

BRIHAN-MUMBAI ELECTRIC SUPPLY AND TRANSPORT UNDERTAKING
BEST Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai – 400 001
 Web site: www.bestundertaking.com

PUBLIC NOTICE

**Objections/Comments on BEST's Petition for approval of MYT Business Plan for the second
 Control Period from FY 2012-13 to FY 2015-16
 [Case No. 124 of 2011]**

1. The Brihan-Mumbai Electric Supply and Transport Undertaking (BEST) has filed the Petition for approval of MYT Business Plan for the period from FY 2012-13 to FY 2015-16 before the Maharashtra Electricity Regulatory Commission (MERC) under Sections 61 and 62 of the Electricity Act, 2003 (Act) and Regulation 7 of the MERC (Multi Year Tariff) Regulations, 2011. The Commission has admitted the Petition on **17 October, 2012** and directed BEST to publish a Public Notice under Section 64(2) of the Act.
2. BEST is a 'Local Authority Distribution Licensee' supplying electricity in the old city limits of Mumbai and providing public transport in the entire city limits as well as some adjoining areas of Mumbai city. BEST has submitted this MYT Business Plan in compliance with MERC (MYT) Regulations, 2011, addressing the matters related to Energy sales and Demand forecast, the power procurement plan, the Capital investment and financing plan for its Electric Supply business along with matters related to fulfilment of its obligation to provide Transport services as a 'Local Authority'.
3. Further, the Business Plan Petition enumerates various Strategic Plans and Operational Plans including Human Resource Plan, Training and Recruitment Plan, Risk Mitigation Plan, Environment Policy and Initiatives, future business opportunities, etc., of BEST for the second Control Period from FY 2012-13 to FY 2015-16.
4. BEST has considered three scenarios, viz., Optimistic, Realistic and Pessimistic, while preparing the Business Plan. It has adopted the Realistic scenario for submission of the present Business Plan Petition.
5. The salient features of the Petition are provided below:

Table 1: Category-wise Sales Projections (MU)

a) Realistic Scenario

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
LT category						
BPL	0-30	0.23	0.24	0.25	0.25	0.26
LT - I	0-100	668.00	687.41	710.71	739.88	772.29
LT - I	101-300	561.44	590.57	624.14	664.18	708.66
LT - I	301-500	171.18	184.74	200.32	218.71	239.43
LT - I	>500	330.44	344.49	360.83	380.56	402.43
LT - II (a)	0-300	403.05	399.15	417.88	440.50	465.58
LT - II (a)	301-500	119.54				
LT - II (a)	501-1000	152.09	286.02	301.66	320.36	341.12
LT - II (a)	>1000	222.14				
LT - II (b)	all units	273.14	263.91	280.27	299.69	321.32

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
LT - II (c)	all units	546.12	504.89	536.18	573.35	614.71
LT - III	0-300	16.25	23.94	24.64	25.53	26.53
LT - III	301-500	7.12				
LT - III	501-1000	11.06	27.82	28.63	29.67	30.83
LT - III	>1000	16.09				
LT - IV (a)	all units	54.45	55.78	57.41	59.50	61.82
LT - IV (b)	all units	48.57	50.23	52.19	54.61	57.29
LT - V	all units	3.21	3.29	3.38	3.51	3.64
LT - VI	all units	29.90	31.39	33.12	35.18	37.46
LT - VII (a)	all units	0.09	0.10	0.10	0.10	0.11
LT - VII (b)	all units	40.76	44.18	48.11	52.76	58.01
LT - VIII	all units	1.26	1.30	1.34	1.40	1.46
LT - IX (a) Hospital/Educational Inst. (0-20kW)	all units	0.00	252.37	265.19	280.59	297.66
LT - IX (b) Hospital/ Educational Inst. (above 20kW)	all units	0.00	97.15	103.17	109.16	115.80
HT Category						
HT - I	all units	149.14	155.31	162.49	171.18	180.82
HT - II	all units	423.99	398.61	437.22	482.89	534.73
HT - III	all units	31.76	32.64	33.70	35.03	36.52
HT- IV	all units	5.02	5.15	5.30	5.49	5.70
HT- V Hospital/Edu Inst	all units	0.00	64.26	70.49	77.85	86.21
Total		4,286.05	4,504.93	4,758.72	5,061.91	5,400.38

