



महाराष्ट्र विद्युत नियामक आयोग

Maharashtra Electricity Regulatory Commission

MERC/TARIFF/Case No. 171 of 2017/ 5109

Date: 5 January, 2018

To

The Chief Engineer
Maharashtra State Load Dispatch Centre,
Kalwa, Thane - Belapur Road,
Airoli, Navi Mumbai - 400 708

Subject: Admission of the Petition filed by Maharashtra State Load Despatch Centre (MSLDC) for approval of For Truing up of Budget Cost of Operation for FY 2015-16 & 2016-17, Provisional truing-up for FY 2017-18 and ARR forecast and determination of Fees and Charges for FY 2018-19 to FY 2019-20

- (Case No. 171 of 2017)

- Ref:** 1. Submission of Petition by MSLDC on 30 November, 2017.
2. Discussions with MSLDC held on 12 December, 2017.
3. Revised Petition received from MSLDC on 4 January, 2018.

Sir,

- 1 This is with reference to your Petition for Truing up of Budget Cost of Operation for FY 2015-16 & 2016-17, Provisional truing-up for FY 2017-18 and ARR forecast and determination of Fees and Charges for FY 2018-19 to FY 2019-20, replies to the data gaps raised before and during the discussion held on 12 December, 2017 and revised Petition submitted on **4 January, 2018**.
- 2 I am directed by the Commission to convey the admission of your Petition under Regulation 51 of the MERC (Conduct of Business) Regulations, 2004 for further processing and for conduct of Public Hearing.
- 3 MSLDC is directed to publish the approved Public Notice enclosed herewith u/s 64 (2) of the Electricity Act, 2003 as per the following guidelines, by **8 January, 2018**. The Template for Public Notice sets out the minimum information in the Notice for soliciting suggestions and objections from the public on the Petition. MSLDC is free to include additional information, as it may deem necessary.
- 4 The Public Notice should be published in two English and two Marathi daily newspapers, which have wide circulation in the State of Maharashtra, in

१३वा मजला, केंद्र क्र. १, जागतिक व्यापार केंद्र, कफ परेड, कुलाबा, मुंबई - ४०० ००५.

13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005.

Tel.: 022-2216 3964 / 2216 3965 / 2216 3969 Fax : 022-2216 3976

E-mail : mercindia@merc.gov.in / mercindia@mercindia.org.in Website : www.merc.gov.in / www.mercindia.org.in

accordance with Regulation 90 of the MERC (Conduct of Business) Regulations, 2004, on or before **8 January, 2018**.

- 5 MSLDC shall host the Executive Summary of its Petition (both in English and Marathi) and the Petition submitted to the Commission on its website besides hosting formats in MS Excel for easy download by any person. MSLDC shall make available a hard copy of the Petition to any person with all Annexures (or CD of detailed Petition with all Annexures), on written request, at the rates specified in the approved Public Notice enclosed with this letter. MSLDC shall ensure that the copies of the Annexures are legible.
- 6 MSLDC shall make available copies of the Executive Summary of its Petition (both in English and Marathi version) at its offices specified in the approved Public Notice, free of cost.
- 7 All the above Petition documents shall be made available by MSLDC in the specified form at the specified offices, latest by **8 January, 2018**.
- 8 The Petition to be made available to the public shall include the following:
 - a. Main Petition including Executive Summary
 - b. Excel Formats
 - c. Replies to Data Gaps raised, with relevant Annexures
- 9 On receipt of suggestions and objections on the Petition, MSLDC should reply to them within three days from the date of the receipt, but not later than **31 January, 2018**, for all the suggestions and objections received till **29 January, 2018**.
- 10 The Public Hearing on MSLDC's Petition will be held at the **Office of the Commission, 13th Floor, World Trade Center-1, Cuffe Parade, Colaba, Mumbai-400005** on, **31 January, 2018, Wednesday at 11.00 Hrs.**

