142 of 2025 on 20 June 2025, before the Commission, seeking approval of the Bidding Documents for procurement Medium-Term Power through a Competitive Bidding Process along with the approvals qua deviations in bidding documents comprising of the Request for Proposal ,Request for Qualification and Agreement for procurement of Power.
- 7.6.3. In meantime, MSEDCL proceeded with the competitive bidding process and opened the technical bid in terms of the RFQ on 25 June 2025. On the Bid Due date, nine (9) bidders submitted their bids. The technical evaluation of the bid submission was carried out as per the RFQ terms and conditions and all the bidders were found to be technically qualified.
- 7.6.4. The financial bids of the bidders were opened on 27 June 2025. The rates quoted by these bidders were as below:

Sr. No.	Bidder Name	Thermal Capacity in MW	E-RA tariff (Rs/kWh)
1	Powerpulse Trading Solutions Limited	543	6.25
2	Manikaran Power Limited	100	6.40
3	Jindal Power Limited, Shirpur	100	6.18
4	Jindal Power Limited, Tamnar	250	6.74
5	NTPC Vidyut Vyapar Nigam Limited (Sarda Energy & Minerals Limited)	200	6.44
6	PTC India Limited	270	6.50
7	KSK Mahanandi Power Limited	100	6.54
8	NTPC Vidyut Vyapar Nigam Limited (Jhabua Power Ltd)	100	6.60
9	Adani Power Limited	100	7.24

- 7.6.5. The rates discovered through the bids received ranged from Rs. 6.18/kWh to Rs. 7.24/kWh. The cost of generation was in the range of Rs.3.09 to Rs.3.25 per unit, with transmission charges of Rs.0.53/kWh and transmission losses of Rs. 0.21/kWh. In view of the above, it was noted that the tariff quoted by the bidders was on the higher side.
- 7.6.6. To discover more competitive rates, MSEDCL has conducted extensive reverse auctions. To discover more competitive rates, MSEDCL has conducted total (11) nos of e-RA with ceiling rate.
- 7.6.7. The summary of E-RA & quantity offered by the bidders is as under:

Sr.No.	Bidder Name	Offered Quantity in MW	Rate Discovered on Opening of Financial Bid on 27.06.2025	Final Rate Discovered in final E-RA With ceiling price of Rs.5.40/kWh on 10.07.2025	Delivery Point
1	Powerpulse Trading Solutions Limited	543	6.25	5.55	STU
2	Manikaran Power Limited	100	6.4	5.55	STU
3	Jindal Power Limited, Shirpur	100	6.18	5.55	STU
4	Jindal Power Limited, Tamnar	250	6.74	5.67	CTU
5	NTPC Vidyut Vyapar Nigam Limited (Sarda Energy & Minerals Limited)	200	6.44	5.96	CTU
6	PTC India Limited	270	6.5	6.04	CTU
7	Ksk Mahanandi Power Limited	100	6.54	6.17	CTU
8	NTPC Vidyut Vyapar Nigam Limited (Jhabua Power Limited)	100	6.6	6.23	CTU
9	Adani Power Limited	100	7.24	7.24	CTU
Total		1763			

7.7. Current Market Scenario:

- 7.7.1. The tariff discovered in recent medium term power procurement (DEEP Portal results) on the basis of lumpsum tariff basis from May-24 to Apr-25 are as follows:

Utility	Date of E-RA	Period	Discovered Qtm	Rate
Gridco Ltd.	24-04-2025	From 01.05.2025 to 30.04.2029	70	7.00
			25	7.10
CESC	12-02-2025		100	5.88

Utility	Date of E-RA	Period	Discovered Qtm	Rate
		From 01.04.2025 to 31.03.2027	70	5.88
TPCL	11-02-2025	01.04.2025:00.00 to 31.03.2027:24.00	100	5.56
			70	5.56
			70	5.62
AEML	24-12-2024	From 01.04.2025 to 31.05.2027	100	5.58
			100	5.58
			75	5.58
			50	5.58
			250	5.98
Haryana Power Purchase Center	01-05-2024	From 01.08.2024:00.00 to 31.07.2029:24.00	110	5.78
			127	5.78
			140	5.78
			150	6.28

7.7.2. The rates discovered in recent medium tenders that the rates are in the range of Rs. 5.56/kWh to Rs. 7.10/kWh.

7.8. Effective Cost of Power Procurement with Discovered Tariff

7.8.1. The rates discovered after 11th E-RA, the 3 successful bidders able to fulfil MSEDCL's requirement of 743 MW with offered a lowest tariff of. Rs.5.55/kWh and Jindal Power Limited, Tamnar offered rate at Rs.5.67/kWh for quantum of 250 MW. JPL Tamnar is connected to the ISTS network, however, MSEDCL can save this additional transmission charges by scheduling this power in its own GNA (General Network Access). Hence Rate quoted by Jindal Power Limited, Tamnar is comparatively lower as compared to rates offered by other InSTS connected generators. The rates discovered in MTPP & offered quantum, along with bifurcation of actual rate is as under :

Sr.No.	Bidder Name	Offered Quantity in MW	Cost of Generation	Transmission charges	Transmission loss	Total Tariff	Generating Source
			A	B	C	D=2xA+B+C	
1	Powerpulse Trading Solutions Limited	543	2.775	0	0	5.55	Vidarbha Industries Power Ltd. Nagpur Maharashtra
2	Manikaran Power Limited	100	2.775	0	0	5.55	Vidarbha Minerals and Energy Pvt. Ltd. Shengaon, MH

Sr.No.	Bidder Name	Offered Quantity in MW	Cost of Generation	Transmission charges	Transmission loss	Total Tariff	Generating Source
3	Jindal Power Limited, Shirpur	100	2.775	0	0	5.55	Jindal Power Ltd, Shirpur, Maharashtra
4	Jindal Power Limited, Tamnar	250	2.465	0.53	0.21	5.67	Jindal Power Ltd, Tamnar, Chhatisgad
Total		993					
Note : Cost of generation is equal to Fixed cost							