b) Optimistic Scenario

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
LT category						
BPL	0-30	0.23	0.24	0.25	0.27	0.28
LT - I	0-100	668.00	698.48	734.52	778.96	827.46
LT - I	101-300	561.44	606.55	659.03	722.12	792.55
LT - I	301-500	171.18	192.05	216.70	246.59	281.06
LT - I	>500	330.44	352.29	377.72	408.42	442.34
LT - II (a)	0-300	403.05	408.08	437.22	472.40	511.26
LT - II (a)	301-500	119.54				
LT - II (a)	501-1000	152.09	293.47	317.90	347.29	380.02
LT - II (a)	>1000	222.14				
LT - II (b)	all units	273.14	271.68	297.31	328.11	362.70
LT - II (c)	all units	546.12	519.76	568.79	627.72	693.90
LT - III	0-300	16.25	24.27	25.35	26.70	28.17
LT - III	301-500	7.12				
LT - III	501-1000	11.06	28.20	29.46	31.03	32.74
LT - III	>1000	16.09				
LT - IV (a)	all units	54.45	56.55	59.07	62.22	65.64
LT - IV (b)	all units	48.57	51.17	54.21	57.92	61.99
LT - V	all units	3.21	3.33	3.48	3.67	3.87
LT - VI	all units	29.90	32.21	34.91	38.14	41.75

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
LT - VII (a)	all units	0.09	0.10	0.10	0.11	0.11
LT - VII (b)	all units	40.76	46.02	52.26	59.84	68.64
LT - VIII	all units	1.26	1.32	1.39	1.47	1.56
LT - IX (a) Hospital/Edu Inst (0-20kW)	all units	0.00	258.48	278.47	302.54	329.24
LT - IX (b) Hospital/Edu Inst (above 20kW)	all units	0.00	100.01	109.44	118.90	129.39
HT Category						
HT - I	all units	149.14	158.73	169.91	183.42	198.32
HT - II	all units	423.99	416.58	478.00	553.12	641.10
HT - III	all units	31.76	33.14	34.78	36.81	39.02
HT- IV	all units	5.02	5.22	5.45	5.74	6.06
HT- V Hospital/Edu Inst	all units	0.00	67.16	77.06	89.17	103.36
Total		4,286.05	4,625.10	5,022.78	5,502.68	6,042.52

c) Pessimistic Scenario

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
LT category						
BPL	0-30	0.23	0.24	0.24	0.24	0.25
LT - I	0-100	668.00	677.79	689.75	704.95	722.15
LT - I	101-300	561.44	576.00	592.68	612.48	634.41
LT - I	301-500	171.18	177.93	185.50	194.22	203.82
LT - I	>500	330.44	337.48	345.69	355.63	366.69
LT - II (a)	0-300	403.05	391.13	400.54	411.95	424.66
LT - II (a)	301-500	119.54				
LT - II (a)	501-1000	152.09	279.24	287.03	296.32	306.61
LT - II (a)	>1000	222.14				
LT - II (b)	all units	273.14	256.79	264.87	274.40	284.92
LT - II (c)	all units	546.12	491.26	506.73	524.95	545.08
LT - III	0-300	16.25	23.65	24.02	24.49	25.03
LT - III	301-500	7.12				
LT - III	501-1000	11.06	27.49	27.91	28.46	29.09
LT - III	>1000	16.09				
LT - IV (a)	all units	54.45	55.13	55.97	57.08	58.34
LT - IV (b)	all units	48.57	49.40	50.40	51.64	53.04
LT - V	all units	3.21	3.25	3.30	3.36	3.44
LT - VI	all units	29.90	30.65	31.50	32.53	33.66
LT - VII (a)	all units	0.09	0.10	0.10	0.10	0.10
LT - VII (b)	all units	40.76	42.46	44.36	46.55	48.96
LT - VIII	all units	1.26	1.28	1.31	1.33	1.37
LT - IX (a) Hospital/Educational Inst. (0-20kW)	all units	0.00	246.84	253.25	260.96	269.51
LT - IX (b) Hospital/ Educational Inst. (above 20kW)	all units	0.00	94.52	97.50	100.47	103.76
HT Category						
HT - I	all units	149.14	152.23	155.85	160.24	165.13
HT - II	all units	423.99	381.78	400.37	421.69	445.16

