

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 23 of 2022

Petition seeking approval for adoption of tariff discovered for long term procurement of 31.75 MW solar power under ‘Pradhan Mantri Kisan Urja Suraksha Evem Uthhan mahabhiyan’ (PM-KUSUM) under Section 63 of the Electricity Act 2003 for meeting the solar renewable purchase obligations.

M/s Maharashtra State Electricity Distribution Company Ltd. (MSEDCL): Petitioner

- 1) Mr. Dinesh Maruti Gawande
- 2) Mr. Dipak Raghunath Patil
- 3) M/s. G N Electricals
- 4) Mr. Khushal Wagh
- 5) Mr. Laxmanrao Jijabrao Deshmukh
- 6) Mr. Mahendra Shriram Thakur
- 7) Mr. Manoj Ratila Bhimjiyani
- 8) Ms. Meghali Umesh Surve
- 9) Mr. Vasudeo Ramdas Mahajan
- 10) Mr. Vishal Jivanlal Sancheti
- 11) Mrs Anita Hanumant Nahane
- 12) Mr. Nitin Shelke
- 13) Ms.Prajakta Sankarshan Joshi
- 14) M/s. Priya Construction
- 15) M/s. Radhika Sunil Atole
- 16) Mr. Rahul Pritamsingh Upwanshi
- 17) Mr. Ravikant Panditrao Kalane
- 18) Ms. Rupali Somraj Telkhede
- 19) Mr. Shantling Malshetty Patil
- 20) Ms. Shilpa Pankaj Mundhada
- 21) M/s. Siddhi Petrol Pump
- 22) Mr. Sumant Mahajan
- 23) Mr. Sumit Telkhade

: Respondents

- 24) M/s. Three SSS Builders
25) Mr. Umakant Paliwal
26) Mr. Vaibhav Swarupchand Bardiya
27) M/s. Wada Pure Veg
28) Mr. Yashwant Wadive



: Respondents

Coram

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

Appearance:

For the Petitioner : Ms. Kavita Gharat, CE (RE)
For the Respondent : Mr. Vasudeo Ramdas Mahajan
Mr. Rahul Pritamsingh Upwanshi
Mr. Ravikant Panditrao Kalane
Mr. Sumant Mahajan
Mr. Sumit Telkhade

ORDER

Date: 25 April 2022

1. Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) has filed the present Petition on 12 January 2022 seeking approval for adoption of tariff for long term procurement of 31.75 MW solar power under Component A of 'Pradhan Mantri Kisan Urja Suraksha Evam Uthhan Mahabhiyan' (PM-KUSUM) through competitive bidding. Projects under this scheme are of 0.5 to 2 MW capacity and are connected to distribution network. Further, such procurement is eligible for meeting the Solar RPO requirement of MSEDCL.
2. **MSEDCL's main prayers are as follows:**
 - a) *To admit the Petition as per the provisions under Section 63 of the Electricity Act (EA), 2003.*

b) To accord approval for adoption of tariff as mentioned in table under para 3.9 and signing of PPA with successful bidder for 31.75MW solar power as discovered through Competitive bidding conducted by MSEDCL.

c) To accord approval to made this power eligible for meeting the Solar RPO requirement of MSEDCL

3. MSEDCL in its Case has stated as follows:

- 3.1 The Government of India on 08 February 2019 launched PM KUSUM Scheme and issued guidelines on 22 July 2019 for implementation of decentralized solar projects with capacity 0.5 to 2 MW under Component-A. Guidelines dated 22 July 2019 provide for standard PPA document.
- 3.2 MNRE on 13 January 2021 had sanctioned 500 MW capacity for MSEDCL under Component-A for FY 2020-21.
- 3.3 As per MNRE guidelines and standard PPA documents, MSEDCL floated tender for long term procurement of 500 MW solar power with ceiling rate of Rs. 3.10 per unit through competitive bidding (E-reverse auction) under KUSUM Component-A through www.mahadiscom.in web portal.
- 3.4 The bid of 12.5 MW capacity was received against 500 MW. After the technical & price bid opening, the tariff adoption Petition (Case No.9 of 2022) for 12.5 MW was filed before MERC on dated 20 December 2021.
- 3.5 For balance capacity, MSEDCL refloated tender for long term procurement of 487 MW solar power with ceiling rate of Rs. 3.10 P.U through competitive bidding (E-reverse auction) under KUSUM-A Component through www.mahadiscom.in web portal on 18 August 2021
- 3.6 The pre-bid meeting was conducted on 02 September 2021. The last date of submission of Bid was 21 October 2021.
- 3.7 Total 36 bids were received with total cumulative bidding capacity of 46.75 MW. Details of the same are given below:

