

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
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Case No. 68 of 2012

Dated: 18 January, 2013, 10:30 hrs.

CORAM: Shri V. P. Raja, Chairman

In the matter of:

Adani Power Maharashtra Limited

.....Petitioner

V/s

Maharashtra State Electricity Distribution Company Limited

.....Respondent

Advocates/Representatives of the Petitioner:

Shri Aspi Chenoy (Advocate)

Shri Sanjay Sen (Advocate)

Shri Santosh Kamat

Shri Kandarp Patel

Advocates/Representatives of the

Shri Chirag Balsara

Respondent:

Shri Ashok Chavan

Consumer Representatives:

Dr. Ashok Pendse, Thane Belapur Industries

Association

Ms. Ashwini Chitnis, Prayas Energy Group

Daily Order

Heard the Advocates and the representatives for the Petitioner, Advocates of the Respondent and the Consumer Representatives.

As presented by the Petitioner, the levelled Tariff of Rs.2.64 per kWh appears to be financially unviable. In case, the termination of PPA is accepted, the Petitioner will be free from contractual obligations, whereas, MSEDCL will have to procure power from alternative sources. Fresh procurement from alternative sources of power is likely to result in considerably higher tariffs and will impact the consumers of MSEDCL. Therefore, the Commission directs APML and MSEDCL to make efforts to work out options for feasible Tariffs amicably in line with the enabling provisions of Article 17.2 of the PPA. The parties are directed to keep the following aspects in perspective in their efforts to reach an amicable solution:

- (a) Legal and contractual provisions including sanctity of the contract;
- (b) Protection of investment made in generating asset in rural part of Maharashtra ;
- (c) Interest of other stakeholders, i.e., consumers, lenders, etc., is protected;
- (d) Non availability of generation capacity (1320 MW) to MSEDCL; and
- (e) Tariff is reasonable and competitive considering the other supply options.

MSEDCL is directed to submit the copy of Minutes of Meeting of the pre-bid meetings for Case 1 Stage-I bid process.

The Commission has appointed Shri Harinder Toor, Advocate as amicus curiae in line with the provisions of Regulation 21(d) of the Maharashtra Electricity Regulatory Commission (Conduct of Business) Regulations, 2004.

Post the matter for further hearing on 23 January, 2013 at 11.00 Hours

Sd/-
(V. P. Raja)
Chairman