Tariff Category	Slabs	FY 2011-12 (Actual - Unaudited)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
HT - III	all units	31.76	32.20	32.75	33.45	34.24
HT- IV	all units	5.02	5.09	5.16	5.27	5.38
HT- V Hospital/Edu Inst	all units	0.00	61.55	64.55	67.98	71.77
Total		4,286.05	4,395.49	4,521.32	4,670.73	4,836.56

Table 2: Demand Projections (MW)

Realistic Scenario

Peak Demand Projections	FY 11-12 (Actual)	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Peak-Demand (MW) excluding Mill Land Area		891.00	904.00	920.00	969.00
Revised Demand (MW) from Mill Land Area		30.00	60.00	100.00	150.00
Dharavi makeover load (MW)		0.00	5.00	15.00	25.00
Reduction of Peak Demand from DSM activities (MW)		1.49	1.49	1.49	1.49
Load due to new developments (MW)		5.26	7.88	13.07	18.67
Wadala Truck Terminal Project (MW)		5.00	15.00	25.00	35.00
Total Peak Demand (MW) at T-D Interface	893.78	929.77	990.38	1,071.58	1,196.18

Optimistic Scenario

Peak Demand Projections	FY 11-12 (Actual)	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Peak-Demand (MW) excluding Mill Land Area		891.00	904.00	920.00	969.00
Revised Demand (MW) from Mill Land Area		48.00	96.00	160.00	240.00
Dharavi makeover load (MW)		0.00	8.00	24.00	40.00
Reduction of Peak Demand from DSM activities (MW)		1.49	1.49	1.49	1.49
Load due to new developments (MW)		5.26	7.88	13.07	18.67
Wadala Truck Terminal Project (MW)		8.00	24.00	40.00	56.00
Total Peak Demand (MW) at T-D Interface	893.78	950.77	1,038.38	1,155.58	1,322.18

Pessimistic Scenario

Peak Demand Projections	FY 11-12 (Actual)	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Peak-Demand (MW) excluding Mill Land Area		891.00	904.00	920.00	969.00
Revised Demand (MW) from Mill Land Area		15.00	30.00	50.00	75.00
Dharavi makeover load (MW)		0.00	2.50	7.50	12.50
Reduction of Peak Demand from DSM activities (MW)		1.49	1.49	1.49	1.49
Load due to new developments (MW)		5.26	7.88	13.07	18.67
Wadala Truck Terminal Project (MW)		2.50	7.50	12.50	17.50
Total Peak Demand (MW) at T-D Interface	893.78	912.27	950.38	1,001.58	1,091.18

Table 3: Energy Balance

Particulars	FY11-12 (Actual)	FY12-13	FY13-14	FY14-15	FY15-16
Realistic					
Energy sale (MU) at consumer level	4,286.05	4,504.93	4,758.72	5,061.91	5,400.38
Distribution loss (in %)	7.56%	8.50%	8.50%	8.50%	8.50%
Energy purchase required at T-D interface (MU)	4,636.71	4,923.42	5,200.79	5,532.14	5,902.06
InSTS losses (%)	4.38%	4.85%	4.85%	4.85%	4.85%
Energy purchase required at G-T interface (MU)	4,849.11	5,174.38	5,465.89	5,814.13	6,202.90
Optimistic					
Energy sale (MU) at consumer level	4,286.05	4,625.10	5,022.78	5,502.68	6,042.52
Distribution loss (in %)	7.56%	8.50%	8.50%	8.50%	8.50%
Energy purchase required at T-D interface (MU)	4,636.71	5,054.75	5,489.38	6,013.86	6,603.85
InSTS losses (%)	4.38%	4.85%	4.85%	4.85%	4.85%
Energy purchase required at G-T interface (MU)	4,849.11	5,312.40	5,769.19	6,320.40	6,940.46
Pessimistic					
Energy sale (MU) at consumer level	4,286.05	4,395.49	4,521.32	4,670.73	4,836.56
Distribution loss (in %)	7.56%	8.50%	8.50%	8.50%	8.50%
Energy purchase required at T-D interface (MU)	4,636.71	4,803.81	4,941.34	5,104.62	5,285.86
InSTS losses (%)	4.38%	4.85%	4.85%	4.85%	4.85%
Energy purchase required at G-T interface (MU)	4,849.11	5,048.67	5,193.21	5,364.81	5,555.29