7.9. Revision in Scheduled Delivery Period:

7.9.1. The tender was floated on 20 March 2025 and the delivery period for supply of power under Medium Term Power Procurement plan was initially scheduled from 01 October 2025 to 30 September 2030 (for Five year). However the delivery period has been revised to 01 November 2025 to 31 October 2030 (Five year) considering following aspects:

- (a) MSSEDCL had floated a tender for short-term power procurement for the periods August-2025 to November 2025 and February to May 2026. The rates discovered for October 2025 under STOA were in the range of Rs. 4.91 to Rs. 5.18/kWh. Accordingly, it was decided to meet the power requirement for October 2025 through short-term procurement arrangement instead of commencing the medium-term supply from 01 October 2025.
- (b) Upon Adoption Tariff by the Commission & subsequent signing of APP, as per Clause 4.1.3 of Agreement for Procurement of Power (APP), seller is required to complete mandatory compliance of condition precedent within a period of 30 days. The condition precedent to be fulfilled by seller includes
 - ✓ providing furnishing Performance Security.
 - ✓ submitting a legal opinion on its authority and enforceability of the Agreement
 - ✓ depositing a certified copy of the Agreement with RLDC/SLDC and obtaining acknowledgment.
 - ✓ submitting the Capacity Certificate and related evidence.
 - ✓ executing and submitting the Fuel Supply Agreement. and
 - ✓ securing transmission access from the Power Station to the Delivery Point.

7.9.2. Therefore, MSSEDCL seeking adoption of the tariff discovered through competitive bidding in respect of the aforementioned four selected bidders for procurement of 993 MW thermal power for a period of five years, i.e., from 01 November 2025 to 31 October 2030.

Commission's Analysis and Rulings:

8. MSEDCL has filed the present Petitions with two-fold objectives i.e. approval for deviations in standard bidding documents and adoption of tariff discovered in subsequent tendering process.
9. Based on submissions on record, the Commission frames following issues for its consideration:
 - a. Whether the quantum of power procurement proposed by MSEDCL is justified?
 - b. Whether deviations sought from competitive bidding guidelines by MSEDCL in present Petition are justified?
 - c. Whether Competitive bidding process undertaken is in accordance with the Guidelines notified under Section 63 of the EA, 2003.
 - d. Whether tariff discovered through competitive bidding is in accordance with market condition.
10. **Issue A: Whether the quantum of power procurement proposed by MSEDCL is justified?**
 - 10.1 Before dealing with this issue, the Commission would like to highlight that it has notified RA Regulations-2024 on 20 June 2024. As per these Regulations, the Long Term/Medium Term- Resource Adequacy Plan and Short Term-Resource Adequacy Plan for the first control period coinciding with fifth control period FY 2025-26 to FY 2029-30 are to be submitted during FY 2024-25 for Ensuing Years (FY 2025-26 to FY 2029-30) and subsequently, Annual Rolling Plans are to be submitted in each year for the Ensuing Years for any revisions/modifications due to market developments or otherwise. Further, the Commission vide notification dated 3 July 2024 has notified timeline for undertaking various activities which include filing of Resource Adequacy Plan by Distribution Licensees by 30 September 2024.
 - 10.2 In compliance with the provisions of Regulation 5.4 of the RA Regulations- 2024, MSEDCL has submitted its RA Plan on 15 October 2024. The Commission scrutinized the proposal submitted by MSEDCL and noted certain data discrepancies in demand forecasting and shortcomings in compliance with the provisions of the RA Regulations-2024.
 - 10.3 Considering the forthcoming MYT proceedings as per MYT Regulations 2024, the Commission directed MSEDCL to revisit the RA Plan and submit it as a part of MYT Petition. Albeit, MSEDCL included the same in its MYT Petition in Case No.217 of 2024. The Commission in its Order dated 28 March 2025 scrutinised the plan and directed MSEDCL to review and revisit its RA plan submissions as part of Annual RA Rolling

Plan exercise and address the observations raised in the Order. During the same time, CEA parallelly conducted its own study and released report on Resource Adequacy Plan for state of Maharashtra (MSEDCL).

- 10.4 From the Petition, it is evident that MSEDCL has relied upon its own RA plan for justifying demand forecasting and relied upon CEA findings for analysing supply side scenario. Considering limitations pointed out in RA study of MSEDCL in Order dated 28 March 2025, the Commission finds it appropriate to proceed with present Petition based on CEA's observations in its published report and MSEDCL's submission subject to validation with actual scenario, wherever needed for consistency.

Demand Projections:

- 10.5 For demand projections, MSEDCL has relied upon the Resource adequacy Study made by it. Projections made by MSEDCL are as below:

Peak Demand Projections (MW)

Year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
MSEDCL's RA Study	27732	30520	33521	34287	35334	36958	38581	40208	41835

- 10.6 The Commission notes that CEA's Resource adequacy Study report has made projections till FY 2033-34. Further, CEA in its 20th EPS has projections up to FY 2031-32. Projections made are as below:

Peak Demand Projections (MW)

Year	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
20th EPS	29115	30582	32271	33897	35573	37601	38781	39884	NA	
CEA's Resource adequacy Study	24963	27621	30892	34298	35596	37163	38726	39000	40414	41956

MSEDCL's projections are slightly on lower side (except FY 2025-26) than CEA's RA study and 20th EPS.

- 10.7 Further, in FY 2024-25, actual incident peak demand pattern of MSEDCL is as below:

Sr. No.	Max. Demand in MW	Date	Time
1.	24775	30 April 2024	01.00 Hrs.
2.	24146	06 May 2024	16.00 Hrs.
3.	23855	01 June 2024	16.00 Hrs.
4.	20362	03 July 2024	21.00 Hrs.
5.	21891	21 August 2024	20.00 Hrs.
6.	22117	18 September 2024	19.00 Hrs.

