

# SANJAY B. PATIL

## CONSTRUCTION | ENERGY | MINING

Registered Office: 250/B/1A, 'E' Ward, Mahavir College Chowk, Collector Office Road,  
Near Sahyadry Complex, Nagala Park, Kolhapur, Maharashtra - 416 003. Website: [www.sanjaypatil.in](http://www.sanjaypatil.in)

### PUBLIC NOTICE

[ Case No. 22 of 2022 ]

**Suggestions/ Objections on M/s. Sanjay B. Patil's Petition for determination of Project Specific Tariff for Jambre Hydro Electric Project (JHEP) (1 x 2MW) under Regulation 9.1& 10.2 of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019 and Section 62 (1) (a) & 86 (1) (e) of the Electricity Act, 2003.**

- M/s. Sanjay B. Patil (SBP) has filed a Petition for determination of Project Specific Tariff for Jambre Hydro Electric Project (JHEP) (1 x 2MW) located at Jambredam, Dist. Kolhapur under Regulation 9.1& 10.2 of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019 and Section 62(1)(a) and 86(1)(e) of the Electricity Act, 2003.
- The Commission has admitted the Petition on 08 September 2022 and directed SBP to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions/Objections from the Public.
- SBP has prayed as under:
  - To admit the Petition seeking approval for Project Specific Tariff for Jambre Hydro Electric Project of capacity 2 MW located at Jambre dam, near Jambre Village, Tal. Chandgad, Dist. Kolhapur;
  - To approve Project Specific Tariff of Rs 7.03/kWh for Jambre Hydro Electric Project of capacity 2 MW located at Jambre dam, near Jambre Village, Tal. Chandgad, Dist. Kolhapur;
  - To allow the recovery of land lease rent, water cess, maintenance charges to be paid to Government of Maharashtra on actual basis during tariff period;
  - To direct MSEDCL to consider metering point at generation end instead of substation end.
  - To invoke its power under Regulation 74 - Power to relax and Regulation 77 - Power to remove difficulties in order to allow the deviations from MERC RE Tariff Regulations, 2019, wherever sought in this Petition;
  - To allow additions/alterations/modifications/changes to the Petition at a future date;
  - To allow any other relief, order or direction, which the Hon'ble Commission deems fit to be issued;
  - To condone any error/ omission and to give opportunity to rectify the same;
- The salient features of the Petition are provided below:

**Table 1: Capital Cost Break-up for proposed (1 x 2) MW Small Hydro Project at Jambre Dam Dist. Kolhapur (Rs Lakh)**

S.No.	Project Cost	Amount
1.	Preliminary Work, Government fees and premium and other works	222.04
2.	Civil Works	432.27
3.	Hard Cost	569.92
4.	Overhead and Establishment Works	27.90
5.	Evacuation Works	310.90
6.	IDC	458.53
7.	<b>Grand Total</b>	<b>2021.55</b>

**Table 2: Parameter Assumptions**

S.No.	Assumption Head	Sub-Head	Sub-Head (2)	Unit	Assumptions	
1	Power Generation	Capacity	Installed Power Generation Capacity	MW	2.00	
			Capacity Utilization Factor	%	30%	
			Auxiliary Consumption	%	1.00%	
			Useful Life	Years	35.00	
2	Project Cost	Capital Cost/MW	Power Plant Cost	RsLacs/MW	2021.55	
3	Sources of Fund		Tariff Period	Years	35.00	
			Debt: Equity	Debt	%	70%
				Equity	%	30%
				Total Debt Amount	RsLacs	1,415.09
			Debt Component	Total Equity Amount	RsLacs	606.47
				Loan Amount	RsLacs	1415.09
				Repayment Period (incl. Moratorium)	years	12
			Equity Component	Interest Rate	%	11.25%
				Equity amount	RsLacs	606.47
				Return on Equity	% p.a.	14%
RoE Period	Year	35				
			Weighted average of ROE		18.71%	
			Discount Rate		10.09%	
4	Financial Assumptions	Fiscal Assumptions	Corporate Tax Rate	%	25.168%	
			Depreciation	Depreciation Rate for first 12 years	%	5.83%
			Depreciation Rate 13th year onwards	%	0.87%	
5	Working Capital		For Fixed Charges			
			O&M Charges		Months	1.00
			Maintenance Spare	(% of O&M expenses)		15%
			Receivables for Debtors		Months	2.00
			Interest On Working Capital		%	8.57%
6	Operation & Maintenance		Power Plant - Base Year		RsLacs/MW	36.39
			Escalation Factor		%	2.28%