Sr. No.	Tender No.	Name of Bidder	Tender Capacity (MW)	Bid capacity (MW)
1	T-33	Mr. Dinesh Maruti Gawande	487	1
2		Mr. Dipak Raghunath Patil		0.5
3		M/s. G N Electricals		2
4		Mr. Hansraj Kulpatji Rahangdale		1
5		Mr. Harshal Vishwasrao Birhade		2

Sr. No.	Tender No.	Name of Bidder	Tender Capacity (MW)	Bid capacity (MW)
6		Mr. Khushal Wagh		1
7		Mr. Laxmanrao Jijabrao		1
8		Mr. Mahendra Shriram Thakur		0.5
9		Mr. Maniram Leelaram Yadav		2
10		Mr. Manoj Ratilal Bhimjiyani		1
11		Ms. Meghali Umesh Surve		2
12		M/s. Mira Petroleum		2
13		Mr. Vasudeo Ramdas Mahajan		1
14		Mr. Vishal Jivanlal Sancheti		1
15		Ms. Anita Hanumant Nahane		1.5
16		Mr.Nitin Ramrao Kale		2
17		Mr. Nitin Shelke		0.5
18		Ms. Prajakta Sankarshan Joshi		1
19		M/s. Priya Construction		2
20		Ms.Radhika Sunil Atole		1
21		Mr.Rahul Pritamsingh Upwanshi		1
22		Mr. Ramesh Potdar		2
23		Mr. Ravikant Panditrao Kalane		1
24		Ms.Rupali Somraj Telkhede		2
25		Mr. Shantling Malshetty Patil		1
26		Ms.Shilpa Pankaj Mundhada		1
27		M/s. Siddhi Petrol Pump		0.5
28		Mr. Sumant Mahajan		2
29		Mr. Sumit Telkhade		2
30		Mr.Suresh Narayan Kalpande		2
31		M/s.Three SSS Builders		0.5
32		Mr.Umakant Paliwal		1.25
33		M/s. Uttam Metal Depo		2
34		Mr. Vaibhav Swarupchand		1
35		M/s.Wada Pure Veg		0.5
36		Mr.Yashwant Wadive		1
		Total	487	46.75

38 Following 7 numbers of bidders got technically disqualified for the reasons stated below:

Sr. No.	Name of Bidder	Capacity per location MW	Remarks
1	Mr.Harshal Vishwasrao Birhade	2	Participated as developer. Net worth not as per eligibility criteria i.e. 1 Crore per MW.
2	M/s. Mira Petroleum	2	
3	Mr. Ramesh Potdar	2	
4	M/s. Uttam Metal Depo	2	
5	Mr. Nitin Ramrao Kale	2	BG towards EMD not submitted
6	Mr. Maniram Leelaram Yadav	2	
7	Mr. Suresh Narayan Kalpande	2	
	Total	14	

- 39 The financial bids were opened on 20 December 2021.The rates quoted by the bidders are as below:

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate
1	Mr. Dinesh Maruti Gawande	1	3.10
2	Mr. Dipak Raghunath Patil	0.5	3.10
3	M/s. G N Electricals	2	3.10
4	Mr. Hansraj Kulpatji Rahangdale	1	3.10
5	Mr. Khushal Wagh	1	3.10
6	Mr. Laxmanrao Jijabrao Deshmukh	1	3.10
7	Mr. Mahendra Shriram Thakur	0.5	3.10
8	Mr. Manoj Ratilal Bhimjiyani	1	3.10
9	Ms. Meghali Umesh Surve	2	3.10
10	Mr. Vasudeo Ramdas Mahajan	1	3.10
11	Mr. Vishal Jivanlal Sancheti	1	3.10
12	Ms. Anita Hanumant Nahane	1.5	3.10
13	Mr.Nitin Shelke	0.5	3.10
14	Ms. Prajakta Sankarshan Joshi	1	3.10
15	M/s. Priya Construction	2	3.10
16	Ms. Radhika Sunil Atole	1	3.10
17	Mr. Rahul Pritamsingh Upwanshi	1	3.10
18	Mr.Ravikant Panditrao Kalane	1	3.10
19	Ms. Rupali Somraj Telkhede	2	3.10
20	Mr. Shantling Malshetty Patil	1	3.10
21	Ms. Shilpa Pankaj Mundhada	1	3.10
22	M/s. Siddhi Petrol Pump	0.5	3.10
23	Mr. Sumant Mahajan	2	3.10
24	Mr. Sumit Telkhade	2	3.10

