

PUBLIC NOTICE

Inviting Suggestions/Objections on Petition of Adani Electricity Mumbai – Generation Business for Truing up for FY 2017-18 & FY 2018-19, Provisional Truing up for FY 2019-20 and approval of ARR and Tariff for each year of Control Period from FY 2020-21 to FY 2024-25. [Case No. 298 of 2019]

- Adani Electricity Mumbai Limited - Generation Business (AEML-G) has filed Multi Year Tariff (MYT) Petition for approval of Truing up of Aggregate Revenue Requirement (ARR) for FY 2017-18 and FY 2018-19, Provisional Truing up of FY 2019-20 in accordance with MERC (Multi Year Tariff) Regulations, 2015 and approval of ARR and Tariff for Control Period of FY 2020-21 to FY 2024-25 in accordance with MERC (Multi Year Tariff) Regulations, 2019.
- The Commission has admitted the Petition on 10 December, 2019 and directed Adani Energy Mumbai Limited-G to publish a Public Notice under Section 64 (2) of the Electricity Act, 2003 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. 202 of 2017 dated 12th September, 2018.

Table 1: Operational Performance for FY 2017-18, FY 2018-19 and FY 2019-20

Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
	Approved	Audited	Approved	Audited	Approved	Proposed
Availability (%)	94.20	94.20	95.07	96.09	95.08	93.32
Plant Load Factor (%)	80.56	80.69	95.07	82.58	95.08	83.42
Heat Rate (kCal/kWh)	2450	2312	2450	2273	2450	2450
Aux Power Consumption (excluding FGD) (%)	8.30	8.30	8.50	8.18	8.50	8.50
Aux Power Consumption for FGD Plant (MU)	45.89	51.05	45.89	53.18	45.89	53.18
Aux Power Consumption including FGD Plant (%)	9.6	9.75	9.6	9.65	9.6	9.96
Gross Generation (MU)	3528.56	3534.23	4164.00	3617.01	4176.00	3653.79
Net Generation (MU)	3189.80	3189.80	3764.17	3268.03	3775.15	3290.05

Table 2: Truing-up for FY 2017-18 & FY 2018-19 and Provisional Truing-up for FY 2019-20

(Rs. Crore)

Sr. No.	Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
		Approved	Audited	Approved	Audited	Approved	Proposed
A	Expenditure						
1.	Total Fuel Related Expenses	1,050.19	1,070.25	1270.52	1,177.98	1274.18	1,226.83
2.	Operation & Maintenance (O&M) Expenses	158.20	156.59	159.68	177.29	166.31	180.52
3.	Depreciation	30.90	31.59	33.52	34.32	36.01	34.56
4.	Interest on Long-term Loan Capital including financing and refinancing charges	19.87	18.98	18.4	18.29	17.4	15.78
5.	Interest on Working Capital (IoWC)	13.36	0.00	11.97	8.23	12.08	22.52
6.	Other Expenses	-	-	-	3.53	-	-
7.	Refinancing Cost	-	-	-	12.10	-	-
8.	NPV of Interest cost saving	-	-	-	1.50	-	-
9.	Income Tax	28.44	20.10	28.44	0	28.44	37.73
B	Total Revenue Expenditure	1,300.97	1,297.51	1522.53	1,433.24	1534.42	1,517.93
10.	Add: Return on Equity	92.34	92.64	94.33	94.85	95.88	96.62
C	Aggregate Revenue Requirement	1393.31	1390.15	1,616.86	1528.09	1630.3	1,614.55
11.	Add: Incentive (PLF, Hydro Incentive)	-	-	-	-	-	-
12.	Add: 1/3rd of Efficiency gain/ (Losses) in Fuel expenses	-	21.28	-	33.02	-	-
13.	Add: 1/3rd of Efficiency gain/ (2/3rd of losses) in O&M Expenses	-	0.92	-	-4.35	-	-
14.	Add: 1/3rd of Efficiency gain/ (losses) in (IoWC)	-	7.40	-	5.26	-	-
15.	Previous year surplus	-	-	-153.91	-153.91	-	-
D	Net Aggregate Revenue Requirement	1,393.31	1,419.76	1462.95	1,408.12	1630.3	1,614.55
E	Revenue						
16.	Revenue from sale of electricity	1,468.76	1,468.76	1453.46	1,450.07	1620.81	1,573.45
17.	Non-Tariff Income	17.27	17.06	9.49	12.25	9.49	18.93
F	Total Revenue	1,486.03	1,485.82	1462.95	1,462.31	1630.3	1,592.38
G	Revenue Gap/(Surplus) = (D – F)	-92.72	-66.06	0	-54.20	0	22.17

