

**PUBLIC NOTICE**

Suggestions/Objections on Adani Electricity Mumbai Limited - Transmission Petition for approval of Truing-up of ARR for FY 2017-18 and FY 2018-19, Provisional Truing-up of ARR for FY 2019-20 and Determination of ARR for the 4th Control Period from FY 2020-21 to FY 2024-25 (Case No. 297 of 2019)

- Adani Electricity Mumbai Limited - Transmission (AEML-T) has filed a Petition for Approval of Truing-Up of ARR for FY 2017-18 & FY 2018-19, Provisional Truing-Up of ARR for FY 2019-20 as per MERC MYT Regulations, 2015 and Determination of ARR for 4th Control Period from FY 2020-21 to FY 2024-25 as per MERC MYT Regulations, 2019.
- The Commission has admitted the Petition on 10 December, 2019 and directed AEML-T to publish a Public Notice under Section 64 (2) of the Electricity Act, 2003 for inviting suggestions/objections from the Public through this Notice.
- The salient features of the Petition are provided below wherein the approved figures are as per MERC Order in Case No. 201 of 2017 dated 12 September, 2018.

**Table 1: Capitalization for Truing-up of FY 2017-18 & FY 2018-19, Provisional Truing-up of FY 2019-20 and for Fourth Control Period FY 2020-21 to 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
		Approved	Audited	Approved	Audited	Approved	Proposed
1	Capitalization	84.29	84.29	19.17	30.69	383.17	349.33

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	Capitalization	698.57	1,175.30	839.82	5,892.13	999.43

**Table 2: Truing-up of FY 2017-18 & FY 2018-19 and Provisional Truing-up of FY 2019-20 (Rs. Crore)**

Sr. No.	Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
		Approved	Audited	Approved	Audited	Approved	Proposed
1	Operation & Maintenance (O&M) Expenses	56.53	59.12	59.99	60.51	64.69	64.76
2	Depreciation Expenses	64.78	64.78	69.19	68.95	79.54	74.57
3	Interest on Loan Capital including financing and refinancing charges	56.94	54.89	49.15	81.27	55.78	50.50
4	Interest on Working Capital (IoWC)	5.97	-	5.26	3.25	5.79	5.83
5	Income Tax	22.85	27.48	22.85	22.44	22.85	22.44
6	Contribution to contingency reserves	3.76	3.76	3.97	3.97	4.02	4.04
7	<b>Total Revenue Expenditure</b>	<b>210.83</b>	<b>210.04</b>	<b>210.41</b>	<b>240.39</b>	<b>232.67</b>	<b>222.14</b>
8	Add: Return on Equity Capital	78.31	78.31	80.71	80.90	90.06	89.66
9	<b>Aggregate Revenue Requirement (ARR)</b>	<b>289.14</b>	<b>288.35</b>	<b>291.12</b>	<b>321.29</b>	<b>322.73</b>	<b>311.79</b>
10	Less: Non-Tariff Income	4.37	4.59	3.82	5.72	4.21	3.77
11	Less: Income from Other Business	0.09	0.09	0.09	0.11	0.09	-
12	Add: Incentive on Transmission Availability	-	2.15	-	2.43	-	-
13	Add: Sharing of gains/ (losses) of O&M	-	(1.56)	-	(0.00)	-	-
14	Add: Sharing of gains/ (losses) of IoWC	-	1.99	-	0.82	-	-
15	Add: Sharing of gains/ (losses) of refinancing of loan	-	-	-	4.67	-	-
16	<b>Net ARR from Transmission Business</b>	<b>284.69</b>	<b>286.26</b>	<b>287.21</b>	<b>323.37</b>	<b>318.44</b>	<b>308.03</b>
17	Add: Gap of Past Years till FY 2017-18	-	-	(13.52)	(13.52)	-	-
18	Add: Carrying Cost/ (Holding Cost) of Past Years	-	-	4.57	4.57	-	-
19	<b>Total ARR from Transmission</b>	<b>284.69</b>	<b>286.26</b>	<b>278.26</b>	<b>314.42</b>	<b>318.44</b>	<b>308.03</b>
20	ARR recovered through Transmission Tariff/ Approved	310.15	308.79	278.26	295.19	318.44	318.44
21	<b>Revenue Gap/ (Surplus)</b>	<b>(25.46)</b>	<b>(22.54)</b>	<b>-</b>	<b>19.23</b>	<b>-</b>	<b>(10.41)</b>