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate
25	M/s. Three SSS Builders	0.5	3.10
26	Mr. Umakant Paliwal	1.25	3.10
27	Mr. Vaibhav Swarupchand Bardiya	1	3.10
28	M/s.Wada Pure Veg	0.5	3.10
29	Mr. Yashwant Wadive	1	3.10
	Total	32.75	

- 3.10 Two bidders, Shri Rahul Pritamsingh Upwanshi and Shri Hansraj Kulpatji Rahangdale submitted their bid of 1 MW each for same substation i.e. Dhapewadi Substation. The bid capacity i.e. 2 MW exceeded the spare capacity of 1 MW at Dhapewadi substation. Under such circumstances, RfS clause no. 4.2 (B) (iii) stipulates as follows:

“Total aggregate capacity of the Solar Power Projects short-listed for any sub-station is higher than the sub-station’s available capacity, MSEDCL shall conduct e-reverse auction for the specific sub-station.”

Accordingly, MSEDCL conducted reverse auction for above two bids on dated 21 December 2021. The rate derived in reverse auction are as follows:

Sr. No	Name of Bidder	Bid capacity (MW)	Rate derived (Rs per unit)
1	Mr. Rahul Pritamsingh Upwanshi	1	2.93
2	Mr. Hansraj Kulpatji Rahangdale	1	2.94

- 3.11 Accordingly, the rates quoted by successful bidders are as below:

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate Rs. PU
1	Mr. Dinesh Maruti Gawande	1	3.10
2	Mr. Dipak Raghunath Patil	0.5	3.10
3	M/s. G N Electricals	2	3.10
4	Mr. Khushal Wagh	1	3.10
5	Mr. Laxmanrao Jijabrao Deshmukh	1	3.10
6	Mr. Mahendra Shriram Thakur	0.5	3.10
7	Mr. Manoj Ratilal Bhimjiyani	1	3.10
8	Ms. Meghali Umesh Surve	2	3.10
9	Mr. VasudeoRamdas Mahajan	1	3.10
10	Mr. Vishal JivanlalSancheti	1	3.10
11	Ms. Anita HanumantNahane	1.5	3.10

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate Rs. PU
12	Mr. Nitin Shelke	0.5	3.10
13	Ms. Prajakta Sankarshan Joshi	1	3.10
14	M/s. Priya Construction	2	3.10
15	Ms. Radhika Sunil Atole	1	3.10
16	Mr. Rahul PritamsinghUpwanshi	1	2.93
17	Mr. Ravikant Panditrao Kalane	1	3.10
18	Ms. Rupali Somraj Telkhede	2	3.10
19	Mr. Shantling Malshetty Patil	1	3.10
20	Ms. Shilpa Pankaj Mundhada	1	3.10
21	M/s. Siddhi Petrol Pump	0.5	3.10
22	Mr. Sumant Mahajan	2	3.10
23	Mr. Sumit Telkhade	2	3.10
24	M/s. Three SSS Builders	0.5	3.10
25	Mr. Umakant Paliwal	1.25	3.10
26	Mr. Vaibhav Swarupchand Bardiya	1	3.10
27	M/s. Wada Pure Veg	0.5	3.10
28	Mr. Yashwant Wadive	1	3.10
	Total	31.75	

3.12 MSEDCL requests the Commission to adopt above Tariff for 31.75 MW solar power discovered through competitive bidding process under Section 63 of the Electricity Act, 2003.

Commission's Analysis and Rulings

4. MSEDCL has filed this Petition for adoption of tariff discovered for 31.75 MW Solar project under PM-KUSUM Component-A scheme through competitive bidding process under Section 63 of the Electricity Act, 2003.
5. The Commission notes that under KUSUM-A, Solar PV project of 0.5 to 2 MW capacity is to be setup by farmers/ group of farmers/ cooperatives/ panchayats/ Farmer Producer Organisations & Water User associations. Option of independent developer setting up such a project by taking land from the framers on lease agreement is also available under this scheme. MNRE has sanctioned 500 MW capacity under KUSUM-A scheme for MSEDCL. Under this scheme, MSEDCL is eligible for procurement-based incentive of Rs. 0.40 P.U. or Rs. 6.6 lakh per MW of installed capacity, whichever is less, for a period of 5 years from CoD of the project.

