

EON Kharadi Infrastructure Private Limited (EON SEZ Phase II)

Tech Park One, Tower E, Sr. No. 191/A/2A/1/2, Next to Don Bosco School, Off. Airport Road, Yerwada, Pune
Website: www.eonpower.in

PUBLIC NOTICE

Inviting Suggestions and Objections on EON Kharadi Infrastructure Private Limited's (EON SEZ Phase II)

Multi-Year Tariff Petition for True-up of FY 2020-21 and FY 2021-22, Provisional True-up of FY 2022-23 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2023-24 and FY 2024-25 for its Distribution Business in accordance with Regulation 5.1 (b) of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 (Case No. 236 of 2022)

- EON Kharadi Infrastructure Private Limited (EON SEZ Phase II) has filed Multi-Year Tariff Petition for True-up of FY 2020-21 and FY 2021-22, Provisional True-up of FY 2022-23 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2023-24 and FY 2024-25 for its Distribution Business in accordance with Regulation 5.1 (b) of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019.
- The Commission has admitted the Petition on 11 January 2023 and directed EON Kharadi Infrastructure Private Limited (EON SEZ Phase II) to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions/Objections from the public.
- The details of the Petition are provided below:

Table 1: Combined ARR (Wires + Supply) of EON SEZ Phase II (Rs. Crore)

Particulars	True-up		FY 2022-23	Ensuing Years	
	FY 2020-21	FY 2021-22	April - March (Estimated)	FY 2023-24	FY 2024-25
Power Purchase Expenses (Including Inter-State Transmission Charges)	0.37	5.90	11.29	16.15	16.90
Operation & Maintenance Expenses	0.19	1.84	1.93	2.03	2.13
Depreciation	0.80	1.81	1.81	2.05	2.29
Interest on Loan Capital	1.07	2.08	1.95	2.04	2.11
Interest on Working Capital	-	0.03	0.04	-	-
Interest on Consumer Security Deposit	0.08	0.40	0.12	0.28	0.30
Contribution to contingency reserves	-	0.00	0.00	0.21	0.26
Intra-State Transmission Charges	-	-	-	1.84	2.10
MSLDC Fees & Charges	-	0.00	0.01	0.01	0.01
Total Revenue Expenditure	2.62	12.06	17.15	24.62	26.10
Add: Return on Equity Capital	0.89	1.78	1.78	1.97	2.16
Aggregate Revenue Requirement	3.51	13.84	18.93	26.69	28.27
Less: Non-Tariff Income	0.01	0.04	0.04	0.00	0.00
Aggregate Revenue Requirement	3.50	13.79	18.89	26.58	28.26

Table 2: Energy Sales for FY 2020-21 to FY 2024-26

Consumer Category & Consumption Slab	True-up		FY 2022-23	Ensuing Years	
	FY 2020-21	FY 2021-22	April - March (Estimated)	FY 2023-24	FY 2024-25
HT Category					
HT I Industry	0.87	12.02	22.12	28.81	37.45
Sub-total	0.87	12.02	22.12	28.81	37.45
LT Category					
LT II A Commercial	0.00	0.01	0.03	0.00	0.00
LT II B Commercial	0.00	0.01	-	-	-
LT II C Commercial	0.00	0.005	-	-	-
LT V A Industry	0.01	0.11	0.17	0.30	0.34
LT V B Industry	0.02	0.46	0.77	0.90	1.12
Sub-total	0.03	0.60	0.97	1.20	1.46
Total	0.90	12.62	23.09	30.01	38.91

Table 3: Power Purchase details for FY 2020-21 to FY 2024-26

Particulars	Source	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-26
Power Purchase Quantum (MU)	Manikaran Power Limited	0.89	13.50	30.6		
	Short Term PPA			2.75	24.22	14.69
	Imbalance Pool	0.07	-0.08	-0.10		
	Sale of Surplus Power			-8.65		
	Power Exchange		0.04			
	Solar Purchase					13.64
	Non-Solar Purchase					13.64
Total	0.96	13.46	24.40	32.29	41.97	
Power Purchase Cost (Rs. Crore)	Manikaran Power Limited	0.35	5.41	15.25		
	Short Term PPA			1.38	12.11	7.35
	Imbalance Pool	0.02	0.47	0.1		
	Sale of Surplus Power			-5.8		
	Power Exchange		0.02			
	Solar Purchase					4.78
	Non-Solar Purchase				4.04	4.78
Total	0.37	5.90	11.29	16.15	16.91	
Average Power Purchase Cost (Rs. /kWh)	Manikaran Power Limited	3.93	4.01	4.98		
	Short Term PPA			5.02	5.00	5.00
	Imbalance Pool	2.86	-58.75	-10.00		
	Sale of Surplus Power			6.55		
	Power Exchange		5.00			
	Solar Purchase					3.50
	Non-Solar Purchase				5.01	3.50
Total	3.86	4.38	4.63	5.00	4.03	