Table 4: Power Purchase Cost - Realistic Scenario (Rs. Crore)

Source	Unit	2011-12 (Actual)	2012-13	2013-14	2014-15	2015-16
TPC-G	Quantum (MU) - Unit 8	678.41	603.27	711.97	682.99	690.72
	Quantum (MU) - Units 4, 5, 6, 7 and hydro	4431.98	4,156.75	4,255.32	4,552.77	4,744.33
	Total cost (Rs. Cr)	2460.85	2,348.57	2,644.27	2,666.31	2,251.48
	Total aggregate cost per unit (Rs./Unit)	4.82	4.93	5.32	5.09	4.14
RPS - Spark Green	Quantum (MU)	-	70.96	212.87	283.82	283.82
	Unit charge (Rs./Unit)		4.50	4.75	5.01	5.29
	Total cost (Rs. Cr)		31.93	101.11	142.20	150.14
RPS – Solar	Quantum (MU)	-	0.70	16.60	16.60	16.60
	Unit charge (Rs./Unit)		9.51	15.61	15.61	15.61
	Total cost (Rs. Cr)		0.67	25.91	25.91	25.91
RPS - Non-solar, excluding energy from Spark Green, including mini/micro hydro	Quantum (MU)	219.84	342.29	262.46	222.85	257.84
	Unit charge (Rs./Unit)	5.13	5.67	5.95	6.25	6.56
	Total cost (Rs. Cr)	112.70	205.38	165.78	148.20	180.56

Source	Unit	2011-12 (Actual)	2012-13	2013-14	2014-15	2015-16
External Purchase to Meet Peak Demand Deficit	Quantum (MU)	88.00	0.41	6.67	55.10	209.58
	Purchase Price (Rs./Unit)	3.91	4.50	4.83	5.19	5.57
	Total cost (Rs. Cr)	34.39	0.20	3.52	31.33	128.20
SLDC Charges	(Rs. Cr)	0.96	0.75	0.82	0.90	0.99
Transmission Charges	(Rs. Cr)	127.64	193.18	226.95	249.65	274.61
Standby Charges payable to MSEDCL	Rs. Cr.	107.85	107.85	107.85	107.85	107.85
Total Power Purchase Cost	Rs. Cr.	2425.40	2,888.52	3,276.22	3,372.35	3,119.76
Total Energy Purchased	MU	4849.11	5,174.38	5,465.89	5,814.13	6,202.90
Average cost of Power Purchase	Rs./kWh	5.00	5.58	5.99	5.80	5.03

Table 5: Capital Expenditure and Capitalisation proposed by BEST for the Control Period from FY 2012-13 to FY 2015-16 - Realistic Scenario (Rs. Crore)

MERC Approval Status	Capital Expenditure					Capitalisation *				
	FY 12 (Actual)	FY 13	FY 14	FY 15	FY 16	FY 12 (Actual)	FY 13	FY 14	FY 15	FY16
<i>Approved DPR</i>	115.13	22.53	0.00	0.00	0.00	111.56	28.23	0.00	0.00	0.00
<i>DPR Submitted but yet to be approved</i>	0.00	219.34	63.88	54.17	36.64	0.00	198.21	22.25	42.06	51.06
<i>DPR yet to be submitted</i>	0.00	0.00	268.29	283.77	270.32	0.00	0.00	253.93	299.93	309.32
<i>DPR Not-Required - Non DPR</i>	19.78	11.50	7.66	8.45	12.15	18.94	11.56	7.66	8.45	12.15
TOTAL	134.91	253.37	339.83	346.39	319.11	130.50	238.00	283.85	350.44	372.52

Note: *- Including IDC

Table 6: Operational Parameters

Particulars	FY 12 (Actual)	FY 13	FY 14	FY 15	FY 16
<i>Distribution Loss</i>	7.56%	8.50%	8.50%	8.50%	8.50%
<i>Collection Efficiency</i>	102%	99%	99%	99%	99%
<i>SAIDI</i>	148.58	131.60	128.5	125.6	122.7
<i>Wires Availability</i>	98.30%	98.50%	98.53%	98.57%	98.60%
<i>Supply Availability*</i>	N/A	146.16%	137.21%	126.81%	113.60%

* Supply Availability is computed vide Regulation 97.1 of the MERC MYT Regulations, 2011 applicable from FY 2012-13 onwards.