6. Accordingly, MSEDCL floated a tender for procurement of 500 MW Solar power under PM-KUSUM Component-A wherein 0.5 to 2 MW of solar projects are to be setup and connected to 11 or 22 kV level in MSEDCL's substation. MSEDCL fixed ceiling rate of Rs. 3.10/kWh for this bid. Further, MSEDCL used model PPA provided by MNRE for bidding purpose without any deviation. Initially MSEDCL received bids only for 12.5 MW capacity. The Tariffs for the said capacity have been adopted by the Commission vide its Order dated 16 February 2022 in Case No.9 of 2022.
7. Subsequently, MSEDCL re-floated tender for balance capacity of 487 MW. Last date for bid submission was 21 October 2021. In response 36 bid were received and 29 bids were found technically qualified and hence their financial bids were opened on 20 December 2021. Further, as capacity of bid received for Dhapewadi Substation was more than the capacity available at that substation, as per stipulations in RfS Clause No. 4.2. (B) (iii), MSEDCL carried out reverse auction process on 21 December 2021 and selected successful bidder for that substation thereafter.
8. Accordingly, after competitive bidding process, MSEDCL has received following tariff:

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate Rs. PU
1	Mr. Dinesh Maruti Gawande	1	3.10
2	Mr. Dipak Raghunath Patil	0.5	3.10
3	M/s. G N Electricals	2	3.10
4	Mr. Khushal Wagh	1	3.10
5	Mr. Laxmanrao Jijabrao Deshmukh	1	3.10
6	Mr. Mahendra Shriram Thakur	0.5	3.10
7	Mr. Manoj Ratilal Bhimjiyani	1	3.10
8	Ms. Meghali Umesh Surve	2	3.10
9	Mr. VasudeoRamdas Mahajan	1	3.10
10	Mr. Vishal JivanlalSancheti	1	3.10
11	Ms. Anita HanumantNahane	1.5	3.10
12	Mr. Nitin Shelke	0.5	3.10
13	Ms. Prajakta Sankarshan Joshi	1	3.10
14	M/s. Priya Construction	2	3.10
15	Ms. Radhika Sunil Atole	1	3.10
16	Mr. Rahul PritamsinghUpwanshi	1	2.93
17	Mr. Ravikant Panditrao Kalane	1	3.10
18	Ms. Rupali Somraj Telkhede	2	3.10

Sr. No.	Name of Bidder	Capacity per location MW	Tariff rate Rs. PU
19	Mr. Shantling Malshetty Patil	1	3.10
20	Ms. Shilpa Pankaj Mundhada	1	3.10
21	M/s. Siddhi Petrol Pump	0.5	3.10
22	Mr. Sumant Mahajan	2	3.10
23	Mr. Sumit Telkhade	2	3.10
24	M/s. Three SSS Builders	0.5	3.10
25	Mr. Umakant Paliwal	1.25	3.10
26	Mr. Vaibhav Swarupchand Bardiya	1	3.10
27	M/s. Wada Pure Veg	0.5	3.10
28	Mr. Yashwant Wadive	1	3.10
	Total	31.75	

Above discovered rate is comparable to the recently adopted rate of Rs. 3.09 P.U. to 3.10 P.U. for 0.5 to 2 MW projects PM-KUSUM (Component A) vide Order dated 16 February 2022 in Case No. 9 of 2022. It is pertinent to note that under PM-KUSUM Component-A scheme, MSEDCL will get procurement-based incentive (Rs. 0.40 P.U. or Rs. 6.6 lakh per MW of installed capacity, whichever is less) from MNRE for first 5 years from CoD of the project. Therefore, tariff discovered in present bidding process is reflective of current market trends and the impact on the tariff to the consumers will offset to the extent of procurement-based incentive.

9. Accordingly, in line with the mandate under Section 63 of the Electricity Act 2003, the Commission deems it fit to adopt and approve tariff as highlighted in above para 8 for 31.75 MW Cumulative Solar projects on long term basis (for the period of 25 years) under PM-KUSUM Component-A scheme.
10. Having ruled as above, the Commission notes that as against 487 MW capacity allocated by MNRE, only 31.75 MW bids have been received. Considering benefit under PM-KUSUM scheme, MSEDCL needs to take extra efforts to provide adequate publicity to the scheme so that more and more bids are received.
11. Hence, the following Order.

ORDER

- 1. Case No. 23 of 2022 is allowed.**
- 2. The Commission accords its approval for procurement of 31.75 MW on long term basis from solar generator as stated in Para 8. Parties shall sign the PPA based on**

documents published during bidding process. This signing shall be completed within 30 days from issuance of this Order. MSEDCL shall submit a copy of the PPA to the Commission within 15 days of entering into it.

3. The Solar Power procured from these projects shall be eligible towards fulfilment of Maharashtra State Electricity Distribution Co. Ltd.'s Solar RPO for the respective periods.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(I.M. Bohari)
Member

Sd/-
(Sanjay Kumar)
Chairperson


(Abhijit Deshpande)
Secretary

