

1. EXECUTIVE SUMMARY

Introduction

1.1 ATIL (formerly known as Adani Power Maharashtra Limited (Transmission Business)) was granted Transmission Licence No. 2 of 2009 by Maharashtra Electricity Regulatory Commission (hereinafter referred to as the "Hon'ble Commission" or "MERC") vide its Order dated 06.07.2009 in case No. 138 of 2008. The said license was amended by Commission vide its order dated 30.03.2011. Subsequently, to ring fence the licensed business of Transmission from other Business of APML, APML-T filed a petition for assignment of its Transmission License to ATIL. Vide Order dated 8.12.2014 in Case no. 189 of 2014, the Commission approved assignment of the aforementioned license to ATIL. The said License was further amended by MERC vide Order dated 09.07.2015 in Case no. 136 of 2014 to include 2X80 MVAR Bus Reactor along with associated bays at the Tiroda Sub-station.

Statutory Provisions

1.2 The Petitioner, being a Transmission Licensee endeavours to operate under the stipulated regulatory regime. The Transmission Business is governed and regulated under following Act, Policy and Regulations:

- Electricity Act 2003;
- National Electricity Policy;
- National Tariff Policy;
- MERC (Multi Year Tariff) Regulations, 2019 and
- MERC (Multi Year Tariff) Regulations, 2024

1.3 The Hon'ble Commission has notified MYT Regulations, 2024 for determination of tariff for Generation, Transmission and Distribution on 19.08.2024:

- a) Truing-up for FY 2022-23 and FY 2023-24 to be carried out under the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019;
- b) Provisional Truing-up for FY 2024-25 to be carried out under the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019;
- c) Aggregate Revenue Requirement for each year of the Control Period under these Regulations;

1.4 In view of the above, ATIL submits the following:

- a) Petition for True-up of ARR for FY 2022-23 and FY 2023-24 as per provisions of MYT Regulations, 2019.
- b) Petition for Provisional True-Up of ARR for FY 2024-25 as per provisions of the MYT Regulations, 2019.

- c) Forecast of ARR for FY 2025-26 to FY 2029-30 as per provisions of the MYT Regulations, 2024.

Basis for Computation of True-up, Provisional True-up & Forecast of ARR

- 1.5 Without prejudice to outcome of all three pending appeals, based on the closing capital cost approved for FY 2021-22 by the Hon'ble Commission in case No. 238 of 2022 dated 31 March, 2023, True-up of ARR for FY 2022-23 and FY 2023-24, provisional true-up of ARR of FY 2024-25 and Forecast of ARR for FY 2025-26 to FY 2029-30 has been determined by the Petitioner. Audited Annual Accounts of ATIL (Consolidated) for FY 2022-23 and FY 2023-24 are submitted at **Annexure 1 & Annexure 2 respectively**. Audited Annual Accounts of ATIL (MERC Assets) for FY 2022-23 and FY 2023-24 are submitted at **Annexure 3 & Annexure 4 respectively**.
- 1.6 The Petitioner has carried out the True-up, Provisional True-up and Forecast of ARR on the following basis:
- (a) True-up of ARR for FY 2022-23 and FY 2023-24 based on closing capital cost approved for FY 2021-22 by the Hon'ble Commission in case no. 238 of 2022 dated 31 March, 2023 as per provisions of MYT Regulations, 2019 and other Regulations.
 - (b) Provisional True up for ARR for FY 2024-25 based on closing Capital Cost approved for FY 2021-22 by the Hon'ble Commission in case no. 238 of 2022 dated 31 March, 2023 and additional Capital cost for 2022-23 & 2023-24 as provisions of MYT Regulations, 2019 and other Regulations.
 - (c) Revenue Gap/ (Surplus) has been determined as per provisions of the MYT Regulations, 2019 for FY 2022-23, 2023-24 and 2024-25.
 - (d) Carrying cost for recoveries during FY 2025-26 as follows:
 - Carrying cost for difference in approved ARR & actual Revenue Requirement after adjusting gain (Loss) for delay in approval of recovery in FY 2022-23.
 - Carrying cost for difference in approved ARR & actual Revenue Requirement after adjusting gain (Loss) for delay in approval of recovery in FY 2023-24.
 - (e) Determination of ARR for the FY 2025-26 to FY 2029-30 projected as per the provisions of MYT Regulations, 2024 and other Regulations.
- 1.7 The Petitioner has filed an appeal before Hon'ble APTEL challenging order dated 12.09.2018 of Hon'ble Commission in case No. 170 of 2017. This Appeal has been registered with Hon'ble APTEL as Appeal No. 402 of 2018.
- 1.8 The Petitioner aggrieved by the Order of Hon'ble Commission dated 30.03.200 in case No. 289 of 2019 filed Appeal before Hon'ble APTEL registered as Appeal No. 154 of 2020.
- 1.9 The Petitioner has filed an appeal before Hon'ble APTEL challenging order dated 31.03.2023 of Hon'ble commission in case No. 238 of 2022. This Appeal has been registered with Hon'ble APTEL as Appeal No. 649/2023.

