

1 EXECUTIVE SUMMARY

1.1 Preamble

Amravati Power Transmission Company Limited (**APTCL**) is an intra-state transmission licensee in Maharashtra as per the Transmission License No. 3 of 2010 granted by the Hon'ble Commission vide order dated 30th December 2010 and amended vide order dated 4th August 2014. As per provisions of Electricity Act, 2003 (**EA**), APTCL being a transmission licensee, is required to submit its Aggregate Revenue Requirement (**ARR**) and Tariff Petition as per procedures outlined in Section 61, 62 and 64 of EA 2003, and the governing Regulations thereof

This section summarizes the petition filed by APTCL for Approval of True Up of FY 2022-23 & FY 2023-24, Provisional True-Up of FY 2024-25 as per MULTI YEAR TARIFF (**MYT**) Regulations 2019 and ARR for Control Period FY 2025-26 to FY 2029-30 0-21 to FY 2024-25 as per MYT Regulations 2024.

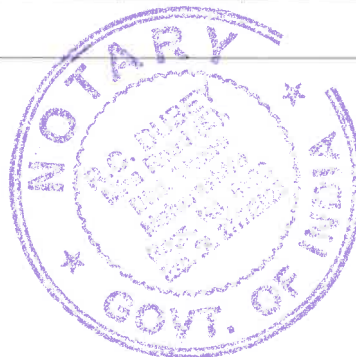
1.2 True up for FY 2022-23 and FY 2023-24

1.2.1 ARR for FY 2022-23 and 2023-24

APTCL has worked out its ARR for FY 2022-23 and FY 2023-24 as part of True Up exercised, based on audited annual accounts and applied norms wherever applicable as per the MERC (MYT) Regulations 2019 and its amendments thereof. The detailed comparison of various cost components is undertaken with cost approved by the Hon'ble Commission vide its MTR Order dated 31 March, 2023 in Case No. 234 of 2022. A summary of the proposed ARR for Truing Up of FY 2022-23 and 2023-24 is as under:

Table 1: Summary of True-up of FY 2022-23 and 2023-24 (Rs. Crores)

Particulars	Approved	Actual	Net Entitlement after sharing of	Deviation	Approved	Actual	Net Entitlement after sharing of	Deviation
			gains/(losses)				gains/(losses)	
	FY 2022-23				FY 2023-24			
Operation & Maintenance Expenses	5.09	5.19	5.13	0.03	5.28	5.40	5.32	0.04
Depreciation	14.27	14.27	14.27	0.00	14.27	14.27	14.27	0.00
Interest on Long-term Loan	9.36	9.94	9.94	0.58	7.93	9.50	9.50	1.57
Interest on Working Capital	0.86	0.85	0.28	-0.58	0.89	0.91	0.30	-0.58
Contribution to Contingency Reserves	0.68	0.68	0.68	0.00	0.68	0.68	0.68	0.00
Total Revenue Expenditure	30.26	30.92	30.29	0.03	29.04	30.76	30.07	1.03
Return on Equity Capital	11.48	12.72	12.72	1.23	11.48	12.72	12.72	1.23
Gross Aggregate Revenue Requirement	41.75	43.64	43.01	1.26	40.52	43.47	42.78	2.27



Revised True Up Petition for FY 2022-23 & FY 2023-24, Provisional True-up for FY 2024-25 and MYT Petition for the 5th Control Period from FY 2025-26 to FY 2029-30

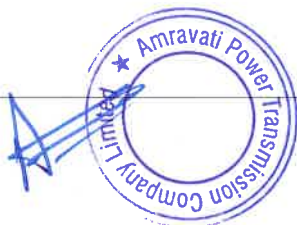
Particulars	Approved	Actual	Net Entitlement after sharing of gains/(losses)	Deviation	Approved	Actual	Net Entitlement after sharing of gains/(losses)	Deviation
	FY 2022-23				FY 2023-24			
Less: Non-Tariff Income	0.25	0.22	0.22	-0.03	0.31	0.40	0.40	0.09
Net Aggregate Revenue Requirement	41.50	43.42	42.79	1.29	40.21	43.07	42.39	2.18
Past Gap for FY 2017-18 to FY 2019-20 including Carrying cost - as approved in Case No. 295 of 2019	3.96	3.96	3.96	0.00	3.66	3.66	3.66	0.00
Past Gap for FY 2019-20 to FY 2022-23 including Carrying cost - as approved in Case No.234 of 2022	0.00	0.00	0.00	0.00	3.68	3.68	3.68	0.00
Add: Net Entitlement for restatement of interest rate	0.00	0.00	0.00	0.00	0.00	1.22	1.22	1.22
Rebate on Revenue	0.00	0.64	0.64	0.64	0.00	0.04	0.04	0.04
Total Annual Revenue Requirement including past gaps	45.46	48.02	47.39	1.93	47.54	51.68	50.99	3.45