Sr. No.	Max. Demand in MW	Date	Time
7.	22484	29 October 2024	19.00 Hrs.
8.	24074	15 November 2024	11.00 Hrs.
9.	25254	24 December 2024	11.00 Hrs.
10.	26256	30 January 2025	11.00 Hrs.
11.	26227	27 February 2025	11.00 Hrs.
12.	26495	13 March 2025	11.00 Hrs.

(Source-SLDC)

From above, it is evident that for FY 2024-25 incident peak demand of MSEDCL is higher than CEA's Resource adequacy Study for peak season (December-March) but far less than projections in 20th EPS. However, for subsequent 3 years, year-on-year growth considered is 11 to 12%, as shown below:

Year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
20th EPS	5%	6%	5%	5%	6%	3%	3%	NA	
CEA's Resource adequacy Study	11%	12%	11%	4%	4%	4%	1%	4%	4%

In the opinion of the Commission, such higher growth rate may not be materialised especially when larger adoption of solar rooftop and green energy open access will have negative impact on Discom's demand. MSEDCL has projected its demand growth as below:

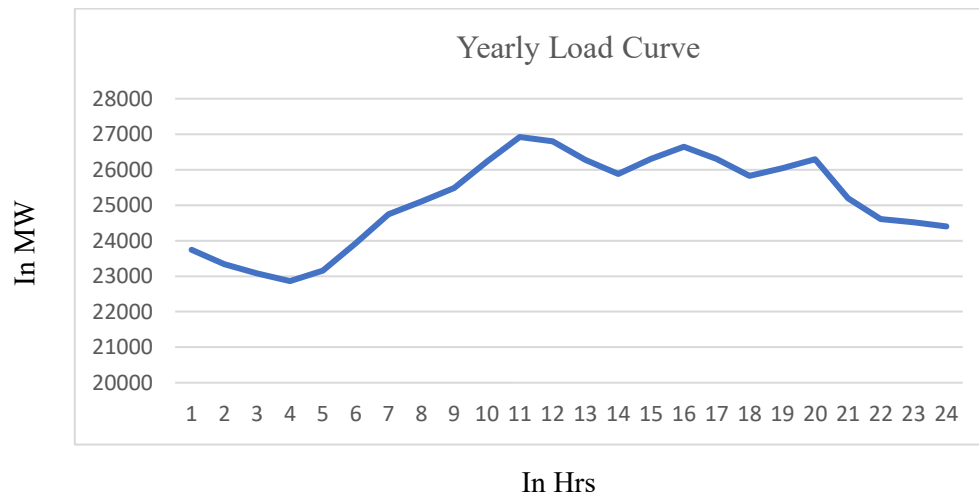
Year	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
MSEDCL's RA Study	10.05%	9.83%	2.29%	3.05%	4.60%	4.39%	4.22%	4.05%

- 10.8 Considering above observations, for time being, the Commission is inclined to consider the projections made by MSEDCL in its Resource Adequacy Study for further analysis.

Generation availability assessment:

- 10.9 The Commission notes that MSEDCL in its Case No.190 of 2025 revised the year-wise expected source-wise capacity addition based on historical generation profiles. As per revised submission, expected thermal capacity addition is derived as 2203 MW by FY 2031-32.
- 10.10 MSEDCL submitted that it has contracted and commissioned capacity of 21,474 MW of thermal capacity till 31 March 2025. MSEDCL highlighted that due to high variable cost it has not considered power from NTPC Kawas & Gandhar. These two sources lead to supply side gap of approximately 405 MW.
- 10.11 Generally generation capacity is contracted to 'fill' or 'meet' the demand shown on the

load curve. The load curve illustrates the changing demand for electricity over time, and power generation is managed by running different generating units to match this fluctuating demand, ensuring the grid remains stable. The Commission worked out an annual load curve for MSEDCL's system to evaluate the relevance of power purchase, and the results are as follows:



Solar generation is available between 08:00 Hrs to 18:00 Hrs. Once Solar generation is gone, demand falls on conventional thermal units.

MSEDCL has also simulated demand-supply scenario and worked out shortfall (in MW) as below:

FY	Average shortfall in MW	
	Morning Peak (05:00 to 07:00 Hrs)	Evening Peak (18:00 to 24:00 Hrs)
FY26	-1933	-1961
FY27	-1962	-1595
FY28	-1558	-1131
FY29	-289	-2763
FY30	-278	-2383
FY31	-587	-2492

Considering above, to manage peaks and meet the shortfall, thermal power can be useful.

10.12 Capacity tied-up by MSEDCL as against projected capacity required by CEA in RA Study till FY 2029-30 is as follows:

Particulars	Thermal (in MW)
Capacity Planned	3800
Additional Capacity contracted#	2203
Ongoing tenders	993*
Balanced to be tied up	604

As Re-assessed in Case No.190 of 2025

10.13 The Commission notes that the proposed medium-term procurement is a transitional or bridge arrangement during the intervening period until the tied-up long-term capacities are fully operational and integrated. MSEDCL in its simulations study demonstrated that its system is likely to witness morning and evening peak shortages to the tune of 278 MW to 2492 MW. Hence, the Commission allows MSEDCL to go ahead with proposed long term power procurement of 993 MW.

11. Issue B: Whether deviations sought from Standard Bidding Documents by MSEDCL in present Petition are justified?

11.1 The Commission notes that for power procurement, MSEDCL has circulated the following documents:

- a. Request for Qualification (RfQ)- Finance, Own & Operate (FOO basis);
- b. Request for Proposal (RfP)- FOO basis; and
- c. Draft Agreement for Procurement of Power (APP).

