

MINDSPACE BUSINESS PARKS PRIVATE LIMITED

Plot No. C-30, Block G, Opp. SIDBI, Bandra Kurla Complex, Bandra (E), Mumbai-400 051 * Website : <https://www.krahejacorp.com>

PUBLIC NOTICE

Inviting Suggestions and Objections on Mindspace Business Parks Private Limited's Mid-Term-Review Tariff Petition for Truing up of FY 2019-20, FY 2020-21 and FY 2021-22, Provisional Truing up for FY 2022-23 and approval of Revised ARR and Tariff for FY 2023-24 and FY 2024-25 (Case No. 216 of 2022)

- The Mindspace Business Parks Private Limited (MBPPL) has filed Mid Term Review Tariff (MTR) Petition (Case No. 216 of 2022) for Truing-up of Aggregate Revenue Requirement (ARR) for FY 2019-20 as per MYT Regulations, 2015 and Truing up for FY 2020-21 and FY 2021-22 as per MYT Regulations, 2019, Provisional Truing-up of ARR for FY 2022-23 and approval of Revised ARR, expected revenue from existing Tariff and charges, expected revenue gap / (surplus) and proposed category-wise Tariff for FY 2023-24 and FY 2024-25 as per MYT Regulations, 2019.
- The Commission has admitted the Petition on 11 January, 2023 and directed MBPPL to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions / Objections from the public.
- The salient features of the Petition are provided below :

Truing-up for FY 2019-20, FY 2020-21 and FY 2021-22 and Provisional Truing-up of FY 2022-23

The summary of Combined ARR (Wires + Supply) for truing up for FY 2019-20, FY 2020-21, FY 2021-22 and provisional Truing up for FY 2022-23 vis-à-vis ARR approved by the Commission in the Multi Year Tariff (MYT) Order (Case No. 328 of 2019), is shown below :

Table 1 : Combined ARR (Wire +Supply) of MBPPL (Rs. Crore)

| Sr. No. | Particulars | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|---------|--|-----------------------|--------|-----------------------|--------|-----------------------|--------|-----------------------|-----------|
| | | Approved in MYT Order | Actual | Approved in MYT Order | Actual | Approved in MYT Order | Actual | Approved in MYT Order | Estimated |
| 1 | Power Purchase Expenses (including InSTS Charges) | 35.69 | 36.79 | 40.24 | 26.42 | 36.10 | 19.65 | 33.25 | 37.81 |
| 2 | Operation & Maintenance Expenses | 5.29 | 4.59 | 5.28 | 4.57 | 5.48 | 4.71 | 5.68 | 5.28 |
| 3 | Depreciation | 2.32 | 2.32 | 2.41 | 2.35 | 2.47 | 2.36 | 2.49 | 2.40 |
| 4 | Interest on Loan Capital | 2.27 | 2.21 | 2.14 | 1.83 | 1.99 | 1.43 | 1.78 | 1.27 |
| 5 | Interest on Working Capital | 0.13 | 0.13 | 0.16 | 0.11 | 0.17 | 0.09 | 0.17 | 0.15 |
| 6 | Interest on Consumer Security Deposit | 0.30 | 0.29 | 0.17 | 0.13 | 0.17 | 0.16 | 0.17 | 0.17 |
| 7 | Write-off of Provision for bad and doubtful debts | - | - | - | - | - | - | - | 0.03 |
| 8 | Contribution to contingency reserves | 0.24 | 0.23 | 0.24 | 0.25 | 0.25 | 0.26 | 0.25 | 0.24 |
| 9 | Intra-State Transmission Charges | 3.64 | 3.56 | 5.07 | 5.01 | 5.02 | 4.99 | 4.96 | 4.96 |
| 10 | MSLDC Fees & Charges | 0.02 | 0.02 | 0.03 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 |
| 11 | Sharing of gains / (losses) | - | 0.16 | - | 0.19 | - | 0.23 | - | - |
| 12 | Impact of restatement of O&M expenses based on share of sales of KRC DISCOMs | - | - | - | 0.33 | - | (0.07) | - | - |
| 13 | Total Revenue Expenditure | 49.90 | 50.30 | 55.74 | 41.22 | 51.67 | 33.83 | 48.77 | 52.34 |
| 14 | Add: Return on Equity Capital | 2.25 | 2.24 | 2.09 | 2.26 | 2.15 | 2.34 | 2.16 | 2.14 |
| 15 | Aggregate Revenue Requirement | 52.15 | 52.55 | 57.83 | 43.48 | 53.82 | 36.17 | 50.93 | 54.48 |
| 16 | Less: Non-Tariff Income | 0.49 | 0.11 | 0.51 | 0.17 | 0.54 | 0.13 | 0.56 | 0.13 |
| 17 | Aggregate Revenue Requirement from (Wire + Supply) Business | 51.66 | 52.44 | 57.32 | 43.32 | 53.28 | 36.04 | 50.37 | 54.35 |