1.2.2 Revenue gap for FY 2022-23 and FY 2023-24

The Revenue recovery of FY 2022-23 and FY 2023-24 has been considered based on the Intra-State Transmission Charges determined by the Hon'ble Commission vide its MYT Order dated 30 March 2019 in Case No. 295 of 2019 and as per the MTR Order dated 31 March, 2023 in Case No. 234 of 2022, respectively. Also, the Recovery of the same was allowed as per Transmission Tariff of Intra-State Transmission System for 4th MYT Control Period for FY 2020-21 to FY 2024-25 as per Order dated 30 March 2020 in Case No. 327 of 2019 and determination of revised InSTS Tariff for FY 2023-24 and FY 2024-25 as per Order dated 31 March 2023 in Case No. 239 of 2022 for FY 2022-23 and FY 2023-24 respectively. Accordingly, considering the past period gaps and the revenue recovered during the FY 2022-23 and FY 2023-24, the revenue gap claimed by APTCL is as under:

Table 2: Revenue Gap for FY 2022-23 and FY 2023-24 (Rs. Crores)

Sl. No.	Particulars	FY 2022-23	FY 2023-24
1	Total ARR	47.39	50.99
2	ARR recovered through Transmission Tariff	48.08	47.54
3	Revenue Gap / (Surplus)	(0.69)	3.45



1.3 Provisional Truing up for FY 2024-25

1.3.1 Provisional True-up for FY 2024-25

As per the provisions of the MERC MYT Regulations, 2019 and its amendments thereof, the Provisional True-up is carried out by comparing the performance of Transmission Licensee with the approved forecast in the MTR Order. Accordingly, the comparison of approved ARR as per MERC Order dated 31 March, 2023 in Case No. 234 of 2022 with the revised forecast based on performance during the first half of FY 2024-25 and other factors are as shown in the following table:

Table 3: Summary of Provisional True-up of FY 2024-25 (Rs. Crores)

Particulars	Approved	Actual H1	Estimated H2	Estimated
O&M Expenses	5.49	2.75	2.75	5.49
Additional OPEX	0.00	0.00	0.00	0.00
Depreciation	14.27	7.13	7.13	14.27
Interest on Long-term Loan Capital	6.51	3.38	3.38	6.77
Interest on Working Capital	0.79	0.46	0.46	0.91
Income Tax	0.00	0.00	0.00	0.00
Contribution to contingency reserves	0.68	0.34	0.34	0.68
Total Revenue Expenditure	27.74	14.06	14.06	28.11
Return on Equity	11.48	5.74	5.74	11.49
Aggregate Revenue Requirement	39.23	19.80	19.80	39.60
Less: Non-Tariff Income	0.35	0.20	0.20	0.40
Net Aggregate Revenue Requirement	38.88	19.60	19.60	39.20
Add: Past Gap for FY 2017-18 to FY 2019-20 including Carrying cost - as approved in Case No. 295 of 2019	3.35	1.68	1.68	3.35
Add: Past Gap for FY 2019-20 to FY 2022-23 including Carrying cost - as approved in Case No.234 of 2022	2.31	1.16	1.16	2.31
Total Aggregate Revenue Requirement from Transmission Business	44.54	22.43	22.43	44.86

1.3.2 Revenue gap for FY 2024-25

The Revenue recovery of FY 2024-25 has been considered based on the Intra-State Transmission Charges determined by the Hon'ble Commission vide its Order dated 31 March, 2023 in Case No. 239 of 2022. Accordingly, considering estimated revenue to be recovered during the FY 2024-25, the revenue gap claimed by APTCL is provided as under:

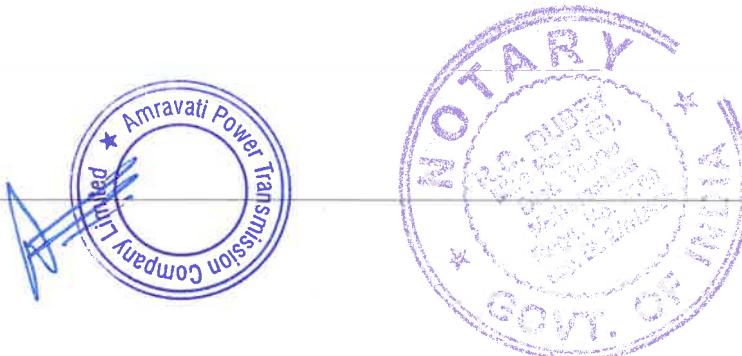


Table 4: Revenue Gap for FY 2024-25 (Rs. Crores)

Particulars	FY 2024-25
Total ARR	44.86
ARR recovered through Transmission Tariff	44.55
Revenue Gap / (Surplus)	0.31

1.4 Multi Year Tariff Petition for the 5th Control Period for FY 2025-26 to FY 2029-30

Based on the MERC MYT Regulations, 2024, APTCL has prepared the projections for the 5th MYT Control Period from FY 2025-26 to FY 2029-30. The summary of the ARR for the 5th Control Period is provided as under:

Table 5: Aggregate Revenue Requirement for 5th MYT Control Period (Rs. Crores)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses	5.43	5.65	5.91	6.18	6.45
Depreciation	14.27	14.27	14.26	14.26	3.69
Interest on Long-term Loan Capital	5.28	3.80	2.32	0.83	0.05
Interest on Working Capital	0.89	0.82	0.81	0.79	0.65
Contribution to contingency reserves	0.68	0.68	0.68	0.68	0.68
Total Revenue Expenditure	26.54	25.22	23.97	22.74	11.50
Return on Equity	12.72	12.72	12.72	12.72	12.72
Gross Aggregate Revenue Requirement	39.26	37.93	36.69	35.45	24.22
Less: Non-Tariff Income	0.45	0.49	0.54	0.59	0.64
Net Aggregate Revenue Requirement	38.81	37.44	36.14	34.86	23.58
Add: Calculation error in FY 2021-22 approved as per Review Order in Case No. 94 of 2023 along with carrying cost	0.45	0.00	0.00	0.00	0.00
Add: Gap/ (Surplus) for FY 2022-23	-0.69	0.00	0.00	0.00	0.00
Add: Gap/ (Surplus) for FY 2023-24	3.45	0.00	0.00	0.00	0.00
Add: Gap/ (Surplus) for FY 2024-25	0.31	0.00	0.00	0.00	0.00
Carrying cost/ Holding Cost for FY 2022-23 to FY 2023-24	0.51	0.00	0.00	0.00	0.00
Total Annual Revenue Requirement including past gaps	42.83	37.44	36.14	34.86	23.58

1.5 Prayers to the Hon'ble Commission

APTCL respectfully hereby submits the revised Petition and Prays before this Hon'ble Commission to:

- a. Admit this Petition for the Approval of True Up of FY 2022-23 & FY 2023-24, Provisional True-Up of FY 2024-25 in accordance with the MYT Regulations 2019 and its amendments thereof and Aggregate Revenue Requirement for the 5th MYT Control Period from FY 2025-26 to FY 2029-30 in accordance with the MYT Regulations 2024;



- b. Approve the True-up of ARR of APTCL including past gaps and Performance based RoE for higher Transmission availability for FY 2022-23 & FY 2023-24 in accordance with the MYT Regulations 2019 and its amendments thereof;
 - c. Approve the Provisional True Up for FY 2024-25 as presented in this Petition in accordance with the MYT Regulations 2019 and its amendments thereof;
 - d. Approve the projected ARR for the 5th MYT Control Period FY 2025-26 to FY 2029-30 in accordance with the MYT Regulations 2024;
 - e. To allow the recovery of the past gaps in the transmission charges as submitted in the Petition alongwith the carrying cost;
 - f. To allow the adjustment related to Calculation error in FY 2021-22 as approved as per Review Order in Case No. 94 of 2023 alongwith carrying cost;
 - g. To issue suitable guidelines to MSETCL to execute the O&M agreement based on the reasonable rates and allowed any variation as passed through in transmission tariff of APTCL over and above the normative O&M Cost;
 - h. To allow the net saving of interest cost due to refinancing to be shared with the beneficiaries in the ratio of 2:1 as per Regulations 30.10 of MYT Regulations 2019.
 - i. Condone any inadvertent omissions, errors, shortcomings, rounding off and permit APTCL to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date; and
 - j. Pass such other and further orders as deemed fit and proper in the facts and circumstances of the case.
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