Table 4: Distribution Loss FY 2020-21 to FY 2024-25

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Distribution Loss	6.30%	6.24%	5.25%	4.00%	4.00%

Table 5: Capitalisation for FY 2020-21 to FY 2024-25 (Rs. Crore)

Category	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Capitalisation	42.31	0.06	0.00	9.12	0.06
Wire Business	42.25	0.00	0.00	9.12	0.00
Supply Business	0.06	0.06	0.00	0.00	0.00

Table 6: Total Revenue Gap (Rs. Crore)

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Actual	Actual	Estimated	Projection	Projection
ARR for Distribution Wires Business	3.02	7.07	6.82	7.68	8.31
ARR for Retail Supply Business	0.48	6.72	12.07	18.90	19.95
Combined ARR for Wires and Retail Supply Business	3.50	13.79	18.89	26.58	28.26
Revenue from existing tariff	0.82	11.25	19.20	24.74	31.41
Revenue Gap/(Surplus) of Licensed Business	2.68	2.54	(0.31)	1.84	(3.15)

Table 7: Projected ACOS for FY 2023-24 and FY 2024-25 if entire Revenue Requirement is recovered (Rs. Crore)

Financial Year	FY 2023-24	FY 2024-25
ARR (Rs. Crore)	28.03	33.17
Sales (Mn. kWh)	30.01	38.91
Sales (Mn. kVAh)	30.27	39.26
ACOS (Rs./kWh)	9.34	8.52
ACOS (Rs./kVAh)	9.26	8.45
Tariff Increase (%)	13%	-9%

- To avoid tariff shock to the consumers, EON SEZ Phase II in its Petition has proposed deferment of FY 2023-24 revenue recovery of Rs. 2.50 Crore to next control period. After considering such deferment, projected ACOS for FY 2023-24 and FY 2024-25 is as follows:

Table 8: Projected Revenue Requirement and ACOS for FY 2023-24 and FY 2024-25

Financial Year	FY 2023-24	FY 2024-25
ARR (Rs. Crore)	28.53	33.17
Sales (Mn. kWh)	30.01	38.91
Sales (Mn. kVAh)	30.27	39.26
ACOS (Rs./kWh)	8.51	8.52
ACOS (Rs./kVAh)	8.43	8.45
Tariff Increase (%)	4%	0%

- EON SEZ Phase II has proposed the recovery of deferred revenue in the next control period along with carrying cost as shown in table below:

Table 9: Proposed Recovery of Deferred Revenue Gap

Particulars	Units	FY24	FY25	FY26
Opening Revenue Gap	Rs. Crore	0.00	2.50	2.50
Deferred Revenue Gap during the year	Rs. Crore	2.50	0.00	0.00
Revenue Gap recovered during the year	Rs. Crore	0.00	0.00	2.50
Revenue Gap at the end of the year	Rs. Crore	2.50	2.50	0.00
Carrying Cost Interest Rate	%	9.55%	9.55%	9.55%
Carrying Cost	Rs. Crore	0.12	0.24	0.12
Additional ARR Recovery during the year due to past gaps	Rs. Crore	0.12	0.24	2.62

- Tariff Philosophy
 - The Cross Subsidy has been equated to zero for all categories for FY 2023-24 and FY 2024-25, i.e., the Average Billing rate for all categories is equal to the ACOS
 - EON SEZ II has proposed kWh tariff for all categories
 - EON SEZ II has proposed the common Wheeling charges for HT and LT category
 - EON SEZ Phase II has not proposed ToD tariffs for FY 2023-24 to FY 2024-25.
- Tariff Proposal

Table 10: Proposed Wheeling Charges (Rs./kVAh) for FY 2023-24 to FY 2024-25

Particulars	FY 2023-24	FY 2024-25
Wheeling Charges (Rs./kVAh)	2.54	2.12
Wheeling Losses (%)	4.00%	4.00%

