

VIDARBHA INDUSTRIES POWER LIMITED

Registered Office: Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001
Website: www.reliancepower.co.in

PUBLIC NOTICE

Suggestions/Objections on Vidarbha Industries Power Limited- Transmission Business's Petition for approval of Truing-up of FY 2019-20 to FY 2021-22, Provisional Truing-up of FY 2022-23, and Aggregate Revenue Requirement (ARR) and Tariff for FY 2023-24 and FY 2024-25

[Case No. 224 of 2022]

1. Vidarbha Industries Power Limited – Transmission (VIPL-T) Business has filed a Petition for approval of Truing-up of ARR for FY 2019-20 as per MYT Regulations 2015, Truing-up of ARR for FY 2020-21 and FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and Aggregate Revenue Requirement (ARR) Projection for FY 2023-24 and FY 2024-25 as per MYT Regulations 2019.
2. The Commission has admitted the Petition on **22 December, 2022** and directed VIPL-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.
3. The salient features of the Petition are provided below:

Table 1: Truing-up of FY 2019-20 to FY 2021-22 and Provisional Truing-up for FY 2022-23 (Rs. Crore)

| Particulars | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Approved* | Audited | Approved* | Audited | Approved* | Audited | Approved* | Proposed |
| Operation & Maintenance Expenses | 0.84 | 1.14 | 0.49 | 0.86 | 0.51 | 1.00 | 0.53 | 0.53 |
| Depreciation Expenses | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Interest on Loan Capital | 1.21 | 1.26 | 1.06 | 1.10 | 0.91 | 0.93 | 0.76 | 0.77 |
| Interest on Working Capital | 0.09 | 0.09 | 0.08 | 0.07 | 0.08 | 0.07 | 0.08 | 0.08 |
| Income Tax | 0.44 | 0.11 | - | - | - | - | - | - |
| Contribution to contingency reserves | 0.06 | 0.07 | 0.06 | 0.07 | 0.06 | 0.06 | 0.06 | 0.06 |
| Total Revenue Expenditure | 3.88 | 3.92 | 2.93 | 3.34 | 2.80 | 3.31 | 2.67 | 2.69 |
| Add: Return on Equity Capital | 1.12 | 1.12 | 1.22 | 1.36 | 1.22 | 1.36 | 1.22 | 1.22 |
| Aggregate Revenue Requirement | 5.00 | 5.04 | 4.16 | 4.70 | 4.02 | 4.66 | 3.89 | 3.91 |

| Particulars | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Approved* | Audited | Approved* | Audited | Approved* | Audited | Approved* | Proposed |
| Less: Non-Tariff Income | 0.01 | 0.02 | 0.02 | 0.02 | 0.02 | 0.03 | 0.02 | 0.03 |
| Add: Incentive on Transmission Availability | - | 0.04 | - | - | - | - | - | - |
| Add: Sharing of gains/ (losses) of O&M / IoWC | - | (0.20) | - | (0.25) | - | (0.33) | - | - |
| Net Aggregate Revenue Requirement from Transmission Business | 4.98 | 4.85 | 4.14 | 4.43 | 4.01 | 4.31 | 3.87 | 3.88 |
| Add: Past Gaps | - | - | 0.26 | 0.26 | 0.29 | 0.29 | 0.27 | 0.27 |
| Total Aggregate Revenue Requirement from Transmission | 4.98 | 4.85 | 4.40 | 4.69 | 4.29 | 4.60 | 4.13 | 4.15 |
| Revenue from Transmission Tariff | 4.68 | 4.68 | 4.40 | 4.44 | 4.29 | 4.29 | 4.13 | 4.13 |
| Revenue Gap/ (Surplus) | - | 0.17 | - | 0.25 | - | 0.31 | | 0.02 |

Note: * The approved values specified are approved by the in MYT Case No. 301 of 2019 dated 30.03.2020