11.2 In present Petition, MSEDCL has sought deviations from Guidelines and SBDs framed thereunder. The deviations have been listed at Annexure A of this Order. Important deviations have been dealt as under:

11.3 The Commission notes that MSEDCL has prepared the bidding documents i.e. RFQ, RFP and PSA on the basis of Guidelines & Model Bidding documents dated 30 January 2019 & 29 January 2019 respectively for Tariff based Competitive Bidding for medium-term procurement of thermal power set up on FOO basis. MSEDCL in its Petition has sought (5) deviations in RFQ, (2) deviations in RFP and (6) deviations in APP. Apart from above MSEDCL is praying for (2) new inclusions and (8) deletion in APP.

It is pertinent to note that RFQ, RFP and PSA are interlinked and have overlaps and hence dealt combinedly.

11.4 MSEDCL has proposed the following deviations:

- (a) Portal for submission of bid;
- (b) Stipulating Ceiling tariff;
- (c) Eligibility conditions with reference to financial & Technical capacity;

- (d) Conditions precedent required to be satisfied by the supplier;
- (e) Performance Security;
- (f) Fixed Charge payment;
- (g) Alternate fuel source;
- (h) Treatment to cost of transportation.

Additions:

- (i) Change in Law condition in case of fuel shortage;
- (j) Dispatch of unutilized contracted capacity.

Deletions:

- (k) Payment security for termination.

The Commission has discussed the above deviations/additions/deletions as below:

11.4.1. Portal for submission of bid:

As per the SBD, Bidding shall be carried out at National e-Bidding Portal (DEEP Portal) developed by PFC Consulting Ltd. During the course of hearing, Advocate appearing on behalf of MSEDCL submitted that in present tendering, MSEDCL has made a provision for ceiling tariff. DEEP Portal does not have provision of Ceiling Tariff during e-reverse auction. BHARAT Portal supports Reverse Auction with Ceiling Tariff. Hence, MSEDCL hosted the tendering process on BHARAT Portal. The Commission accepts the rationale put forth by MSEDCL and allows this deviation.

11.4.2. Stipulating Ceiling Tariff:

The Commission notes that reference of Ceiling Tariff is made at Clause 1.2.9 of RFQ and Clause 1.1.6 and 4.3 of RFP.

MSEDCL during the course of hearing submitted that for discovery of optimal tariff, it has carried out total (11) numbers of e-RA with ceiling tariff. Sole intent of Ceiling Tariff is to discover market reflective tariff. The Commission is in agreement with MSEDCL on provisioning of Ceiling Tariff and hence, the deviation is allowed.

11.4.3. Eligibility conditions with reference to Financial & Technical capacity

As per the SBD, it is mandated to furnish audited balance sheet and Profit & Loss (P&L) account for preceding three years. MSEDCL has modified RFQ and exempted newly established companies from such submission. Further, MSEDCL at Clause 2.2.2 provided that the bidder shall have a minimum Net Worth equivalent to Rs.1 Crore per MW of the capacity the bidder is willing to Bid, as on Bid date instead of at the close

of the preceding financial year. MSEDCL submitted that these deviations have been made to enable more participants to participate and ensuring competition.

SBD at Clause 2.2.2 (A) provides that Bidder shall own and operate power generating station having installed capacity equivalent to at least twice the capacity for which the Bidder is willing to offer. MSEDCL has lower the technical capacity limit and stipulated that doubled capacity is not required, net installed capacity (after deducting aux. consumption) more than or equal to the capacity for which the bidder is willing to offer is enough. MSEDCL submitted that lowering of technical limit will enable participating bidders to offer its full capacity.

The Commission notes that the deviation proposed altering financial and technical capacity are to encourage the competition and new players to participate. Accordingly, deviations are allowed.

11.4.4. Conditions precedent required to be satisfied by the supplier:

A condition precedent for a supplier is a specific event, action, or requirement that must be fulfilled before the supplier's contractual obligations to provide goods or services become effective. In general, supplier conditions precedent include obtaining regulatory approvals, securing necessary certifications, providing specific documentation like warranties or test reports, and ensuring power supply will commence by a certain date. The clause specifies these requirements, ensuring readiness and reducing risk for both parties before the contract is fully binding. MSEDCL in its Bidding document has reduced the stipulated period for commencement of supply to 30 days from existing 90 days in Standard APP.

During the hearing, an Advocate appearing on behalf of MSEDCL submitted that 30 days is sufficient for commencing power supply and this condition will accelerate power delivery. If supplier has already tied up its power to other entities and is now intending to participate in MSEDCL's bidding, in such cases it should get sufficient time to come out of existing obligations. Hence, the Commission feels that (90) days' timeline is important. The Commission notes that above reduction in timeline will be detrimental to competition and in normal course, the Commission could not have allowed such deviation. But at this point of time, MSEDCL has already completed the bidding exercise, and any change at this moment would lead to vitiating complete bidding process. Hence, while expressing its strong displeasure about MSEDCL's conduct, in order to protect sanctity of bidding process, as an exception circumstances, the Commission is allowing this deviation at this time only. MSEDCL shall not repeat such incidence in future.

11.4.5. Performance Security:

In SBD, Clause 9.1.1 of APP provides that the supplier shall provide Performance Security valid for a period ending (6) months after date of commencement of supply. MSEDCL has changed this clause and stipulated the validity period of performance security till 30 March 2030, which is the Agreement term.

The Commission finds that MSEDCL in APP categorically provided that supplier has option to provide Performance Security which is initially valid for (2) years and thereafter its renewal for remaining period. Such stipulation is in interest of MSEDCL and hence allowed.

11.4.6. Fixed Charge payment:

As per standard APP Clause 11.4.2, Availability to be considered for calculation of Fixed Charges shall be reconciled annually on cumulative basis. After considering provisions in existing PPAs, MSEDCL modified this clause and provided that billing has to be done based on cumulative availability from 1st April till the last day of the billing month. Further, the Availability to be considered for calculation of Fixed Charges shall be reconciled annually on cumulative basis.

The revision proposed by MSEDCL is in line with existing practice and hence allowed.