1.10 The Petitioner would like to submit that this Petition is filed by the Petitioner without Prejudice to its rights arising out orders of Hon'ble APTEL in above referred three appeals.

1.11 Trued up ARR of the Petitioner for FY 2022-23 considering above factors, is summarized in the table below:

Table 1-1: True Up of ARR for FY 2022-23 (Rs. Crore)

Sr. No.	Particulars	Case 238 of 2022 dated 31.03.2023	Revised Normative/ Actual	Actual	Deviation	Controllable	Uncontrollable	Net Entitlement after sharing of gains/(losses)
		a	b	c	d = c - a	e = d - f	f = b - a	g = a + e/3 + f
1	Operation & Maintenance Expenses	13.26	13.26	13.15	(0.11)	(0.11)	-	13.19
2	Depreciation Expenses	37.75	37.75	37.75	0.00		0.00	37.75
3	Interest on Long-term Loan Capital	14.68	15.98	15.98	1.30		1.30	15.98
4	Interest on Working Capital and on security deposits	2.33	2.29	-	(2.33)	(2.29)	(0.04)	0.76
5	Income Tax	-	-	-	-		-	-
6	Contribution to Contingency reserves	1.78	1.29	1.29	(0.49)		(0.49)	1.29
7	Total Revenue Expenditure	69.80	70.57	68.18	(1.62)	(2.39)	0.78	68.97
8	Return on Equity Capital	36.29	40.18	40.18	3.89		3.89	40.18
9	Aggregate Revenue Requirement	106.09	110.75	108.36	2.27	(2.39)	4.67	109.15
10	Less: Non Tariff Income	0.86	0.47	0.47	(0.39)		(0.39)	0.47
11	Less: Income from Other Business	-	-	-	-		-	-
12	Aggregate Revenue Requirement from Transmission Tariff	105.23	110.28	107.89	2.66	(2.39)	5.06	108.68

1.12 Trued up ARR of the Petitioner for FY 2023-24 considering above factors, is summarized in the table below:

Table 1-2: True Up of ARR for FY 2023-24 (Rs. Crore)

Sr. No.	Particulars	Case 238 of 2022 dated 31.03.2023	Revised Normative/ Actual	Actual	Deviation	Controllable	Uncontrollable	Net Entitlement after sharing of gains/(losses)
		a	b	c	d = c - a	e = d - f	f = b - a	g = a + e/3 + f
1	Operation & Maintenance Expenses	13.74	13.74	13.48	(0.26)	(0.26)	-	13.57
2	Depreciation Expenses	37.65	37.65	37.65	0.00		0.00	37.65
3	Interest on Long-term Loan Capital	10.08	11.00	11.00	0.92		0.92	11.00
4	Interest on Working Capital and on security deposits	2.45	2.61	4.39	1.94	1.78	0.16	3.20
5	Income Tax	-	-	-	-		-	-
6	Contribution to Contingency reserves	1.78	2.79	2.79	1.01		1.01	2.79
7	Total Revenue Expenditure	65.70	67.79	69.31	3.61	1.52	2.09	68.21
8	Return on Equity Capital	36.29	40.19	40.19	3.90		3.90	40.19
9	Aggregate Revenue Requirement	101.99	107.98	109.50	7.50	1.52	5.98	108.39
10	Less: Non Tariff Income	0.98	0.86	0.86	(0.12)		(0.12)	0.86
11	Less: Income from Other Business	-	-	-	-		-	-
12	Aggregate Revenue Requirement from Transmission Tariff	101.01	107.12	108.64	7.62	1.52	6.10	107.53

1.13 The Petitioner would like to draw kind attention to Regulation No. 29.7 of MYT Regulation, 2019, which provides that Additional rate of Return on Equity shall be allowed on transmission availability. In view of this, the Petitioner has achieved transmission availability of 99.88% and 99.84% for FY 2022-23 and FY 2023-24 and accordingly claimed additional rate of return on equity. The Annual Availability Certificate for FY 2022-23 and FY 2023-24 issued to the Petitioner by MSLDC is attached to the Petition as **Annexure 4**. Summary of True Up of ARR for FY 2022-23 & FY 2023-24 is tabulated below:

Table 1-3: True Up Summary for FY 2022-23 & FY 2023-24 (Rs. Crore)

Sr. No.	Particulars	Formula	Actual for FY 2022-23	Actual for FY 2023-24
1	ARR allowed after truing up and post sharing of gains/losses	a	108.68	107.53
2	Past Period Gap approved in MYT Order Case 290 of 2019 & MTR Order Case No. 238 of 2022	b	25.96	39.93
3	ARR allowed after truing up and post sharing of gains/losses and past recoveries	c = a + b	134.64	147.46
4	Less: Revenue as per InSTS Order	d	131.03	140.94
5	Revenue Gap/ (Surplus) for computation of Carrying Cost/(Holding) Cost	e = c - d	3.61	6.52
6	Recovery allowed during Provisional Truing-up in Order Case No. 238 of 2022	f	0.16	
7	Carrying/(Holding) Cost on account of Revenue Gap / (Surplus)	g	1.07	1.35
8	Net Revenue gap to be recovered including carrying cost and availability incentive	h = e - f + g	4.52	7.88