Table 2 : Energy Sales for FY 2019-20, FY 2020-21, FY 2021-22 and FY 2022-23 (MU)

| Consumer Category & Consumption Slab | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|--------------------------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|--------------|
| | Approved in MYT Order | Actual for Truing-up | Approved in MYT Order | Actual for Truing-up | Approved in MYT Order | Actual for Truing-up | Approved in MYT Order | Estimated |
| HT Category | | | | | | | | |
| HT I Industry | 68.87 | 68.40 | 68.87 | 35.88 | 74.04 | 34.61 | 74.04 | 46.60 |
| Sub-total HT | 68.87 | 68.40 | 68.87 | 35.88 | 74.04 | 34.61 | 74.04 | 46.60 |
| LT Category | | | | | | | | |
| LT Commercial II (A) 0-20 kW | 0.77 | 0.83 | 0.77 | 0.10 | 0.78 | 0.09 | 0.78 | 0.20 |
| LT Commercial II (B) >20 kW | 0.38 | 0.58 | 0.38 | 0.22 | 0.37 | 0.19 | 0.37 | 0.28 |
| LT Industrial III (A) 0-20 kW | 0.01 | 0.01 | 0.01 | 0.49 | 0.01 | 0.40 | 0.01 | 0.43 |
| LT Industrial III (B) >20 kW | 8.15 | 9.38 | 8.15 | 5.97 | 7.86 | 5.48 | 7.86 | 6.60 |
| Sub-total LT | 9.31 | 10.79 | 9.31 | 6.78 | 9.03 | 6.15 | 9.03 | 7.51 |
| Total | 78.18 | 79.19 | 78.18 | 42.65 | 83.06 | 40.76 | 83.06 | 54.11 |

Table 3 : Distribution Loss and Collection efficiency from FY 2019-20 to FY 2022-23

| Consumer Category & Consumption Slab | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|---|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|-----------|
| | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Estimated |
| Distribution Loss (Excl. EHV Sales) (%) | 1.6 | 1.6 | 1.28 | 1.78 | 0.97 | 1.64 | 0.97 | 1.06 |
| Collection Efficiency (%) | | 99.37 | | 98.95 | | 99.78 | | |

Table 4: Capitalisation from FY 2019-20 to FY 2022-23 (Rs. Crore)

| Particulars | FY 2019-20 | | FY 2020-21 | | FY 2021-22 | | FY 2022-23 | |
|------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|-------------|
| | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Actual for truing up | Approved in MYT Order | Estimated |
| Capitalization | | | | | | | | |
| DPR Projects | - | - | - | - | - | - | - | - |
| Non DPR Projects | 0.24 | 1.28 | 1.78 | 0.00 | 0.60 | 0.28 | 0.65 | 1.06 |
| Total | 0.24 | 1.28 | 1.78 | 0.00 | 0.60 | 0.28 | 0.65 | 1.06 |

Table 5 : Aggregate Revenue Requirement for the Distribution (Wire +Supply) Business (Rs. Crore) for FY 2023-24 and FY 2024-25

| Sr. No. | Particulars | FY 2023-24 | | FY 2024-25 | |
|---------|--|------------|---------------------|------------|---------------------|
| | | MYT Order | Revised Projections | MYT Order | Revised Projections |
| 1 | Power Purchase Expenses (including Inter-State Transmission Charges) | 33.32 | 33.78 | 33.48 | 33.67 |
| 2 | Operation & Maintenance Expenses | 5.91 | 5.55 | 6.13 | 5.83 |
| 3 | Depreciation | 2.49 | 2.46 | 2.49 | 2.55 |
| 4 | Interest on Loan Capital | 1.55 | 1.17 | 1.32 | 1.06 |
| 5 | Interest on Working Capital | 0.17 | 0.15 | 0.17 | 0.15 |
| 6 | Interest on Consumer Security Deposit | 0.17 | 0.25 | 0.17 | 0.25 |
| 7 | Contribution to contingency reserves | 0.26 | 0.24 | 0.26 | 0.26 |
| 8 | Intra-State Transmission Charges | 4.89 | 4.96 | 4.77 | 4.96 |
| 9 | MSLDC Fees & Charges | 0.03 | 0.02 | 0.03 | 0.02 |

