

PUBLIC NOTICE

[Case No. 59 of 2024]

Suggestions / Objections on Petition of M/s. Khare and Tarkunde Green Energy Pvt. Ltd. (KTGEPL) for determination of Project Specific Tariff for Isapur Hydro Electric Project of capacity 4 MW (2 x 2 MW) located on Right Bank Canal of Isapur Dam at village Kadapdev, Tal. Kalamnuri, Dist. Hingoli.

- M/s. Khare and Tarkunde Green Energy Pvt. Ltd. (KTGEPL) has filed a Petition for determination of Project Specific Tariff for Isapur Hydro Electric Project of capacity 4 MW (2 x 2 MW) located on Right Bank Canal of Isapur Dam at village Kadapdev, Tal. Kalamnuri, Dist. Hingoli 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 19 June 2024 and directed KTGEPL to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions / Objections from the Public.
- KTGEPL has prayed as under :
 - To admit the Petition seeking approval for Project Specific Tariff for Isapur Hydro Electric Project of capacity 4 MW located on Right Bank
- The salient features of the Petition are provided below :

Canal of Isapur Dam at village Kadapdev, Tal. Kalamnuri, Dist. Hingoli;

- To approve Project Specific Tariff of Rs 6.70/kWh for Isapur Hydro Electric Project of capacity 4 MW located at on Right Bank Canal of Isapur Dam at village Kadapdev, Tal. Kalamnuri, Dist. Hingoli;
- 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 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;

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

S. No.	Parameters	Estimated CAPEX as per Petition (Rs. Lakh)
1.	Preliminary Work, Government Fees and Premium and other works	103.75
2.	Civil Works	1161.08
3.	Hard Cost	1846.10
4.	Other Work	156.64
5.	Overhead and Establishment Works	90.42
6.	Evacuation Works	239.34
7.	IDC	46.84
	Grand Total	3644.17

Table 2 : Parameter Assumptions

S. No.	Assumption Head	Sub-Head	Sub-Head (2)	Unit	Assumptions	
1	Power Generation	Capacity	Installed Power Generation Capacity	MW	4.00	
			Capacity Utilization Factor	%	30%	
			Auxiliary Consumption	%	1.00%	
			Useful Life	Years	35	
2	Project Cost	Capital Cost/MW	Power Plant Cost	Rs. Lacs/MW	3644.17	
3	Sources of Fund	Debt : Equity	Tariff Period	Years	35	
			Debt	%	70%	
			Equity	%	30%	
			Total Debt Amount	Rs. Lacs	2550.92	
			Total Equity Amount	Rs. Lacs	1093.25	
		Debt Component	Loan Amount	Rs. Lacs	2550.92	
			Repayment Period (incl. Moratorium)	Years	12	
			Interest Rate	%	9.80%	
		Equity Component	Equity Amount	Rs. Lacs	1093.25	
			Return on Equity	% p.a.	14%	
			RoE Period	Years	35	
			Weighted average of ROE		18.71%	
			Discount Rate		9.33%	
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	
		Maintenance Spare	(% of O&M expenses)			15%
		Receivables for Debtors		Months	2	
		Interest on Working Capital		%	9.30%	
6	Operation & Maintenance	Power Plant - Base Year		Rs. Lacs/MW	32.80	
		Escalation Factor		%	4.88%	

Table 3 : Determination of Tariff Component

Year	Unit	1	2	3	4	5	6	7	8	9	10	11	12
Net Energy Sold	MU	10.41	10.41	10.41	10.44	10.41	10.41	10.41	10.44	10.41	10.41	10.41	10.44
Costs													
Depreciation	Rs. Lakh	212.58	212.58	212.58	212.58	212.58	212.58	212.58	212.58	212.58	212.58	212.58	212.58
Return on Equity	Rs. Lakh	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53
Interest on Capital	Rs. Lakh	239.54	218.71	197.88	177.05	156.22	135.39	114.56	93.73	72.90	52.07	31.24	10.41
Interest on Working Capital	Rs. Lakh	15.29	15.21	15.13	15.07	15.02	14.99	14.97	14.96	14.97	15.00	15.04	15.10
O&M Cost	Rs. Lakh	131.19	137.60	144.32	151.36	158.76	166.51	174.64	183.17	192.12	201.50	211.34	221.66
Total Cost	Rs. Lakh	803.14	788.63	774.44	760.60	747.11	734.00	721.28	708.98	697.10	685.68	674.73	664.29
Net Tariff	Rs./kWh	7.72	7.58	7.44	7.29	7.18	7.05	6.93	6.79	6.70	6.59	6.48	6.37