**Table 3: Determination of Tariff component**

Year	Unit	1	2	3	4	5	6	7	8	9
Net Energy Sold	MU	5.20	5.20	5.20	5.22	5.20	5.20	5.20	5.22	5.20
<b>Costs</b>										
Depreciation	Rs.Lakhs	117.92	117.92	117.92	117.92	117.92	117.92	117.92	117.92	117.92
Return On Equity	Rs.Lakhs	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46
Interest On Capital	Rs.Lakhs	152.56	139.30	126.03	112.76	99.50	86.23	72.97	59.70	46.43
Interest On Working Capital	Rs.Lakhs	8.10	7.96	7.83	7.70	7.57	7.44	7.31	7.18	7.06
O & M Cost	Rs.Lakhs	72.78	74.43	76.13	77.86	79.64	81.45	83.31	85.21	87.15
<b>Total Cost</b>	Rs.Lakhs	<b>464.82</b>	<b>453.08</b>	<b>441.38</b>	<b>429.71</b>	<b>418.09</b>	<b>406.51</b>	<b>394.97</b>	<b>383.47</b>	<b>372.02</b>
<b>Net Tariff</b>	Rs./kWh	<b>8.93</b>	<b>8.71</b>	<b>8.48</b>	<b>8.24</b>	<b>8.03</b>	<b>7.81</b>	<b>7.59</b>	<b>7.35</b>	<b>7.15</b>
Year	Unit	10	11	12	13	14	15	16	17	18
Net Energy Sold	MU	5.20	5.20	5.22	5.20	5.20	5.20	5.22	5.20	5.20
<b>Costs</b>										
Depreciation	Rs.Lakhs	117.92	117.92	117.92	17.58	17.58	17.58	17.58	17.58	17.58
Return On Equity	Rs.Lakhs	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46
Interest On Capital	Rs.Lakhs	33.17	19.90	6.63	0.00	-	-	-	-	-
Interest On Working Capital	Rs.Lakhs	6.94	6.81	6.69	5.22	5.29	5.37	5.45	5.53	5.61
O & M Cost	Rs.Lakhs	89.13	91.16	93.24	95.37	97.54	99.76	102.03	104.36	106.74
<b>Total Cost</b>	Rs.Lakhs	<b>360.62</b>	<b>349.26</b>	<b>337.95</b>	<b>231.62</b>	<b>233.87</b>	<b>236.17</b>	<b>238.52</b>	<b>240.93</b>	<b>243.39</b>
<b>Net Tariff</b>	Rs./kWh	<b>6.93</b>	<b>6.71</b>	<b>6.48</b>	<b>4.45</b>	<b>4.49</b>	<b>4.54</b>	<b>4.57</b>	<b>4.63</b>	<b>4.68</b>
Year	Unit	19	20	21	22	23	24	25	26	27
Net Energy Sold	MU	5.20	5.22	5.20	5.20	5.20	5.22	5.20	5.20	5.20
<b>Costs</b>										
Depreciation	Rs.Lakhs	17.58	17.58	17.58	17.58	17.58	17.58	17.58	17.58	17.58
Return On Equity	Rs.Lakhs	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46
Interest On Capital	Rs.Lakhs	-	-	-	-	-	-	-	-	-
Interest On Working Capital	Rs.Lakhs	5.70	5.78	5.87	5.96	6.06	6.15	6.25	6.35	6.45
O & M Cost	Rs.Lakhs	109.17	111.65	114.20	116.80	119.46	122.18	124.97	127.81	130.73
<b>Total Cost</b>	Rs.Lakhs	<b>245.90</b>	<b>248.48</b>	<b>251.11</b>	<b>253.80</b>	<b>256.56</b>	<b>259.37</b>	<b>262.25</b>	<b>265.20</b>	<b>268.21</b>
<b>Net Tariff</b>	Rs./kWh	<b>4.73</b>	<b>4.76</b>	<b>4.83</b>	<b>4.88</b>	<b>4.93</b>	<b>4.97</b>	<b>5.04</b>	<b>5.10</b>	<b>5.15</b>
Year	Unit	28	29	30	31	32	33	34	35	
Net Energy Sold	MU	5.22	5.20	5.20	5.20	5.22	5.20	5.20	5.20	
<b>Costs</b>										
Depreciation	Rs.Lakhs	17.58	17.58	17.58	17.58	17.58	17.58	17.58	17.58	
Return On Equity	Rs.Lakhs	113.46	113.46	113.46	113.46	113.46	113.46	113.46	113.46	
Interest On Capital	Rs.Lakhs	-	-	-	-	-	-	-	-	
Interest On Working Capital	Rs.Lakhs	6.55	6.66	6.76	6.88	6.99	7.11	7.22	7.35	
O & M Cost	Rs.Lakhs	133.70	136.75	139.87	143.05	146.31	149.65	153.06	156.54	
<b>Total Cost</b>	Rs.Lakhs	<b>271.30</b>	<b>274.45</b>	<b>277.67</b>	<b>280.97</b>	<b>284.34</b>	<b>287.79</b>	<b>291.32</b>	<b>294.93</b>	
<b>Net Tariff</b>	Rs./kWh	<b>5.20</b>	<b>5.27</b>	<b>5.34</b>	<b>5.40</b>	<b>5.45</b>	<b>5.53</b>	<b>5.60</b>	<b>5.67</b>	