| Sr. No. | Particulars | FY 2023-24 | | FY 2024-25 | |
|---------|---|------------|---------------------|------------|---------------------|
| | | MYT Order | Revised Projections | MYT Order | Revised Projections |
| 10 | Total Revenue Expenditure | 48.79 | 48.58 | 48.82 | 48.75 |
| 11 | Add : Return on Equity Capital | 2.17 | 2.22 | 2.17 | 2.29 |
| 12 | Aggregate Revenue Requirement | 50.96 | 50.81 | 50.99 | 51.04 |
| 13 | Less : Non-Tariff Income | 0.57 | 0.13 | 0.59 | 0.13 |
| 14 | Aggregate Revenue Requirement from (Wire +Supply) | 50.39 | 50.68 | 50.40 | 50.91 |

Table 6 : Energy Sales for FY 2023-24 and FY 2024-25 (MU)

| Consumer Category | FY 2023-24 | | FY 2024-25 | |
|-------------------------------|--------------|---------------------|--------------|---------------------|
| | MYT Order | Revised Projections | MYT Order | Revised Projections |
| HT Category | | | | |
| HT I Industry | 74.04 | 48.37 | 74.04 | 50.78 |
| Sub-total HT | 74.04 | 48.37 | 74.04 | 50.78 |
| LT Category | | | | |
| LT Commercial II (A) 0-20 kW | 0.78 | 0.28 | 0.78 | 0.30 |
| LT Commercial II (B) >20 kW | 0.37 | 0.33 | 0.37 | 0.34 |
| LT Industrial III (A) 0-20 kW | 0.01 | 0.40 | 0.01 | 0.43 |
| LT Industrial III (B) >20 kW | 7.86 | 7.44 | 7.86 | 7.81 |
| Sub-total LT | 9.02 | 8.45 | 9.02 | 8.87 |
| Total | 83.06 | 56.81 | 83.06 | 59.66 |

Table 7 : Power Purchase Cost for FY 2023-24 to FY 2024-25

| Particulars | Source | FY 2023-24 | | FY 2024-25 | |
|---|---|--------------|---------------------|--------------|---------------------|
| | | MYT Order | Revised Projections | MYT Order | Revised Projections |
| Power Purchase Quantum (MU) | GMR STPP PPA Short-Term Peak Load | 66.86 | 14.92 | 64.63 | |
| | New Source | 0.71 | 5.97 | 0.34 | 15.66 |
| | Solar Purchase | 9.10 | 20.88 | 11.70 | 28.19 |
| | Non-Solar Purchase | 9.96 | 17.90 | 9.96 | 18.79 |
| | Total | 86.63 | 59.66 | 86.63 | 62.64 |
| Power Purchase Cost (Rs. Crore) | GMR STPP PPA Short-Term Peak Load | 27.52 | 9.47 | 27.08 | |
| | New Source | 0.31 | 2.98 | 0.15 | 7.83 |
| | Solar Purchase | 2.64 | 11.48 | 3.39 | 15.50 |
| | Non-Solar Purchase | 2.86 | 9.84 | 2.86 | 10.34 |
| | Total | 33.32 | 33.78 | 33.48 | 33.67 |
| Average Power Purchase Cost (Rs. / kWh) | GMR STPP PPA Short-Term Peak Load | 4.12 | 6.35 | 4.19 | |
| | Purchase of additional power (Exchange) | 4.40 | 5.00 | 4.40 | 5.00 |
| | Solar Purchase | 2.90 | 5.50 | 2.90 | 5.50 |
| | Non-Solar Purchase | 2.87 | 5.50 | 2.87 | 5.50 |
| Total | 3.85 | 5.66 | 3.86 | 5.38 | |

Table 8 : Distribution Loss and Collection efficiency for 2023-24 to 2024-25

| Particulars | FY 2023-24 | FY 2023-24 | FY 2024-25 | FY 2024-25 |
|--|-----------------------|---------------------|-----------------------|---------------------|
| | Approved in MYT Order | Revised Projections | Approved in MYT Order | Revised Projections |
| Distribution Loss (Excl. EHV loss) (%) | 0.97 | 1.64 | 0.97 | 1.64 |
| Collection Efficiency (%) | | 99.78 | | 99.78 |