Year	Unit	13	14	15	16	17	18	19	20	21	22	23	24
Net Energy Sold	MU	10.41	10.41	10.41	10.44	10.41	10.41	10.41	10.44	10.41	10.41	10.41	10.44
Costs													
Depreciation	Rs. Lakh	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69
Return on Equity	Rs. Lakh	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53
Interest on Capital	Rs. Lakh	0.00	-	-	-	-	-	-	-	-	-	-	-
Interest on Working Capital	Rs. Lakh	12.50	12.93	13.38	13.85	14.35	14.87	15.41	15.98	16.58	17.21	17.87	18.56
O&M Cost	Rs. Lakh	232.48	243.84	255.75	268.24	281.34	295.08	309.49	324.60	340.45	357.08	374.52	392.81
Total Cost	Rs. Lakh	481.21	492.99	505.35	518.31	531.90	546.16	561.12	576.80	593.25	610.51	628.61	647.59
Net Tariff	Rs./kWh	4.62	4.74	4.86	4.97	5.11	5.25	5.39	5.53	5.70	5.87	6.04	6.21

Year	Unit	25	26	27	28	29	30	31	32	33	34	35
Net Energy Sold	MU	10.41	10.41	10.41	10.44	10.41	10.41	10.41	10.44	10.41	10.41	10.41
Costs												
Depreciation	Rs. Lakh	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69
Return On Equity	Rs. Lakh	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53	204.53
Interest On Capital	Rs. Lakh	-	-	-	-	-	-	-	-	-	-	-
Interest On Working Capital	Rs. Lakh	19.28	20.04	20.84	21.68	22.55	23.47	24.44	25.45	26.51	27.63	28.79
O&M Cost	Rs. Lakh	411.99	432.11	453.21	475.35	498.56	522.91	548.45	575.23	603.32	632.79	663.69
Total Cost	Rs. Lakh	667.50	688.38	710.28	733.25	757.34	782.60	809.11	836.90	866.06	896.63	928.70
Net Tariff	Rs./kWh	6.41	6.61	6.83	7.03	7.28	7.52	7.77	8.02	8.32	8.62	8.92

Table 4 : Levelised Tariff

Levelised Tariff for 35 years (Rs. / kWh)	6.70
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- The Commission has directed KTGEPL to invite suggestions / objections from the public on the above 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 E-mail id: suggestions@merc.gov.in between 10.00 am. to 5.00 pm. on all the working days.
- A person who has uploaded suggestion and objection on 'E-Public Consultation' Tab need not file any hard copy of its submission. Persons 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 KTGEPL [Saubhagya Nilayam, 8-2-311/C/2/2/B, Road No. 10, Banjara Hills, Hyderabad - 500034, Telangana] E-mail : kharetarkunde9@gmail.com and should carry the full name, postal address and E-mail address, if any, of the sender. It should be indicated whether the objection is being filed on behalf of any organization or category of consumers. Suggestions and/or objections received after 5.00 pm. on 19 July 2024 shall not be considered. Suggestions / Objections filed through any other mode shall not be considered.
- KTGEPL shall reply to each of the objections / comments received within three days of the receipt of the same but not later than 22 July 2024 for all the objections / comments received till 19 July 2024. Stakeholders can submit their rejoinders on

replies provided by KTGEPL either during the e-public hearing or latest by 26 July 2024.

- If the sender / objector who has submitted his comments/suggestions as per 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 along with venue. 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 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.
- The detailed Petition document and the Executive Summary are available on KTGEPL's website www.manihamsa.co.in and the Executive Summary is also available on the website of the Commission www.merc.gov.in in downloadable format (free of cost).
- Hearing to be held through video conference on 23 July 2024 at 11:00 AM., when KTGEPL's application for tariff determination will be considered. No separate notice will be issued for the purpose.

Place : Mumbai
Date : 27th June 2024

Sd/
Chinnam Teja Reddy
Director

M/s. Khare & Tarkunde Green Energy Pvt. Ltd.