Yours sincerely,



Pru
Prafulla Varhade
Director (EE), MERC

Encl: Approved Public Notice

Cc: Prayas (Energy Group)
Amrita Clinic, Athawale Corner
Lakdipool-Karve Road Junction
Deccan Gymkhana, Karve Road
Pune 411 004
Email: peg@prayaspune.org

Consumer Representative

Cc: Mumbai Grahak Panchayat
Grahak Bhavan
Sant Dynaneshwar Marg

Consumer Representative

Behind Cooper Hospital
Vile Parle (West), Mumbai 400 056
Email:mgpanchayat@yahoo.com

- Cc: Thane Belapur Industries Association Consumer Representative
Plot No.P-14, MIDC
Rabale Village, PO Ghansoli
Navi Mumbai 400 701
Email:tbia@vsnl.com
- Cc: Vidarbha Industries Association Consumer Representative
1st Floor, Udyog Bhawan
Civil Lines, Nagpur 440 001
Email:rkengg@gmail.com
- Cc: Maharashtra Chamber of Commerce Consumer Representative
Industry & Agriculture
Oricon House, 6th Floor
12 K, Dubhash Marg
Fort, Mumbai 400001
(Nashik Branch)
Email: maccia.nsk@gmail.com
- Cc: Chamber of Marathwada Industries & Agriculture Consumer Representative
Bajaj Bhavan, P-2, MIDC Industrial Area,
Railway Station Road,
Aurangabad – 431005
E-mail: info@cmia-aurangabad.com
- Cc: Shri Hemant Arunchandra Kapadia Individual Consumer Representative
25, Shantiniketan Colony,
Near Shani Mandir,
Aurangabad - 431 001
Email - hemantkapadia00@hotmail.com



**MAHARASHTRA STATE ELECTRICITY TRANSMISSION COMPANY LIMITED
STATE LOAD DESPATCH CENTRE, KALWA**

Thane- Belapur Road, P.O. Airoli, Navi Mumbai – 400708

Website: www.mahasldc.in

PUBLIC NOTICE

[Case No. 171 of 2017]

Inviting Suggestions/Objections on Maharashtra State Load Despatch Centre's Petition for Truing up of FY 2015-16 and FY 2016-17, Provisional Truing-up of FY 2017-18, and revised estimates for Aggregate Revenue Requirement and Determination of Fees and Charges for FY 2018-19 and FY 2019-20

1. Maharashtra State Load Despatch Centre (MSLDC) has filed a Petition for Truing up of Budget Cost of Operations for FY 2015-16 and FY 2016-17, Provisional Truing-up of FY 2017-18, revised estimates of Aggregate Revenue Requirement (ARR) and determination of Fees and Charges for FY 2018-19 and FY 2019-20 in accordance with MERC (Multi Year Tariff) Regulations(' MYT Regulations'),2015.

The filing for the Truing-up of FY 2015-16 is based on the MYT Regulations,2011 , previous Orders of the Commission on MSLDC's Operating and Capital Charges and Regulation 18.9 of the MERC (Transmission Open Access) Regulations, 2014. Filing for Truing up of FY 2016-17, Provisional Truing up of FY 2017-18 and revised estimates of ARR and Determination of Fees and Charges for FY 2018-19 and FY 2019-20 is based on the MYT Regulations, 2015 and other relevant Regulations.