**Table 3: Projected ARR for FY 2020-21 to FY 2024-25 (Rs. Crore)**

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Operation & Maintenance (O&M) Expenses	62.40	73.76	91.15	113.08	133.53
Depreciation	105.28	148.92	193.47	357.83	522.44
Interest on Loan Capital including financing charges	75.55	123.41	171.74	360.03	538.49
Interest on Working Capital	7.07	9.59	12.90	20.69	33.40
Contribution to contingency reserves	4.91	6.66	9.60	11.70	26.43
<b>Total Revenue Expenditure</b>	<b>255.21</b>	<b>362.34</b>	<b>478.86</b>	<b>863.33</b>	<b>1,254.28</b>
Return on Equity Capital	138.15	190.94	247.71	437.37	631.52
<b>Gross Aggregate Revenue Requirement</b>	<b>393.36</b>	<b>553.28</b>	<b>726.57</b>	<b>1,300.69</b>	<b>1,885.79</b>
Less: Non-Tariff Income	2.63	2.63	2.63	2.63	2.63
<b>Net Aggregate Revenue Requirement</b>	<b>390.74</b>	<b>550.65</b>	<b>723.94</b>	<b>1,298.06</b>	<b>1,883.17</b>
Add: Gap/ (Surplus) for True-up for FY 2017-18 - Incremental	2.92				
Add: Gap/ (Surplus) for True-up for FY 2018-19	19.23				
Add: Gap/ (Surplus) for provisional True-up for FY 2019-20	(10.41)				
Add: Carrying Cost/ (Holding Cost) for FY 2017-18 to FY 2018-19	0.89				
Add: Impact of MTR Review Petition Case No. 315 of 2018	(1.75)				
<b>Total Annual Revenue Requirement including past gaps</b>	<b>401.63</b>	<b>550.65</b>	<b>723.94</b>	<b>1,298.06</b>	<b>1,883.17</b>

- Copies of the following documents can be obtained on written request from the office of AEML.
  - Executive summary of the proposal (free of cost, in Marathi/English).
  - Detailed Petition document along with CD (in English) (on payment of Rs. 150/- by Cash/ DD drawn on "Adani Electricity Mumbai Limited", payable at "Mumbai").
  - Detailed Petition document (in English) (on payment of Rs. 100/-).
  - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office	Address	Telephone/Fax No.	Email
Office	Mr. Vivek Mishra, Additional Vice President- Business Regulatory Adani Electricity Mumbai Limited, CTS 407/A (New), 408 (Old), Village Eksar, Devidas Lane, Off SVP Road, Borivali (West), Mumbai 400103	Tel: 30099999 Fax: 30098557	vivek.g.mishra@adani.com

- The Commission has directed AEML-T to invite Suggestions/Objections from the public on the above Petition through this Notice which may be sent to **The Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400005, or by Fax [022 22163976], or by E-mail [mercindia@merc.gov.in] by 3 January, 2020**, along with proof of service on Mr. Vivek Mishra, Additional Vice President-Business Regulatory, Adani Electricity Mumbai Limited, CTS 407/A (New), 408 (Old), Village Eksar, Devidas Lane, Off SVP Road, Borivali (West), Mumbai 400103 [Fax: 022 30098557, Email: vivek.g.mishra@adani.com]
- Every person who intends to file Suggestions/Objections can submit the same in English or in Marathi, in six copies (1+5) personally or by post or by fax or by E-mail, and should mention the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the 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, whereby opportunity would be given by the Commission in the **Public Hearing to be held at Office of the Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400005 on 7 January, 2020 at 10.00 Hrs.**, for which no separate notice will be given.
- AEML-T shall reply to each of the Suggestions/Objections received within three days of the receipt of the same but not later than **6 January, 2020** for all the Suggestions/Objections received till **3 January, 2020**. Stakeholders can submit their rejoinders on replies provided by AEML-T either during the public hearing or latest by **9 January, 2020**.
- The detailed Petition document and the Executive Summary are available on AEML-T's website <https://www.adanielectricity.com/Regulatory> and the Executive Summary is also available on the website of the Commission [www.merc.gov.in](http://www.merc.gov.in) in downloadable format (free of cost).