

**Before the**  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
**World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade,**  
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**Case No. 258 of 2025**

**Petition of Maharashtra State Electricity Distribution Co. Ltd. seeking prior approval for commencement of competitive bidding process for long term procurement of 2500 MW RTC Power including of the associated bidding documents, along with the deviations with the MoP's RE RTC guidelines dated 22 July 2020.**

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

Petitioner

**Coram**

**Valsa Nair Singh, Chairperson**  
**Anand M. Limaye, Member**  
**Surendra J. Biyani, Member**

**Appearance:**

For the Petitioner:

Sr. Adv. Buddy Ranganadhan

**ORDER**

**Date: 30 March 2026**

1. Maharashtra State Electricity Distribution Co. Ltd (MSEDCL) has filed the present Petition on 23 December 2025 seeking prior approval for commencement of competitive bidding process for long term procurement of 2500 MW Round the Clock (RTC) Power including of the associated bidding documents, and for grant of approval to the certain deviations under Clause 19 of the Guidelines dated 22 July 2020 for Tariff Based Competitive Bidding Process for Procurement of Round-The Clock Power from Grid Connected Renewable Energy Power Projects, complemented with Power from any other source or storage and its further amendments (RE RTC Guidelines). Further, MSEDCL has also filed an Interlocutory Application (IA) before the Commission i.e. IA. No 153 of 2025 in Case No 258 of 2025 for urgent hearing in the present matter.

**2. MSEDCL's main prayers are as follows:**

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- a) *Allow the present Petition;*
  - b) *Accord approval for initiation of competitive bidding for procurement of 2500 MW Round-the-Clock Power from Grid-Connected RE Power Projects, complemented with Power from any other source or storage on long term basis.*
  - c) *Approve the draft bid documents along with deviations with the RE RTC Guidelines as sought above in the Petition; ...,,*

**3. MSEDCL in its Case stated as follows:**

- 3.1. Ministry of Power (MoP) has issued RE RTC Guidelines dated 22 July 2020 for procurement of RTC power from RE sources complemented with any other sources or storage. Clause 19 of the said Guidelines empowers the Commission to approve deviations from the standard bidding documents.
- 3.2. The National Tariff Policy, 2016 notified by the Ministry of Power stipulates that the procurement of power by distribution companies from RE sources must be done through a competitive bidding process.

**Executed PPA**

- 3.3. Earlier, MSEDCL executed the Power Purchase Agreement (PPA) dated 29 October 2024 with Adani Renewable Energy Fifty-Five Ltd for the procurement of 5000 MW of solar power for a period of 25 years. The Commission vide Order dated 26 September 2024 in Case No.155 of 2024 has approved the discovered tariff of Rs. 2.70/kWh for said Executed PPA. For the purposes of bidding, the tariff quoted by the Bidder shall take into account the solar tariff (including any Change in Law for executed PPA) under the executed PPA, for the quantum of scheduled Solar Power under the executed PPA.
- 3.4. The scheduled commencement date of supply of Executed PPA for supplying 5000 MW power has been indicated below:
  - i. Phase I (1000 MW) PPA: SCOD is 29.04.2026
  - ii. Phase II (1000 MW) PPA: SCOD is 29.10.2026
  - iii. Phase III (2000 MW) PPA: SCOD is 29.04.2027
  - iv. Phase IV (1000 MW) PPA: SCOD is 29.07.2027

- 3.5. These executed PPAs will be utilized for supplying solar power to the developer under this RfQ /RfP for supply of RE-RTC power.

### **Requirement for procurement of long term RE RTC power**

- 3.6. In terms of Regulation 19.1 of the MERC (Multi Year Tariff) Regulations, 2024, MSEDCL is required to undertake its power procurement during the year in accordance with the power procurement plan for the Control Period, which may include long-term, medium-term and short-term power procurement, approved by the Commission in accordance with MERC Resource Adequacy Regulations, 2024.
- 3.7. On 21 June 2024, the Commission notified the MERC (Framework for Resource Adequacy) Regulations, 2024 to enable the systematic 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. In terms of the said regulation, the distribution licensee has been required to develop and prepare for long term, mid-term and short-term resource adequacy plans for its distribution business to meet their own peak demand and electrical energy requirement.
- 3.8. Resource Adequacy Plan submitted by the MSEDCL for the control period from FY 2025-26 to FY 2029-30 has been approved by the Commission vide Order dated 28 March 2025 in Case No. 217 of 2024, which has envisaged the Petitioner's overall consumption to grow at a CAGR of 5.07%. Peak Demand Forecast is projected to grow from 25,412 MW (FY2025-26) to 32,994 MW (FY 2029-30). This signifies a huge growth in capacity in a single control period thereby leading to an increase in requirement of long term tie ups.
- 3.9. The Commission in its MYT Review Order under Case No. 75 of 2025 dated 25 June 2025 has specified that MSEDCL should take appropriate measures to utilize the daytime surplus energy and reduce its impact on ARR.
- 3.10. In terms of the key procurement parameters specified under the draft Bid Documents (executed a PPA dated 29 October 2024 with Adani Renewable Energy Fifty-Five Ltd), the MSEDCL may make such Solar Power available to the selected bidder for use in or for supply of 2500 MW RTC power. The selected bidder, in terms of the said PPA dated 29 October 2024, will be responsible under the terms of the draft Bid Documents to schedule such Solar Power at its discretion. However, it shall independently be responsible for supply of the said supply capacity of 2500 MW.
- 3.11. Pertinently, the integration of the Solar Power into the proposed scheme for procurement of RTC power in accordance with the draft Bid Document would help in mitigating the variable nature of the said Solar Power resulting in its optimal utilization and deployment. This is