2. The Commission has admitted the Petition on **5 January, 2018** and directed MSLDC to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting suggestions/objections.
3. The salient features of the Petition are provided below:

Table 1: Truing up of FY 2015-16

(Rs. Lakh)

Particulars	FY 2015-16	
	Approved in Case No. 20 of 2016	April-March (Audited)
Operating Cost Budget		
Operation & Maintenance Expenses	2261.39	2182.12
Interest on Working Capital	94.92	93.11
RLDC Fees and WRPC Charges	627.03	658.35
Sub-total (Operating Cost Budget)	2983.33	2933.59
Capital Cost Budget		
Depreciation Expenses	271.51	304.42
Interest on Loan Capital	202.52	305.75
Return on Equity Capital	178.99	224.26
Sub-total (Capital Cost Budget)	653.01	834.43
Add: Impact of Sharing of gains/(losses)		26.42
Total Expenses	3636.34	3794.44
SLDC Revenue Components		
Income from Annual SLDC Fees	675.72	675.72
Income from Monthly SLDC Operating Charges	1771.00	1884.54



Particulars	FY 2015-16	
	Approved in Case No. 20 of 2016	April-March (Audited)
SLDC Scheduling Charges	1641.05	2140.09
Rescheduling Charges	160.11	163.20
Other receipts	62.36	103.88
Total Revenue	4310.24	4967.43
Revenue Gap/(Surplus)	(673.90)	(1173.00)
Holding Cost on Revenue Surplus of FY 2014-15	(105.04)	(105.04)
Total Revenue Gap /(Surplus)	(778.94)	(1278.04)
Stand-alone Revenue gap/(surplus)	0.00	(499.10)

Table 2: Truing up of FY 2016-17

(Rs. Lakh)

Particulars	FY 2016-17	
	Approved in Case No. 20 of 2016	April to March (Audited)
Operation & Maintenance Expenses	1963.11	1994.06
Depreciation Expenses	350.92	343.48
Interest on Loan Capital	207.90	284.93
Interest on Working Capital	37.70	27.41
RLDC Fees and WRPC Charges	388.62	632.31
Reactive Energy Charges paid to Generators/TSUs	0.00	0.00
Income Tax	0.00	0.00
Total Revenue Expenditure	2948.25	3282.19
Return on Equity Capital	202.98	234.44
Total Expenditure for MSLDC	3151.24	3516.63
Less: Non-Tariff Income	17.18	262.63
Less: Income from Open Access charges	1010.36	2546.65
Less: Income from Reactive Energy Charges	0.00	0.00
Gross Annual Fixed Charges	2123.70	707.35
Add: Impact of sharing of gains/(losses)		(20.63)
Less: Adjustment of Surplus	639.53	0.00
Annual Fixed Charges for MSLDC	1484.17	686.72
Revenue approved/actual	1484.17	1698.50
Stand-alone Revenue gap/(surplus)	0.00	(1011.78)

Table 3: Provisional Truing up of FY 2017-18

(Rs. Lakh)

Particulars	FY 2017-18	
	Approved in Case No. 20 of 2016	April to March (Estimated)
Operation & Maintenance Expenses	2021.42	2146.23
Depreciation Expenses	415.34	346.69
Interest on Loan Capital	212.04	231.27
Interest on Working Capital	43.57	47.83
RLDC Fees and WRPC Charges	712.36	712.36
Reactive Energy Charges paid to	0.00	0.00



Particulars	FY 2017-18	
	Approved in Case No. 20 of 2016	April to March (Estimated)
Generators/TSUs		
Income Tax	0.00	0.00
Total Revenue Expenditure	3404.72	3484.38
Return on Equity Capital	231.20	249.50
Total Expenditure for MSLDC	3635.93	3733.88
Less: Non-Tariff Income	17.18	213.88
Less: Income from Open Access charges	1077.31	1187.85
Less: Income from Reactive Energy Charges	0.00	0.00
Gross Annual Fixed Charges	2541.45	2332.15
Less: Adjustment of Surplus	661.84	0.00
Annual Fixed Charges of MSLDC	1879.60	2332.15
Revenue approved/actual	1879.60	1879.60
Stand-alone Revenue gap/(surplus)		452.55

Table 4: Capitalisation for FY 2015-16, FY 2016-17 and FY 2017-18

(Rs. Lakh)