Table 7: Impact of Transport Division Deficit (Rs. Crore)

Particulars	FY 13	FY 14	FY 15	FY 16
Total Recovery towards Transport Division Deficit	748.80	736.44	346.64	119.05
Recovery from Current level of Transport Division Loss Recovery Charge	692.78	733.77	782.56	837.04
Sales for the Year (Realistic Scenario)	4,504.93	4,758.72	5,061.91	5,400.38
Average Transport Recovery charge @ current level	1.54	1.54	1.55	1.55
Proposed Transport Division Loss Recovery Charge	1.54	1.54	0.50	0.50
Proposed Reduction in Transport Division Loss Recovery Charge	0.00%	0.00%	67.62%	0.00%
Recovery from proposed Transport Division Loss Recovery Charge	692.78	733.77	253.71	270.67
Recovery Considered in ARR for respective years	692.78	733.77	253.71	270.67

Table 8: Aggregate Revenue Requirement of BEST (Rs. Crore)**Aggregate Revenue Requirement of BEST (Realistic Scenario) (Rs. Cr.)**

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
1	Power Purchase Expenses	2188.95	2586.74	2940.60	3013.95	2736.30
2	Operation & Maintenance Expenses					
2.1	<i>Employee Expenses</i>	220.75	265.33	291.85	320.99	353.04
2.2	<i>Impact of Wage Agreement</i>	0.00	0.00	71.55	71.55	71.55
2.3	<i>Administration & General Expenses</i>	85.09	99.70	108.21	117.44	127.46
2.4	<i>Repair & Maintenance Expenses</i>	35.84	41.09	46.87	56.43	68.43
3	Depreciation	60.46	94.73	107.08	121.51	139.22
4	Interest on Long-term/Short Term Loan Capital	10.9	10.53	13.03	15.04	16.57
5	Interest on Working Capital and Consumer Deposits					
5.1	<i>Interest on Working Capital (Normative)</i>	32.92	55.38	64.70	54.79	50.93
5.2	<i>Interest on</i>	0.00	36.11	40.95	42.15	39.00

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
	<i>Working Capital (Additional)Interest on Power Purchase Bill</i>					
5.3	<i>Interest on Consumer Deposits</i>	14.29	21.00	21.21	21.42	21.64
6	Bad Debts Written off	0.00	5.71	5.71	5.71	5.71
7	Other Expenses	54.50	55.59	56.70	57.84	58.99
8	Income Tax	0.00	0.00	0.00	0.00	0.00
9	Stand-by charges payable to MSEDCL	107.85	107.85	107.85	107.85	107.85
10	Transmission Charges payable	127.64	193.18	226.95	249.65	274.61
11	Annual SLDC fees & charges	0.96	0.75	0.82	0.90	0.99
12	Contribution to contingency reserves	4.33	4.61	5.18	5.87	6.73
13	Incentive for reduction of distribution loss	0.00	0.00	0.00	0.00	0.00
14	Total Revenue Expenditure	2944.05	3578.30	4109.28	4263.09	4079.02
15	Return on Equity Capital	122.54	128.82	140.36	154.56	170.86
16	Return as Interest on Internal Funds	5.28	5.28	5.28	5.28	5.28
17	Gross Aggregate Revenue Requirement	3,071.87	3,712.40	4,254.92	4,422.93	4,255.16
18	Less: Non Tariff Income	48.30	47.58	47.83	48.10	48.42
19	Add: Carrying cost (for True-up of FY 04-05, 05-06, 06-07 & 07-08)	12.23	0.00	0.00	0.00	0.00
20	Add: True-up of FY 09-10 and Provisional true-up of FY 10-11	443.58	0.00	0.00	0.00	0.00
21	Recovery of Regulatory Assets as approved in Case No. 171 of 2011(with carrying cost)	0.00	136.88	122.13	107.38	0.00