1.14 For FY 2024-25, ATIL has compared actual performance for the first half year based on un-audited half yearly accounts and estimates for the second half with the approved ARR in the MYT Order. A comparison of the approved and revised ARR for FY 2024-25 is provided in the table below:

Table 1-4: Comparison of Approved Vs. Estimated ARR for FY 2024-25 (Rs. Crore)

Particulars	FY 2024-25		
	Approved (Case No. 238 of 2022)	Estimated	Provisional True Up Requirement
O&M Expenses	14.29	14.29	-
Depreciation Expenses	37.65	37.65	(0.00)
Interest on Long-term Loan Capital	5.49	5.98	0.49
Interest on Working Capital and on consumer security deposits	2.43	2.69	0.26
Income Tax	-	-	-
Contribution to contingency reserves	1.78	1.78	0.00
Total Revenue Expenditure	61.64	62.39	0.75
Return on Equity Capital	36.29	36.30	0.01
Aggregate Revenue Requirement	97.93	98.69	0.76
Less: Non-Tariff Income	1.10	1.09	(0.01)
Less: Income from Other Business	-	-	-
Aggregate Revenue Requirement from Transmission Tariff	96.83	97.60	0.77

Table 1-5: Provisional True Up for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	Formula	Provisional for FY 2024-25
1	ARR allowed after truing up and post sharing of gains/losses	a	97.60
2	Past Period Gap approved in MTR Order Case 238 of 2022	b	42.72
3	ARR allowed after truing up and post sharing of gains/losses and past recoveries	c = a + b	140.32
4	Less: Revenue as per InSTS Order	d	139.55
5	Revenue Gap/ (Surplus) for computation of Carrying Cost/(Holding) Cost	e = c - d	0.77

1.15 The Petitioner has not claimed any carrying cost for FY 2024-25 in the present Petition.

1.16 Projected estimate of ARR for the FY 2025-26 to FY 2029-30 is provided in the following table:

Table 1-6: Aggregate Revenue Requirement – FY 2025-26 to FY 2029-30 (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses	14.91	15.59	16.29	17.02	17.81
Depreciation Expenses	38.03	7.18	7.18	7.18	7.18
Interest on Loan Capital	1.85	0.10	-	-	-
Interest on Working Capital	2.33	1.77	1.78	1.80	1.81
Income Tax					
Contribution to contingency reserves	1.78	1.83	1.83	1.83	1.83
Total Revenue Expenditure	58.91	26.48	27.09	27.83	28.63
Add: Return on Equity Capital	40.72	41.26	41.26	41.26	41.26
Aggregate Revenue Requirement	99.63	67.73	68.34	69.08	69.89
Less: Non-Tariff Income	1.19	1.29	1.40	1.50	1.60
Less: Income from Other Business					
Less: Income from Open Access charges					
Aggregate Revenue Requirement from Transmission	98.44	66.44	66.95	67.58	68.29

1.17 The Petitioner would like to submit that the Cumulative ARR for FY 2025-26 to FY 2029-30 (incl of Revenue Gap/ (Surplus)) is as below:

Table 1-7: Cumulative ARR for FY 2025-26 to 2029-30 (Rs Crore)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Forecast of ARR in present Petition	98.44	66.44	66.95	67.58	68.29
2	Revenue Gap/ (Surplus) for FY 2022-23	3.45				
3	Carrying cost on Revenue Gap/ (Surplus) for FY 2022-23	1.07				
4	Revenue Gap/ (Surplus) for FY 2023-24	6.52				
5	Carrying cost on Revenue Gap/ (Surplus) for FY 2023-24	1.35				
6	Revenue Gap/ (Surplus) for FY 2024-25	0.77				
7	Total Estimated Recovery through InSTS	111.61	66.44	66.95	67.58	68.29

Prayers to the Hon'ble Commission

In view of the above facts and circumstances, the Petitioner prays to the Hon'ble Commission that it may be pleased to:

- (a) Admit the present Petition.
- (b) Allow Additional Capital Cost claimed in this Petition.
- (c) Approve the true-up of ARR along with additional Return on Equity and carrying cost for FY 2022-23 and FY 2023-24
- (d) Approve the provisional true-up of ARR for FY 2024-25 as indicated in this Petition
- (e) Approve the projections of ARR for FY 2025-26 to FY 2029-30 as indicated in this Petition
- (f) Allow recovery of the impact of the above prayers from the TSUs along with applicable carrying cost
- (g) Condone any inadvertent omissions/errors/shortcomings and permit ATIL to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- (h) Allow any other relief, order or direction, which the Hon'ble Commission deems fit to be issued
- (i) Pass such further orders, as the Hon'ble Commission may deem fit and appropriate, keeping in view the facts and circumstances of the case.