Capitalisation	FY 2015-16		FY 2016-17		FY 2017-18	
	Approved in Case No. 20 of 2016	April-March (Audited)	Approved in Case No. 20 of 2016	April-March (Audited)	Approved in Case No. 20 of 2016	April -March (Estimated)
Total	344.75	152.83	687.26	284.93	526.50	362.89

Table 5: Summary of Revised Estimates of Annual Fixed Charges for FY 2018-19 and FY 2019-20

(Rs. Lakh)

Particulars	FY 2018-19		FY 2019-20	
	Approved in Case No. 20 of 2016	Projected	Approved in Case No. 20 of 2016	Projected
Operation & Maintenance Expenses	2081.45	2788.56	2143.27	3148.55
Depreciation Expenses	448.75	383.48	479.92	398.12
Interest on Loan Capital	194.23	185.23	161.87	267.22
Interest on Working Capital	44.72	58.87	45.54	68.09
RLDC Fees and WRPC Charges	759.29	759.29	809.31	809.30
Reactive Energy Charges paid to Generators/TSUs	0.00	0.00	0.00	0.00
Income Tax	0.00	0.00	0.00	0.00
Total Revenue Expenditure	3528.45	4175.44	3639.91	4691.29
Return on Equity Capital	249.02	287.68	259.90	364.27
Total Expenditure for MSLDC	3777.47	4463.13	3899.80	5055.56
Less: Non-Tariff Income	17.18	188.88	17.18	163.88
Less: Income from Open Access charges	1149.28	1149.28	1226.64	1226.64
Less: Income from Reactive Energy Charges	0.00	0.00	0.00	0.00
Gross Annual Fixed Charges	2611.02	3124.97	2655.99	3665.04
Less: Adjustment of Surplus	685.83	0.00	711.62	0.00
Annual Fixed Charges for MSLDC	1925.19	3124.97	1944.36	3665.04
Revenue approved/actual	1925.19	3124.97	1944.36	3665.04
Stand-alone Revenue gap/(surplus)		0.00		
Add: Revenue gap/surplus of FY 2015-16 after final trueing-up (a)		(499.10)		



Particulars	FY 2018-19		FY 2019-20	
	Approved in Case No. 20 of 2016	Projected	Approved in Case No. 20 of 2016	Projected
Add: Revenue gap/surplus of FY 2016-17 after truing-up (b)		(1011.78)		
Add: Revenue gap/surplus of FY 2017-18 after provisional truing-up (c)		452.55		
Additional impact due to past period expense & gap/(surplus) = (a)+(b)+(c)		(1058.33)		
Amortization of Surplus over FY 2018-19 and FY 2019-20		(529.16)		(529.16)
Net Annual Fixed Charges for MSLDC		2595.80		3135.88

Table 6: Proposed Capitalisation for FY 2018-19 and FY 2019-20

(Rs. Lakh)

Capitalisation	FY 2018-19		FY 2019-20	
	Approved in Case No. 20 of 2016	Projected	Approved in Case No. 20 of 2016	Projected
Total	240.00	1279.50	227.70	2014.50

Table 7: Base Transmission Capacity Rights for FY 2016-17 and shares

Sr. No	Transmission System Users	MW (Projected)	In % (Projected)
1	MSEDCL	16106	83.20%
2	TPC-D	780	4.03%
3	R Infra-D	1360	7.03%
4	BEST	785	4.05%
5	M/s. Mindspace Business Parks Pvt. Ltd. (MBPPL)	14	0.07%
6	M/s. MADC	0	0.00%
7	M/s. Central Railway (Indian Railway)	305	1.57%
8	M/s. Indo Rama Synthetics Ltd. (IRSL)	10	0.05%
	Total	19359	100%

Table 8: Sharing of MSLDC Charges for FY 2018-19 and FY 2019-20

(Rs. Lakh)