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
22	Add: Expected Revenue Gap FY 12 (Incremental over Commission approved Regulatory Asset)(with carrying cost)	0.00	367.51	331.76	296.01	260.25
23	Add: Impact of Appeal(in process) against Order in Case No. 125 of 2011	73.87	0.00	0.00	0.00	0.00
24	Add: Additional allowance by the Commission (Case No. 62 of 2012)	0.00	24.64	22.24	19.84	17.45
25	Net Aggregate Revenue Requirement Retail Tariff	3,553.25	4,193.83	4,683.22	4,798.06	4,484.45
26	Add: Deficit of Transport operations	263.84	692.78	733.77	253.71	270.67
27	Aggregate Revenue Requirement including Transport deficit	3817.08	4886.61	5416.99	5051.76	4755.12
28	Average Cost of Supply (Rs/kWh)	8.91	10.85	11.39	9.98	8.81

Note: * - BEST, vide its submission dated 15 October, 2012 has revised the impact of Wage Agreement from Rs. 49.81 crore to Rs. 48.43 crore for the period from FY 2013-14 to FY 2015-16, i.e., a reduction of Rs. 1.38 crore per year, and the corresponding reduction in interest on Working capital is Rs. 0.05 cr. per year and net ARR has reduced by Rs. 1.43 crore per year from FY 2013-14 to FY 2015-16, and the revised ARR table is attached as Annexure to the MYT Business Plan Petition.

Table: Aggregate Revenue Requirement of BEST (Optimistic Scenario) (Rs. Cr.)

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
1	Power Purchase Expenses	2188.95	2,640.31	3,075.61	3,279.07	3,197.47
2	Operation & Maintenance Expenses					
2.1	<i>Employee Expenses</i>	220.75	265.33	291.85	320.99	353.04
2.2	<i>Impact of Wage Agreement</i>	0.00	0.00	71.55	71.55	71.55

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
2.3	Administration & General Expenses	85.09	99.70	108.21	117.44	127.46
2.4	Repair & Maintenance Expenses	35.84	41.09	46.87	56.43	68.43
3	Depreciation	60.46	94.73	109.85	130.64	161.62
4	Interest on Long-term/Short Term Loan Capital	10.90	11.57	16.52	22.59	30.97
5	Interest on Working Capital and Consumer Deposits					
5.1	Interest on Working Capital (Normative)	32.92	56.12	66.72	58.98	58.59
5.2	Interest on Working Capital (Additional) Interest on Power Purchase Bill	0.00	36.78	42.64	45.47	44.76
5.3	Interest on Consumer Deposits	14.29	21.00	21.21	21.42	21.64
6	Bad Debts Written off	0.00	5.71	5.71	5.71	5.71
7	Other Expenses	54.50	55.59	56.70	57.84	58.99
8	Income Tax	0.00	0.00	0.00	0.00	0.00
9	Stand-by charges payable to MSEDCL	107.85	107.85	107.85	107.85	107.85
10	Transmission Charges payable	127.64	193.18	226.95	249.65	274.61
11	Annual SLDC fees & charges	0.96	0.75	0.82	0.90	0.99
12	Contribution to contingency reserves	4.33	4.61	5.31	6.30	7.79
13	Incentive for reduction of distribution loss	0.00	0.00	0.00	0.00	0.00
14	Total Revenue Expenditure	2944.05	3634.32	4254.39	4552.84	4591.48
15	Return on Equity Capital	122.54	129.86	145.13	167.83	200.66
16	Return as Interest on Internal Funds	5.28	5.28	5.28	5.28	5.28
17	Gross Aggregate Revenue Requirement	3,071.87	3,769.46	4,404.79	4,725.94	4,797.42
18	Less: Non Tariff Income	48.30	47.58	47.83	48.10	48.42
19	Add: Carrying cost (for True-up of FY 04-05, 05-06, 06-07 & 07-08)	12.23	0.00	0.00	0.00	0.00
20	Add: True-up of FY 09-10 and Provisional true-up of FY 10-11	443.58	0.00	0.00	0.00	0.00
21	Recovery of Regulatory Assets as approved in Case No. 171 of 2011(with carrying cost)	0.00	136.88	122.13	107.38	0.00
22	Add: Expected Revenue Gap FY 12 (Incremental over Commission approved Regulatory Asset)(with carrying cost)	0.00	367.51	331.76	296.01	260.25
23	Add: Impact of Appeal(in process) against Order in Case No. 125 of 2011	73.87	0.00	0.00	0.00	0.00

