

**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)**

COURT-II

(VACATION BENCH)

**IA NOS. 953 & 952 OF 2021 IN
APPEAL NO. 197 OF 2021 &
IA NO. 794 OF 2021**

Dated: 25th June, 2021

**Present: Hon'ble Mr. Ravindra Kumar Verma, Technical Member
Hon'ble Mr. Justice R.K. Gauba, Judicial Member**

In the matter of:

**Maharashtra State Electricity Distribution Company Ltd. Appellant (s)
Vs.**

Maharashtra Electricity Regulatory Commission & Anr. Respondent(s)

Counsel for the Appellant (s) : Mr. G. Saikumar
Mr. Sameer Malik
Mr. Mahip Singh

Counsel for the Respondent (s) : Mr Hemant Sahai
Ms Molshree Bhatnagar
Mr Nishant Talwar for R-2

ORDER

This matter has been taken up by video conference mode on account of pandemic conditions, it being not advisable to hold physical hearing.

IA NO. 953 OF 2021

[For Urgent Listing]

The matter having been listed before us, the application filed by the appellant having served its purpose stands disposed of.

IA NO. 952 OF 2021

[IA for Directions filed by R-2]

The present Appeal, being A.no. 197 of 2021, has been filed by the appellant/MSEDCL before this Tribunal challenging the order passed by Maharashtra Electricity Regulatory Commission ("MERC") on 16.02.2021 in Case No. 04 of 2021 (Impugned Order), whereunder, MERC has directed the appellant to sign Power Purchase Agreement ('PPA') with the applicant within the period of 2 weeks' from the date of the said order.

The Impugned Order has been passed by MERC directing the appellant and Avaada to execute a PPA pursuant to the Letter of Award

(LOA) issued by appellant in favour of Avaada dated 17.06.2020 for the procurement and supply of 250 MW power.

The Appellant has challenged such directions of MERC on account that there has been delay by Avaada, in terms of the RfS provisions, to submit the details of the documents for execution of PPA and Performance Bank Guarantee (PBG) of Rs. 35 Crores.

Without execution of the PPA, Avaada will not be able in a position to effectively implement the project as required in terms of the provisions of the RfS and the LOA dated 17.06.2020.

Delay in execution of the PPA/awaiting final orders in the present appeal will severely affect project implementation in committed timelines and may prove to hinder salvaging of the project in case appeal is not decided in favour of the appellant.

The learned counsel, Mr. G. Saikumar representing the appellant, on instructions, submitted that the distribution licensee/MSEDCL has no objection in signing Power Purchase Agreement (PPA) at an ad hoc rate of Rs. 2.45/unit subject to the outcome of the appeal. The effective date shall be in terms of the LOA and as agreed by the parties. The learned counsel for the appellant, on instructions, further submitted that this ad hoc tariff of Rs. 2.45/unit has been agreed to in view of the fact that this is the present prevailing price in the market on the basis of the agreement signed by Solar Energy Corporation of India (SECI) with MSEDCL.

The parties are free to sign the PPA at an ad hoc tariff of Rs. 2.45/unit subject to outcome of the appeal. For the sake of clarification, it may be added that this is not an opinion in any way on the issues raised in the appeal. All the rights and contentions of the parties are open.

In view of the submissions made by the learned counsel on both sides, the application is allowed and disposed of accordingly.

(Justice R.K. Gauba)
Judicial Member
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(Ravindra Kumar Verma)
Technical Member