Sr. No.	Sharing of MSLDC Charges	FY 2018-19	FY 2019-20
1	MSEDCL	2159.60	2608.91
2	TPC-D	104.53	126.28
3	R Infra-D	182.40	220.35
4	BEST	105.22	127.11
5	M/s. Mindspace Business Parks Pvt. Ltd. (MBPPL)	1.89	2.29
6	M/s. MADC	0	0
7	M/s. Central Railway (Indian Railway)	40.88	49.38
8	M/s. Indo Rama Synthetics Ltd. (IRSL)	1.29	1.56
	Total	2595.80	3135.88



Table 9: Proposed MSLDC Charges for FY 2018-19 and FY 2019-20 - Rs./MW/Month

Monthly MSLDC Charges	FY 2018-19	FY 2019-20
Total MSLDC Charges (Rs. Lakh)	2595.80	3135.88
Base Transmission Capacity Right (MW)	21342.90	22410.05
Proposed MSLDC charges (Rs/MW/Month)	1013.53	1166.10

Table 10: Existing Fees vs. Proposed Fees for FY 2018-19 and FY 2019-20

Sr. No	Particulars	Existing fees	Proposed fees
1	Registration/Connection Fees	Rs 20,000 Per connection	Rs 20,000 Per connection
2	Scheduling Fees	Rs 2,250 Per day	Rs 2,250 Per day
3	Re-scheduling Fees	Rs 2,250 Per day	Rs 2,250 Per day
4	STOA Application processing Fees	Rs 7,500 Per day	Rs 7,500 Per day
5	REC processing fees	Rs 1,000 Per Application	Rs 1,000 Per Application

4. Copies of the following documents can be obtained on written request from the office of MSLDC mentioned below.
- Executive Summary of the proposals (free of cost, in Marathi/English).
 - Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by Cash/DD) drawn on “Maharashtra State Electricity Transmission Company Ltd.”
 - Detailed Petition documents (in English) (on payment of Rs. 100/-)
 - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office	Address	Tele / Fax No.	Email
Maharashtra State Load Desptach Centre	Thane-Belapur Rd., P.O. Airoli, Navi Mumbai - 400708	Tele: +91-22-27601765/1766 Fax: +91-22-27601769/2936	cesldc@mahasldc.in

5. The Commission has directed MSLDC to invite Suggestions/Objections from the public on its Petition through this Notice. Suggestions/objections may be submitted in English or in Marathi, in six (1+5) copies, to the **Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005** ; or by Fax or E-mail [Fax: 022 22163976 E-Mail: mercindia@merc.gov.in] by **30 January ,2018** , along with proof of service on MSLDC [Office of the Chief Engineer, Maharashtra State Load Despatch Centre, Thane-Belapur Rd., P.O. Airoli, Navi Mumbai 400708, Fax No. 91-22-27601769, E-mail Id: cesldc@mahasldc.in/cesldc@mahatransco.in], and should carry the full name, postal address and E-mail address, if any, of the sender. It should be indicated whether suggestions/ objections are being filed on behalf of any organization or category of consumers. It should also be mentioned if the sender wants to be heard in person, in which case opportunity would be given by the Commission at the Public Hearing to be held at the **Office of the Maharashtra Electricity Regulatory Commission, 13th Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005 on Wednesday, 31 January, 2018 at 11.00 Hours**, for which no separate notice will be given.
6. MSLDC shall reply to each of the Suggestions/ Objections within three days of their receipt but not



later than **31 January, 2018** for all the suggestions/objections received till **29 January, 2018**. Rejoinders may be submitted on the replies provided by MSLDC either during the Public Hearing or by **7 February, 2018**.

7. The detailed Petition document and the Executive Summary are available on MSLDC's website www.mahaslhc.in, and the Executive Summary is also available on the websites of the Commission www.mercindia.org.in/www.merc.gov.in, in down loadable format (free of cost).

Place: Airoli, Navi Mumbai
Date: XX January, 2018

Dr. Sanjay S. Kulkarni
Chief Engineer, MSLDC