11.4.7. Alternate fuel source:

As per standard APP Clause 11.5.3 provides that where the Fuel is being supplied under allocated coal linkage, the Supplier shall have an option to arrange the Fuel from an alternate source. The Utility shall be intimated if the increase in Variable Charge is greater than 30 % (thirty percent). MSEDCL in its Bid document categorically provided that it will not bear any additional burden arising from arrangement of fuel from alternate source. MSEDCL submitted that fuel procurement is sole responsibility of supplier and hence such stipulations are warranted.

The Commission is in agreement with MSEDCL and allows this deviation.

11.4.8. Treatment to cost of transportation:

MSEDCL submitted that the Lump sum Tariff option has been considered in bidding. Further, Medium Term Bids are not Source or Fuel Specific. Hence the cost of transportation necessarily be included in the cost of generation.

Based on above rationale MSEDCL modified APP clause 12.2. The Commission notes that MSEDCL's rationale is based on correct proposition and hence, the deviation is allowed.

11.4.9. Change in Law condition in case of fuel shortage:

MSEDCL at Clause 21 in APP categorically provided that it is not providing claim in the event of shortage of fuel. Further, no change in law compensation will be paid by it

to the supplier in the matter of arranging/utilizing/procuring fuel from alternate source. Any implication/cost/ consequence / risk arising out of non-availability/shortage of fuel and/or procurement of alternate fuel shall be solely on account of Supplier/Trader. MSEDCL submitted that procurement of fuel is sole responsibility of supplier, and it cannot be fastened with implications on account of any fuel shortage. The Commission finds MSEDCL's submission rational and considers the proposed addition in APP.

11.4.10. Dispatch of unutilized contracted capacity:

As per standard APP Clause 10.2.1, in the event the Utility, does not schedule a quantum of power out of its Contracted Capacity before opening of bidding window of power exchange for day ahead collective transactions, the Supplier shall be entitled to sell such un-requisitioned power on power exchange under day ahead or real time collective transaction or intraday transaction. MSEDCL slightly elaborated the ambit of clause and allows seller to sell power in intra day contingency or day ahead contingency (DAC).

Accordingly, the Commission allows the slight revision as proposed by MSEDCL.

11.4.11. Payment security for termination:

Payment security for a termination clause ensures that outstanding payments or damages are secured in the event of contract termination, typically by using mechanisms like security deposits, guarantees, or applying a portion of a termination payment. MSEDCL has deleted the Clause 13.4 of standard APP which deals with payment security upon termination. For deletion of this clause, MSEDCL submitted that it is providing LC and MoP notified LPS Rules 2022 are also applicable in proposed power procurement. Hence, the said stipulation has been deleted.

The Commission noted the submission of MSEDCL. In the proposed procurement, the supplier is covered through Letter of Credit and provisions under LPS Rules 2022 for eventualities like premature termination of agreement. Hence, the Commission finds it appropriate to approve the deletion of clause.

12.8 In view of the above, the Commission accords approval to deviations proposed in RFQ, RFP and APP for procurement of thermal power, subject to observations in aforementioned Paras.

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

12.1. For proposed power procurement, MSEDCL has prepared the bidding documents i.e. RFQ, RFP and APP on the basis of Guidelines and Model Bidding documents dated 29 January 2019 for Tariff based Competitive Bidding for Medium-term procurement of thermal power set up on FOO basis.

- 12.2. MSEDCL floated the tender for procurement of 1000 MW RTC power under medium term basis on BHARAT portal on 20 March 2025. MSEDCL stipulated 25 June 2025 as a due date for submission of bids. In response, (9) bids of cumulative capacity of 1763 MW were received. All bids were found technically qualified and financial bids were opened on 27 June 2025. The tariff quoted by the bidders was in the range of Rs.6.18/kWh to Rs.7.24/kWh. To discover more competitive rates, MSEDCL conducted extensive e-RA process. MSEDCL has conducted total (11) nos of e-RA. Details of E-RA are as below:

E-RA No.	Date of E-RA	Ceiling Rate in Rs/kWh	Range of tariffs observed in Rs/kWh
1	27.06.2025	No Ceiling	5.60 to 7.24
2	02.07.2025	5.3	No Change is observed
3	02.07.2025	5.3	No Change is observed
4	03.07.2025	5.3	No Change is observed
5	03.07.2025	5.3	No Change is observed
6	03.07.2025	5.3	No Change is observed
7	04.07.2025	5.4	No Change is observed
8	04.07.2025	5.4	No Change is observed
9	04.07.2025	5.4	No Change is observed
10	04.07.2025	5.4	No Change is observed
11	10.07.2025	5.4	5.55 to 5.67
12	10.07.2025	5.4	No Change is observed

- 12.3. Post e-RA process, discovered tariff is in range of Rs. 5.55/kWh to Rs.5.67/kWh. It is important to note that such discovered tariff is more than the ceiling tariff fixed by MSEDCL. Ideally in such incidence of discovering tariff more than the ceiling tariff, Distribution licensee should not go ahead with issuance of LoA. But in present case, MSEDCL has proceeded ahead and also filed present petition for adoption of tariff. The Commission has verified competitiveness of such discovered tariff in subsequent paragraphs.
- 12.4. The Commission notes that MSEDCL has conducted transparent process of competitive bidding which is in accordance with the guidelines notified by the Government of India. Further (9) bids have been received which represent competition amongst the bidders. Hence, mandate of competitive bidding guidelines has been duly fulfilled.
13. **Issue D: Whether tariff discovered through competitive bidding is in accordance with market condition.**
- 13.1. The Commission notes that the rate discovered through e-Reverse Auction through competitive bidding process for 993 MW is in the range of Rs. 5.55/kWh to Rs.5.67/kWh. Details of the same are as below:

Sr.No.	Bidder Name	Offered Quantity in MW	Cost of Generation	Transmission charges	Transmission loss	Total Tariff	Generating Source
			A	B	C	D=2xA+B+C	
1	Powerpulse Trading Solutions Limited	543	2.775	0	0	5.55	Vidarbha Industries Power Limited Nagpur Maharashtra
2	Manikaran Power Limited	100	2.775	0	0	5.55	Vidarbha Minerals and Energy Private Limited Shenggaon , MH
3	Jindal Power Limited, Shirpur	100	2.775	0	0	5.55	Jindal Power Limited, Shirpur, Maharashtra
4	Jindal Power Limited, Tamnar	250	2.465	0.53	0.21	5.67	Jindal Power Limited, Tamnar, Chhatisgad
Total		993					
Note: Cost of generation is equal to Fixed cost							

- 13.2. The Commission notes that above discovered tariff is higher than the ceiling tariff of Rs. 5.40/kWh fixed by MSEDCL during bidding process. Such concept of ceiling tariff is not stipulated in the Bidding Guidelines but to discover optimum tariff, MSEDCL has sought deviation for the same and in earlier paragraphs, the Commission has also approved the same. But, MSEDCL has filed a Petition for adoption of tariff which is more than the ceiling tariff fixed by it. Such approach of MSEDCL contradicts its own justification for taking deviation for introducing ceiling tariff. The Commission in its earlier Orders have stated that Distribution Licensee can fix appropriate ceiling tariff for bidding process and at the time of adoption of tariff, the Commission will scrutinize the competitiveness of the tariff so discovered. This does not mean that Distribution Licensee can introduce the ceiling tariff and at the end of the bidding process issue LoA for tariff above such ceiling tariff. Such approach creates arbitrariness in the bidding process and is not in the interest of any stakeholder including MSEDCL. Hence, the Commission directs MSEDCL to avoid such incidence in future.
- 13.3. It is important to note that ceiling tariff was not there when initial bids were submitted. At the e-Revers auction stage, MSEDCL introduced ceiling tariff. In response, bidders have reduced their quoted tariff, but these are still above the ceiling tariff. To test the competitiveness of such discovered tariff in present bidding process, the Commission compared it with recently discovered tariff (on DEEP portal) of medium-term power procurement which is tabulated below:

Utility	Date of E-RA	Period	Discovered Qtm	Rate
UPCL	30-07-2025	From 18.08.2025 to 18.08.2029	150	5.85
			350	5.85
Gridco Ltd.	24-04-2025	From 01.05.2025 to 30.04.2029	70	7.00
			25	7.10
CESC	12-02-2025	From 01.04.2025 to 31.03.2027	100	5.88
			70	5.88
TPCL	11-02-2025	01.04.2025:00.00 to 31.03.2027:24.00	100	5.56
			70	5.56
			70	5.62
AEML	24-12-2024	From 01.04.2025 to 31.05.2027	100	5.58
			100	5.58
			75	5.58
			50	5.58
			250	5.98
Haryana Power Purchase Center	01-05-2024	From 01.08.2024:00.00 to 31.07.2029:24.00	110	5.78
			127	5.78
			140	5.78
			150	6.28

- 13.4. The Commission notes that present discovered rate of for 993 MW at Rs. 5.55/kWh to Rs.5.67/kWh is comparable with the recently discovered medium terms tariffs. As far as power procurement from JPL Tamnar is concerned, MSEDCL submitted that it is connected to ISTS network. MSEDCL has planned to schedule the power from JPL Tamnar in its own GNA. This will lead to savings in additional transmission charges. Considering the same, the Commission notes that the present offered tariffs, seems reasonable and reflective of the current market situation.
- 13.5. The Commission notes that bids have been evaluated based on the terms and conditions defined in the RfP and RfQ. The bids were found to be compliant with the technical and financial requirements set forth in bidding documents.
- 13.6. In view of the foregoing, the Commission notes that tariff discovered by MSEDCL fulfills mandate and requirements for adoption as set out in Section 63 of the EA, 2003. Accordingly, the Commission adopts the tariffs showing in table at para 13.1 above for the period of 5 years i.e. from 1 November 2025 to 31 October 2030.
14. Having adopted the tariff as above, the Commission like to put on record its displeasure regarding MSEDCL's conduct of filing petition for seeking deviation from competitive bidding guidelines/documents post floating of tender. Also, without waiting for approval of such deviation, MSEDCL has completed bidding process and submitted this Petition

for adoption of tariff. Such approach by state utility like MSEDCL completely undermines the jurisdiction of this Commission confirmed by the EA 2003 and would not be in the interest of any stakeholder including MSEDCL. During the hearing in the present matter, Advocate of MSEDCL assured that such incidence will not occurred again and hence the Commission has proceeded further in the matter. The Commission directs MSEDCL to ensure compliance of all provisions of the competitive bidding in letter and spirit, and ensure that such incidence will not occurred in future.

15. Hence, the following Order:


ORDER

- 1. The Petitions in Case No. 142 of 2025 & Case No.190 of 2025 are allowed and IA No. 101 of 2025 & IA No. 102 of 2025 are disposed of accordingly.**
- 2. Request for Qualification (RfQ), Request for Proposal (RfP) and Agreement for Procurement of Power (APP) for medium term power procurement are approved as per observations in Para (11) above.**
- 3. Procurement of 993 MW on medium term basis from thermal generation projects at a Rs.5.55 /kWh-Rs.5.67/kWh as stated in para 13.1 is allowed.**
- 4. Maharashtra State Electricity Distribution Co. Ltd to enter into a Agreement for Procurement of Power with the successful bidder for a period of (5) years i.e. from 1 November 2025 to 31 October 2030 and submit the copy for records of the Commission within a month from date of this Order.**

Sd/-
(Surendra J. Biyani)
Member

Sd/-
(Anand M. Limaye)
Member

Sd/-
(Sanjay Kumar)
Chairperson


(Dr. Rajendra G. Ambekar)
Secretary



Appendix A

LIST OF DEVIATIONS FROM THE MoP STANDARD BID DOCUMENTS (SBDs) –

A. DEVIATIONS Amendments

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
1	Portal	DEEP Portal developed by PFCCL	BHARAT Electronic Tender Portal	A provision of applying Ceiling rate during Reverse Auction is made available on BHARAT Portal
2	RFQ Clause 1.2.9 (Brief description of Bidding Process)	1.2.9 In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e- Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the lowest	1.2.9 In e-Reverse Auction Stage, <u>the utility may mention ceiling price below which bidders have to quote the bid price.</u> The ceiling price and the lowest Bid received in the e- Tender Stage shall be displayed to the Bidders on the BHARAT ELECTRONIC TENDER Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff in decrements of 1 (one) paise or multiples thereof and <u>to increase/maintain the quantum quoted by them at e- Tender Stage by 1 MW or multiples thereof.</u> At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the	Facility for quoting Ceiling price is provided. Due to this ceiling price, quantum increment is not possible during E-RA stage on Bharat ETS portal.