- AEML-G has sought the approval of the Hon'ble Commission on impact of review Order in Case No 316 of 2018 with respect to additional capitalization allowed for FY 2015-16 and FY 2016-17 of Rs 0.04 Crore and Rs. 0.20 Crore respectively. The impact of additional allowances in ARR along with carrying cost on the same is reflected as part of ARR for FY 2020-21.
- The summary of ARR projections for Approval in Petition for the Control period from FY 2020-21 to FY 2024-25 are provided below:

Table 3: Projected ARR for for the Control Period FY 2020-21 to FY 2024-25

(Rs. Crore)

Sr.No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
A	Expenditure					
1	Fuel Related Expenses	1,374.18	1,374.18	1,374.18	1,378.10	1,374.18
2	Operation & Maintenance (O&M) Expenses	177.93	183.42	183.42	189.08	189.08
3	Depreciation	36.35	39.58	41.34	35.03	36.11
4	Interest on Long-term Loan Capital including financing and refinancing charges	17.22	20.14	21.60	22.59	24.90
5	Interest on Working Capital (IoWC)	22.58	22.72	22.86	23.01	23.09
6	Other Expenses	-	-	-	-	-
B	Total Revenue Expenditure	1,628.26	1,640.04	1,643.40	1,647.81	1,647.36
7	Add: Return on Equity	121.21	126.87	131.42	135.38	140.29
8	Less: Non Tariff Income	-18.93	-18.93	-18.93	-18.93	-18.93
C	Aggregate Revenue Requirement	1,730.53	1,747.98	1,755.88	1,764.26	1,768.72
	Revenue gap/ (Surplus) of previous years	-17.10				
D	Net Aggregate Revenue Requirement	1,713.44	1,747.98	1,755.88	1,764.26	1,768.72

Table 4: Tariff Proposal for the Control Period FY 2020-21 to FY 2024-25

Particulars	Unit	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Annual Fixed Charge	Rs. Cr	339.26	373.80	381.70	386.16	394.54
Variable Cost	Rs. Cr	1,374.18	1,374.18	1,374.18	1,378.10	1,374.18
Energy Charge	Rs./kWh	3.714	3.714	3.714	3.714	3.714

- Copies of the following documents can be obtained on written request from the offices of Adani Electricity Mumbai Limited-G:
 - Executive Summary of the Petition (free of cost, in Marathi or English).
 - Detailed Petition documents along with CD (in English) (on payment of Rs.150/- by Cash/ DD/Cheque) drawn on "Adani Electricity Mumbai Limited", Payable at Mumbai.
 - Detailed Petition documents (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-G 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, by post/courier/by hand or by Fax or E-mail [Fax: 022 22163976, E-mail Id: mercindia@merc.gov.in] by Friday, 3rd 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] and should carry the full name, postal address and E-mail address, if any, of the sender. It should be indicated whether the Suggestion/Objection is 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 Commission, 13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005 on Tuesday, 7th January, 2020 at 10.00 Hrs.**, for which no separate notice will be given.
- AEML-G shall reply to each of the Suggestions/ Objections received within three days of its receipt, but not later than **Monday, 6th January, 2020**, for all the Suggestions/Objections received till **Friday, 3rd January, 2020**. Rejoinders may be submitted on the replies provided by AEML-G either during the Public Hearing or by **Friday, 10th January, 2020**.
- The detailed Petition document and the Executive Summary are available on AEML-G's website <https://www.adanielectricity.com/Regulatory> and the Executive Summary is also available on the websites of the Commission www.merc.gov.in in downloadable format (free of cost).