because in terms of proposed procurement parameters, the requirement to tie up 51% Traceable Green Power with 49% RE / non-RE power would ensure that the Solar Power be supplied along with non-RE power, which is immune to the vagaries of nature. As such, an infirm and variable RE source of power will be converted into a firm and RTC power source in respect of the proposed procurement parameters.

- 3.12. The RE power backed by firm power from sources other than RE under the RE RTC Guideline not only have all the benefits of base load power but will also help the MSEDCL meet its future RPO as at least 51% of power delivered is mandatorily to be sourced from renewable sources.
- 3.13. Further Maharashtra is promoting data centres and other sunshine industries to support economic growth in the State. It is expected that number of such consumers will increase in the State which will increase the demand. These consumers have mandatory requirements for carbon footprint reduction to procure a portion of their electricity from renewable sources for sustainability and public reporting, resulting in an upcoming demand for round-the-clock green power.
- 3.14. Taking cognizance of the above points and the critical requirement to make arrangements for adequate long-term power, MSEDCL intends to procure 2500 MW of RE-RTC long-term power.
- 3.15. MSEDCL's proposal to add RE RTC Power will have the following benefits: -
  - a) Growing RTC demand profile: Enables consistent and dependable power supply aligned with the State's rising RTC demand, reducing reliance on short-term sources and strengthening grid stability;
  - b) Data Centre, Cloud & Artificial Intelligence (AI) capabilities: Data centers, cloud computing, and AI have a massive energy footprint and require green power that is not only clean but also traceable and matched to their consumption to demonstrate credible decarbonization;
  - c) GNA Utilization & Optimization: Maximizes transmission asset efficiency by leveraging 5 GW of solar capacity through just 2.5 GW of GNA thereby minimizing congestion, reducing stranded capacity, and optimizing overall cost of GNA;
  - d) Optimized ATC Augmentation: Lower GNA requirements translate into reduced ATC augmentation needs, allowing for more optimized use of the state's transmission network and lowering infrastructure investment costs;
  - e) RPO obligation fulfilment: Facilitates compliance with renewable purchase obligations and avoids penalties by integrating renewable sources into the energy mix, contributing to sustainability goals;
  - f) Reliable and uninterrupted power supply to consumers: RTC power is necessary for ensuring uninterrupted supply to key industrial and consumers which require round the clock supply of power;

- g) Reduction in power purchase costs through optimal utilisation of renewable energy during solar hours and thermal power during non-solar hours;

**Salient features of Bidding Process and Deviation from RE RTC Guidelines:**

3.16. The salient features of the bidding process have been indicated below in brief:

- (a) **Supply Quantum:** 2500 MW round the clock supply capacity. A bid for either of two options is permissible, i.e. 1250 MW or 2500 MW.
- (b) **Minimum 51% Traceable Green Power:** Expected end consumers of this RTC power are Data Centres for which the Traceable Green Power supply is mandatory for sustainability reporting and / or public disclosure.
- i. The minimum 51% Traceable Green Power supply (“TGP”) obligation shall be measured/computed as per below formula (“Formula-1”):
  - ii. 
$$\text{Annual TGP}\% = \frac{\sum(\text{Hourly Traceable Green Power Supply (MWh) for all hour in a year})}{\sum(\text{Hourly RTC Supply (MWh) for all hour in a year})} \times 100$$
  - iii. Any deemed supplies, with respect to Traceable Green Power Supply, shall be considered for the computation of Hourly Traceable Green Power Supply as well as for the computation of Hourly RTC Supply, as mentioned in the above formula.
- (c) **Bidding Process:** A single-stage two envelope bidding process has been proposed for selection of the bidder for award of the Capacity to be supplied. The process involves qualification of interested parties and discovering of lowest competitive tariff among the bidders who submit application and bids in accordance with the provisions of the proposed bidding Document, comprising of RFQ and RFP;
- (d) **Tariff Structure:** A composite single part tariff for the first year at the delivery point has been contemplated (“**Applicable Tariff**”). This will be fixed for the entire term of the contract. For power scheduled from non-RE sources by the successful bidder, if the schedule is confirmed by the Procurer, Applicable Tariff shall be payable for such scheduled power. If the said schedule from non-RE sources is not confirmed by the Procurer, then 75% of the Applicable Tariff, shall be payable for such power which is not scheduled by the Procurer. Notably, for any non-RE component of power supply, 75% of Applicable Tariff shall be deemed to be the fixed charge component and balance 25% shall be deemed to be variable charge component of the Applicable Tariff for such supply.
- (e) **Scheduling and Despatch:** The scheduling and despatch of Power supply from RE Sources will be done as per the principles of “Must Run”, in accordance with the Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021, as amended from time