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
		Tariff therein ("Lowest Bidder").	lowest Tariff therein ("Lowest Bidder").	
3	Instructions to Bidders (RFQ 2.12.2(iv))	(iv) copies of Bidder's and Developer's (in case of Trading Licensee) duly audited balance sheet and profit and loss account for the preceding three years;	Non submission of audited balance sheet and profit & loss account of last three years for the newly established companies is allowed.	Deviation made to enable more participants & to ensure more competition
4	Technical Capacity (RFQ 2.2.2 A)	Bidder shall own and operate power generating station(s) having an installed capacity equivalent to at least twice the capacity for which the Bidder is willing to offer.	Bidder shall own and operate power generating station(s) having Net installed capacity more than or equal to the capacity for which the Bidder is willing to offer. <u>Here, Net installed capacity of Generating station shall be after deducting losses for Auxiliary consumption, Transmission losses upto the Delivery Point.</u>	Plants are enabled to offer its capacity to the fullest.
5	Financial Capacity (RFQ 2.2.2 B)	The Bidder and/or its Associate shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year.	The Bidder and/or its Associate shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, <u>as on bid date.</u>	To enable more participants & to ensure more competition.
6	RFP 1.1.6	In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During	In e-Reverse Auction Stage, <u>the utility may mention ceiling price below which bidders have to quote the bid price</u> , the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the BHARAT ELECTRONIC Tender	Facility for quoting Ceiling price is provided on Bharat ETS portal. Due to quoting of ceiling price during start of E-RA quantum increment is not possible during E- RA stage on Bharat ETS portal as informed

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
		the e- Reverse Auction Stage, the Bidders will have the option of reducing the Tariff quoted by them at e- Tender Stage in their Bids in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e- Tender and e Reverse Auction and identify the Bidder who has quoted the lowest Tariff therein (“Lowest Bidder”).	Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff quoted by them at e-Tender Stage in their Bids in decrements of 1 (one) paise or multiples thereof and <u>to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof.</u> At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e- Reverse Auction and identify the Bidder who has quoted the lowest Tariff therein (“Lowest Bidder”).	by the Bharat E-Portal. Accordingly, deviation is proposed.
7	RFP 4.3 (E-reverse auction)	During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff quoted by them at e-Tender Stage in their Bids in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum of capacity quoted by them at e- Tender Stage by 1 MW or multiples thereof.	During the e-Reverse Auction Stage, <u>the utility may mention ceiling price below which bidders have to quote Tariff.</u> The Bidders will have the option of reducing the Tariff quoted by them at e-Tender Stage in their Bids in decrements of 1 (one) paisa or multiples thereof and to increase/maintain the quantum of capacity quoted by them at e-Tender Stage by 1 MW or multiples thereof. For avoidance of doubt it is clarified that, reduction of tariff during E-	Facility for quoting Ceiling price is provided.

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
			reverse auction stage will be through reduction in only the cost of generation component of tariff.	
8	Condition's Precedent required to be satisfied by the Supplier (APP clause 4.1.3)	Conditions Precedent required to be satisfied by the Supplier within a period of 90 (ninety) days	Conditions Precedent required to be satisfied by the Supplier within a period of 30 (Thirty) days	Considering the time period for commencement of supply from existing power plants 30 (Thirty) days is sufficient.
9	Performance Security (APP clause 9.1.1)	9.1.1 The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ***** crore (Rupees ***** crore) 16 in the form set forth in Schedule-B (the "Performance Security") valid for a period ending 6 (six) months after date of commencement of supply. The amount towards the Performance Security can be paid through EFT/RTGS/ also.	9.1.1 The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ***** crore (Rupees ***** crore) 16 in the form set forth in Schedule-B (the "Performance Security") valid for a period, till 31.03.2030. The amount towards the Performance Security can be paid through NEFT/RTGS/ also. For avoidance of doubt it is clarified that, supplier may furnish Performance Security which may be initially valid for 2 years and thereafter supplier shall ensure the renewal of Performance Security before a date, which is 30 (Thirty) days prior to the expiry of the then	As the term period is 5 years payment Security is required for complete 5 years.

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
			existing validity of the Performance Security.	
10	Fixed charge payment (APP clause 11.4.2)	11.4.2.....Provided that the Availability to be considered for calculation of Fixed Charges shall be reconciled annually on cumulative basis.	11.4.2.....For avoidance of doubt, for the purpose of claiming the Fixed Charges, <u>billing to be done based on cumulative availability from 1st April till the last day of the billing month.</u> Provided that the Availability to be considered for calculation of Fixed Charges shall be reconciled annually on cumulative basis.	Clarified and modified in line with existing long term PPAs.
11	APP, 11.5.3 Provided that where the Fuel is being supplied under allocated coal linkage, the Supplier shall have an option to arrange the Fuel from an alternate source. The Utility shall be intimated if the increase in Variable Charge is greater than 30 % (thirty percent). Provided also that in case of shortage of linkage coal and the Supplier arranges coal from alternate sources, the Energy Charge shall be calculated as per methodology specified in Schedule F.	... Provided that where the Fuel is being supplied under allocated coal linkage, the Supplier shall have an option to arrange the Fuel from an alternate source. <u>Further, provided that the Utility shall not bear any additional burden arising from arrangement of such fuel from alternate source.</u> Provided also that in case of blending of imported fuel, the Energy Charge shall be calculated as per methodology specified in Schedule F.	Considering medium term and Lump sum tariff added in line with clause no. 12.4 & 11.4.4. As the procurement of fuel is made sole responsibility of bidder.
INCLUSIONS				