- Proposed Category-wise Tariffs for the Control Period

Table 11: Energy Charges Sub-Category-wise Existing and Proposed- HT Category

Customer Category	Existing (Rs./kVAh)	FY 23-24		FY 24-25	
		Proposed (Rs./kVAh)	%Hike (y-o-y)	Proposed (Rs./kVAh)	%Hike (y-o-y)
HT I - Industry	6.89	5.05	-27%	5.60	11%

Table 12: Energy Charges Sub-Category-wise Existing and Proposed-LT Category

Customer Category	Existing (Rs./kWh)	FY 2023-24		FY 2024-25	
		Proposed (Rs./kWh)	%Hike (y-o-y)	Proposed (Rs./kWh)	%Hike (y-o-y)
Industrial LT-V (A)	5.11	5.75	13%	6.10	6%
Industrial LT-V (B)	6.05	5.30	12%	5.80	9%

Table 13: Fixed Charges Sub-Category-wise Existing and Proposed- HT Category (Rs./kVA/month)

Customer Category	Existing	FY 2023-24		FY 2024-25	
		Proposed	%Hike (y-o-y)	Proposed	%Hike (y-o-y)
Industrial HT-I (A)	454	500	10%	500	0%

Table 14: Fixed Charges Sub-Category-wise Existing and Proposed- LT Category (Rs./month or Rs./kVA/month)

Customer Category	Existing	FY 2023-24		FY 2024-25	
		Proposed	%Hike (y-o-y)	Proposed	%Hike (y-o-y)
Industrial LT-V (A)	482	482	0%	482	0%
Industrial LT-V (B)	321	400	25%	400	0%

Table 15: Proposed Cross Subsidy Surcharge (Rs./kVAh)

Customer Category	FY 2023-24	FY 2024-25
	Projected	Projected
HT Category		
Industrial HT-I (A)	0.44	1.63

- EON SEZ Phase II has not proposed any Schedule of Charges.
- The detailed Petition document and the Executive Summary are available on EON SEZ Phase II's website www.eonpower.in and the Executive Summary is also available on the website of the Commission, www.merc.gov.in in downloadable format (free of cost).
- Copies of the following documents can be obtained on written request from the office of EON SEZ Phase II.
 - Executive Summary of the proposals (free of cost, in Marathi/English).
 - Detailed Petition documents along with CD (in English) (on payment of Rs. 250/- by Cash/DD) drawn on 'EON KHARADI INFRASTRUCTURE PRIVATE LIMITED' Payable at 'Pune'.
 - Detailed Petition documents (in English) (on payment of Rs. 200/-)
 - CD of detailed Petition document (in English) (on payment of Rs. 100/-).

Head Office:

Office	Address	Tele / Fax No.	Email
Office	EON KHARADI INFRASTRUCTURE PRIVATE LIMITED	+91 72763 48840	Shruti.radkar@eonpower.in Prakita.aphale@eonpower.in

- The Commission has directed EON SEZ Phase II to invite Suggestions/Objections from the Public on this 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.
- A Person who has uploaded suggestion and objection on 'E-Public Consultation' Tab need not to 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, 13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai-400 005 along with proof of service on Ms. Shruti Radkar / Ms. Prakita Aphale, EON Kharadi Infrastructure Private Limited [Email: shruti.radkar@eonpower.in]. Suggestions and/or objections received after 5 PM on 08 February 2023 shall not be considered. Suggestions/Objections filed through any other mode shall not be considered.
- EON SEZ Phase II shall reply to each of the objections /comments received within three days of the receipt of the same but not later than **08 February, 2023** for all the objections/comments received till **06 February, 2023**. Stakeholders can submit their rejoinders on replies provided by EON SEZ Phase I either during the e-public hearing or latest by **12 February, 2023**.
- If the sender/objection who has submitted his comments/suggestions as per para 12 above and wants to be heard in person in 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/objection to be heard in the e-Public Hearing to be held through video conference on **09 February, 2023 at 11:00 Hrs.** for which no separate notice will be given.
- 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: Pune, Maharashtra
Date: XX January 2023

Signature
Name: Shruti Radkar
Designation: Head-Legal
EON KHARADI INFRASTRUCTURE PRIVATE LIMITED