Table 9 : Capitalisation for FY 2023-24 to FY 2024-25 (Rs. Crore)

| Particulars | FY 2023-24 | | FY 2024-25 | |
|------------------|-----------------|---------------------|-----------------------|---------------------|
| | Approved in MYT | Revised Projections | Approved in MYT Order | Revised Projections |
| Capitalization | | | | |
| DPR Projects | - | - | - | - |
| Non DPR Projects | 0.02 | 2.8 | 0.02 | 0.02 |
| Total | 0.02 | 2.8 | 0.02 | 0.02 |

Table 10 : Carrying / (Holding) Cost for Past Gaps / (Surplus) (Rs. Crore)

| Particulars | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | Total |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Opening Incremental Gap / (Surplus) | - | 2.39 | 5.17 | 9.91 | 9.91 | |
| Incremental Gap / (Surplus) during the year | 2.39 | 2.78 | 4.74 | - | (9.91) | |
| Closing Gap / (Surplus) | 2.39 | 5.17 | 9.91 | 9.91 | 0.00 | |
| Average Gap / (Surplus) | 1.19 | 3.78 | 7.54 | 9.91 | 4.95 | |
| Interest Rate for Carrying / (Holding) Cost | 9.66% | 8.57% | 8.50% | 9.55% | 9.55% | |
| Carrying / (Holding) Cost for the Year | 0.12 | 0.32 | 0.64 | 0.95 | 0.47 | 2.50 |

Table 11 : Projected ACOS for FY 2023-24 and FY 2024-25 if entire Revenue Requirement is recovered (Rs. Crore)

| Particulars | FY 2023-24 | FY 2024-25 |
|--|------------|------------|
| ARR (Rs. Crore) | 57.98 | 79.85 |
| Sales (Mn. kWh) | 56.81 | 59.66 |
| Sales (Mn. kVAh) | 60.73 | 63.77 |
| ACOS (Rs. / kWh) | 10.21 | 13.39 |
| ACOS (Rs. / kVAh) | 9.55 | 12.52 |
| Annual Tariff Increase required (%) | 25% | 31% |

To avoid tariff shock to the consumers, MBPPL in its Petition has proposed deferment of revenue recovery of Rs. 26.39 Cr to next control period. After considering such deferment, projected ACoS for FY 2023-24 and FY 2024-25 is as follows :

Table 12 : Projected Revenue Requirement and ACoS for FY 2023-24 and FY 2024-25 (Rs. Crore)

| Sr. No. | Particulars | FY 2023-24 | FY 2024-25 |
|---------|--|------------|------------|
| 1. | Net ARR of Licensed Business | 55.19 | 56.25 |
| 2. | Energy Sales (MkWh) | 56.81 | 59.66 |
| 3. | Energy Sales (MkVAh) | 60.73 | 63.77 |
| 4. | Average Cost of Supply (Rs. / kWh) | 9.71 | 9.43 |
| 5. | Average Cost of Supply (Rs. / kVAh) | 9.09 | 8.82 |
| 6. | Annual Tariff Increase Required (%) | 19% | -3% |

MBPPL has proposed the recovery of deferred revenue in the next control period along with carrying cost as shown in table below:

Table 13 : Proposed Recovery of Deferred Revenue Gap (Rs. Crore)

| Particulars | Units | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|------------------|-------------|-------------|--------------|--------------|-------------|
| Opening Revenue Gap | Rs. Crore | 0.00 | 2.79 | 26.40 | 17.60 | 8.80 |
| Deferred Revenue Gap during the year | Rs. Crore | 2.79 | 23.61 | 0.00 | 0.00 | 0.00 |
| Revenue Gap recovered during the year | Rs. Crore | 0.00 | 0.00 | 8.80 | 8.80 | 8.80 |
| Revenue Gap at the end of the year | Rs. Crore | 2.79 | 26.40 | 17.60 | 8.80 | 0.00 |
| Carrying Cost Interest Rate | % | 9.55% | 9.55% | 9.55% | 9.55% | 9.55% |
| Carrying Cost | Rs. Crore | 0.13 | 1.39 | 2.10 | 1.26 | 0.42 |
| Additional ARR Recovery during the year due to past gaps | Rs. Crore | 0.13 | 1.39 | 10.90 | 10.06 | 9.22 |

4. Tariff Philosophy

- MBPPL has proposed revision in the Retail Supply Tariff & Wheeling Charges for each of the consumer categories.
- MBPPL has proposed the composite Wheeling charges for HT and LT category
- MBPPL has not proposed ToD Tariff for FY 2023-24 and FY 2024-25
- MBPPL has proposed deferment of recovery of Revenue Gap and proposed to be received within the time-frame of 3 years

5. Tariff Proposal