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
12	11.10.1 Disputed amount	The Utility shall, within 10 (Ten) days of receiving an invoice, notify the Supplier of the Disputed Amounts, with particulars thereof. Within 7 (seven) days of receiving such notice, the Supplier shall present any information or evidence as may reasonably be required for determining that such Disputed Amounts are payable	The Utility shall, within 15 (fifteen) days of receiving an invoice, notify the Supplier of the Disputed Amounts, with particulars thereof. Within 7 (seven) days of receiving such notice, the Supplier shall present any information or evidence as may reasonably be required for determining that such Disputed Amounts are payable	Sometimes complex calculations may require longer time.
13	Base Variable Charge (APP 12.2)	12.2 Base Variable Charge The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs.(Rupees) \$ per kWh, [comprising Rs....(Rupees.) 23 per kWh as the cost of Fuel/generating cost and Rs....(Rupees....) per kWh as the cost of transportation of which Rs.....(Rupees....) per kWh shall be in respect of domestic transportation, 24 (the “Base Variable Charge”) which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period.	12.2 Base Variable Charge The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs.(Rupees) per kWh, comprising Rs....(Rupees...) per kWh as the cost of Fuel/generating cost (the “Base Variable Charge”) which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period.	Considering the Lump sum Tariff option and Medium-Term Bid is not Source or Fuel Specific hence the cost of transportation to be included in the cost of generation.

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
14	Change In Law (Article 21)		<p><u>21.4 No Claim in the event of shortage of fuel</u></p> <p>Notwithstanding anything to the contrary contained in this Agreement, no change in law compensation will be paid by utility to the supplier in the matter of arranging/utilizing/procuring fuel from alternate source. Any implication/cost / consequence / risk arising out of non-availability/shortage of fuel and/or procurement of alternate fuel shall be solely on account of Supplier /Trader.</p>	Considering medium term and Lump sum tariff added in line with clause no. 12.4 & 11.4.4. As the procurement of fuel is made sole responsibility of bidder.
15	Dispatch of Unutilized Contracted Capacity (10.2.1)	<p>In the event the Utility, does not schedule a quantum of power out of its Contracted Capacity before opening of bidding window of power exchange for day ahead collective transactions, the Supplier shall be entitled to sell such un-requisitioned power on power exchange under day ahead or real time collective transaction or intra day transaction.</p> <p>Provided that in such cases, Utility shall not be entitled to recall full or part of its un-requisitioned capacity.</p> <p>Provided further that if the Supplier is able to sell the</p>	<p>In the event the Utility, does not schedule a quantum of power out of its Contracted Capacity before opening of bidding window of power exchange for day ahead collective transactions, the Supplier shall be entitled to sell such un-requisitioned power on power exchange under day ahead or real time collective transaction or intra-day <u>contingency or day ahead contingency (DAC)</u>.</p> <p>Provided that in such cases, Utility shall not be entitled to recall full or part of its un-requisitioned capacity.</p> <p>Provided further that if the Supplier is</p>	

Sr. No.	Clause	Clause in the standard bidding documents	Deviation	Remarks
		unrequisitioned power, sharing of gain from such sale of such power shall be as per applicable rules issued by the Ministry of Power.	able to sell the unrequisitioned power, sharing of gain from such sale of such power shall be as per applicable rules issued by the Ministry of Power.	

Deletion in APP

Sr.No.	Clause	Clause in the standard bidding documents	Justification
16	Deemed termination upon delay (4.4)	Provided further that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Utility, the Performance Security given by the Utility shall be encashed and appropriated by the Supplier as Damages thereof.	Performance security was required only for the period of around 6 months. Considering the Agreement for procurement of power is for 5 years the provision of LC by the utility is sufficient.
17	Performance Security by Utility (9.1.2,9.2.1)	Performance Security by Utility will not be furnished.	
18	Default Escrow account (13.1)	Default Escrow account	
19	Deed of hypothecation (13.1)	Deed of hypothecation	
20	Letter of Credit (13.2.2)	The Letter of Credit shall be procured by the Utility from a bank where at least twice the value of the Monthly Payment are normally deposited, and which shall have been appointed as the Default Escrow Bank.	
21	Condition Precedent of the Utility (clause 4.1.2)	Establishment of PSM as part of Condition Precedent of the Utility (clause 4.1.2)	There is separate mechanism for selling of the power by the Supplier (prospective bidder) under open access to Buyers in
22	6.1.2	The Utility shall provide and facilitate non-discriminatory open access to its network for	

Sr.No.	Clause	Clause in the standard bidding documents	Justification
		enabling the Supplier to supply electricity to Buyers in the licensee area of the Utility in accordance with the provisions of sections 42 and 49 of the Act.	the licensee area of the Utility under Transmission Open Access and Distribution Open Access
23	13.4 Payment security for Termination	The Parties agree and acknowledge that upon Termination and on failure of the Utility to make the Termination Payment within 30 (thirty) days of demand by the Supplier, Revenues equal to the Monthly Payment, deposited into the Default Escrow Account in accordance with the provisions of this Agreement and the Default Escrow Agreement, shall be appropriated every month and paid to the Supplier until discharge of the Termination Payment and any interest thereon. For the avoidance of doubt, the Utility expressly agrees and undertakes that 30% (thirty per cent) of its total monthly Revenues shall continue to be deposited into its account with the Default Escrow Bank until its liability for an in respect of the Termination Payment is fully discharged.	MSEDCL is providing LC further provision of LPS also is given in LPS Rules 2022.