Table 2: Projected ARR for FY 2023-24 and FY 2024-25 (Rs. Crore)

| Particulars | FY 2023-24 | | FY 2024-25 | |
|--|-------------|-------------|-------------|-------------|
| | Approved | Projected | Approved | Projected |
| O&M Expenses | 0.55 | 0.55 | 0.57 | 0.57 |
| Depreciation | 1.25 | 1.25 | 1.25 | 1.25 |
| Interest on Loan including financing charges | 0.60 | 0.62 | 0.45 | 0.47 |
| Interest on Working Capital | 0.07 | 0.09 | 0.07 | 0.07 |
| Contribution to contingency reserves | 0.06 | 0.06 | 0.06 | 0.06 |
| Total Revenue Expenditure | 2.53 | 2.56 | 2.40 | 2.42 |
| Return on Equity Capital | 1.22 | 1.22 | 1.22 | 1.22 |
| Gross Aggregate Revenue Requirement | 3.76 | 3.79 | 3.63 | 3.64 |
| Less: Non-Tariff Income | 0.03 | 0.04 | 0.03 | 0.04 |
| Net Aggregate Revenue Requirement | 3.73 | 3.75 | 3.60 | 3.60 |
| Add: Past Gap | 0.25 | 0.25 | 0.23 | 0.23 |
| Total Aggregate Revenue Requirement | 3.98 | 4.00 | 3.82 | 3.83 |
| Revenue Gap/(Surplus) of FY 2019-20 | | 0.17 | | |
| Revenue Gap/(Surplus) of FY 2020-21 | | 0.25 | | |
| Revenue Gap/(Surplus) of FY 2021-22 | | 0.31 | | |
| Provisional Revenue Gap/(Surplus) of FY | | 0.02 | | |

| Particulars | FY 2023-24 | | FY 2024-25 | |
|--|-------------|-------------|-------------|-------------|
| | Approved | Projected | Approved | Projected |
| 2022-23 | | | | |
| Carrying Cost for FY 2019-20 to FY 2021-22 | | 0.17 | | |
| Total Annual Revenue Requirement | 3.98 | 4.93 | 3.82 | 3.83 |

Note: The approved values specified are approved by the Hon'ble Commission in Case No. 301 of 2019 dated 30.03.2020. Also, the previous year gaps are as proposed in the respective years as is computed in Table 1.

4. The detailed Petition document and the Executive Summary are available on VIPL-T's website – www.reliancepower.co.in and is also available on the website of the Commission, www.merc.gov.in, in downloadable format (free of cost).
5. Copies of the following documents can also be obtained on written request from the office of VIPL-T.
 - a. Executive summary of the proposals (free of cost, in Marathi/English).
 - b. Detailed Petition documents along with CD (in English) (on payment of Rs. 100/- by Cash/DD) drawn on "Vidarbha Industries Power Limited", payable at "Mumbai"
 - c. Detailed Petition documents (in English) (on payment of Rs. 50/-)
 - d. CD of detailed Petition document (in English) (on payment of Rs. 50/-).

| Office | Address | Telephone / Fax No. | Email |
|-------------------|--|--|-------------------------------|
| Registered Office | Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001 | Tel: +91 22 4303 1000 Fax: +91 22 4303 7662 | umesh.kundale@relianceada.com |

6. The Commission has directed VIPL-T 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 by uploading it through '**E-Public Consultation**' Tab on MERC Website (www.merc.gov.in/e-public-consultation). In case of any difficulty in accessing this feature, concerned stakeholders can contact the MERC Office on Mobile No.: 8928071522 or on email id: suggestions@merc.gov.in between 10.00 AM to 6.00 PM on all the working days.
7. A Person who has uploaded suggestions and objections on '**E-Public Consultation**' Tab need not file any hard copy of its submission. Person who do not have access to electronic media can file their suggestion and objection in a hard copy addressed to **The Secretary, Maharashtra Electricity Regulatory Commission (MERC), 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005** along with proof of service on Shri. Umesh Kundale of VIPL-T, Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001 [Fax: 022 43037662 Email:

umesh.kundale@relianceada.com]. Suggestions and/or objections received after **5 PM on 17 January, 2023** shall not be considered. Suggestions/Objections filed through any other mode shall not be considered.

8. VIPL-T shall reply to each of the objections /comments received within three days of the receipt of the same but not later than **20 January, 2023** for all the objections/comments received till **17 January, 2023**. Stakeholders can submit their rejoinders on replies provided by VIPL-T either during the public hearing or latest by **27 January, 2023**.
9. If the sender/objector who has submitted his comments/suggestions as **per para 6 above** and wants to be heard during e-Public Hearing, then he/she 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 to be held through video conference on **24 January, 2023 at 12:00 Hrs**, for which no separate notice will be given.
10. All participants attending the e-Public Hearing shall follow the Practice Directions on 'Operational procedure and protocol to be followed for e-hearing of the petition before the Commission' issued by the Commission on 14 November, 2022.

Place: Mumbai
Date: **XX** December, 2022

Signature:
Name: Manoj Pongde
Designation: Director
Vidarbha Industries Power Limited (VIPL)