**Table 4: Levelised Tariff - Levelised Tariff for 35 years (Rs/kWh) 7.03**

- The Commission has directed SBP to invite Suggestions/Objections from the Public on its Petition through this Notice. In response to the Public Notice published, every person who intends to file suggestions/ objections can submit the same in English or Marathi language in writing through electronic means/Email: [ehearing@merc.gov.in](mailto:ehearing@merc.gov.in) / [secretary@merc.gov.in](mailto:secretary@merc.gov.in) addressed to **The Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005** on or before 5 PM on 04 October 2022 along with proof of service on Shri. Sanjay B Patil ( e-mail: [info@sanjaypatil.in](mailto:info@sanjaypatil.in) ). Suggestions and/or objections received after the specified date shall not be considered. SBP shall reply to each of the objections /comments received within three days of the receipt of the same but not later than **08 October 2022** for all the objections/comments received till **05 October 2022**. Stakeholders can submit their rejoinders on replies provided by SBP either during the public hearing or latest by **17 October 2022**.
- If the sender/objector who has submitted his comments/suggestions as per para 5 above and wants to be heard in person in e-Public Hearing, then he should specifically mention the same at the time of filing of suggestions /objections. In such cases, submission of valid email ID and Mobile Number would be mandatory. The Commission at its sole discretion, may permit such sender/objector to be heard in the e-Public Hearing. All participants attending the e- Public Hearing shall follow the provisions of the Commission's Guidelines for attending Public Hearing Through Video Conference notified on 17 September, 2020.
- The detailed Petition document and the Executive Summary are available on SBP's website [www.sanjaypatil.in](http://www.sanjaypatil.in) and the Executive Summary is also available on the websites of the Commission [www.merc.gov.in](http://www.merc.gov.in) in downloadable format (free of cost).
- Hearing to be held through video conference on **14 October 2022 at 10:30 AM**, when SBP's application for tariff determination will be considered. No separate notice will be issued for the purpose.

Sd/-  
Name: **Sanjay B. Patil**,  
Designation: **Proprietor**,  
**M/s. Sanjay B. Patil**

Place: Mumbai  
Date: 14 September. 2022

**12 cm. x 50 cm. = 600 sq.cm.**