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
24	Add: Additional allowance by the Commission (Case No. 62 of 2012)	0.00	24.64	22.24	19.84	17.45
25	Net Aggregate Revenue Requirement Retail Tariff	3553.25	4,250.89	4,833.09	5,101.07	5,026.70
26	Add: Deficit of Transport operations	263.84	692.78	733.77	253.71	270.67
27	Aggregate Revenue Requirement including Transport deficit	3817.08	4,943.67	5,566.86	5,354.77	5,297.37
28	Average Cost of Supply (Rs/kWh)	8.91	10.69	11.08	9.73	8.77

Table: Aggregate Revenue Requirement of BEST (Pessimistic Scenario) (Rs. Cr.)

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
1	Power Purchase Expenses	2188.95	2,540.29	2,826.35	2,828.74	2,488.03
2	Operation & Maintenance Expenses					
2.1	<i>Employee Expenses</i>	220.75	265.33	291.85	320.99	353.04
2.2	<i>Impact of Wage Agreement</i>	0.00	0.00	71.55	71.55	71.55
2.3	<i>Administration & General Expenses</i>	85.09	99.70	108.21	117.44	127.46
2.4	<i>Repair & Maintenance Expenses</i>	35.84	41.09	46.87	56.43	68.43
3	Depreciation	60.46	94.73	107.08	121.51	139.22
4	Interest on Long-term/Short Term Loan Capital	10.90	10.53	13.03	15.04	16.57
5	Interest on Working Capital and Consumer Deposits					
5.1	<i>Interest on Working Capital (Normative)</i>	32.92	54.78	63.22	52.40	47.72
5.2	<i>Interest on Working Capital (Additional) Interest on Power Purchase Bill</i>	0.00	35.53	39.52	39.84	35.89
5.3	<i>Interest on Consumer Deposits</i>	14.29	21.00	21.21	21.42	21.64
6	Bad Debts Written off	0.00	5.71	5.71	5.71	5.71
7	Other Expenses	54.50	55.59	56.70	57.84	58.99
8	Income Tax	0.00	0.00	0.00	0.00	0.00
9	Stand-by charges payable to MSEDCL	107.85	107.85	107.85	107.85	107.85
10	Transmission Charges payable	127.64	193.18	226.95	249.65	274.61

S.N.	Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
		Actual (Unaudited)	Ensuing Years			
11	Annual SLDC fees & charges	0.96	0.75	0.82	0.90	0.99
12	Contribution to contingency reserves	4.33	4.61	5.18	5.87	6.73
13	Incentive for reduction of distribution loss	0.00	0.00	0.00	0.00	0.00
14	Total Revenue Expenditure	2944.05	3530.66	3992.12	4073.17	3824.43
15	Return on Equity Capital	122.54	128.82	140.36	154.56	170.86
16	Return as Interest on Internal Funds	5.28	5.28	5.28	5.28	5.28
17	Gross Aggregate Revenue Requirement	3,071.87	3,664.76	4,137.77	4,233.02	4,000.57
18	Less: Non Tariff Income	48.30	47.58	47.83	48.10	48.42
19	Add: Carrying cost (for True-up of FY 04-05, 05-06, 06-07 & 07-08)	12.23	0.00	0.00	0.00	0.00
20	Add: True-up of FY 09-10 and Provisional true-up of FY 10-11	443.58	0.00	0.00	0.00	0.00
21	Recovery of Regulatory Assets as approved in Case No. 171 of 2011(with carrying cost)	0.00	136.88	122.13	107.38	0.00
22	Add: Expected Revenue Gap FY 12 (Incremental over Commission approved Regulatory Asset)(with carrying cost)	0.00	367.51	331.76	296.01	260.25
23	Add: Impact of Appeal(in process) against Order in Case No. 125 of 2011	73.87	0.00	0.00	0.00	0.00
24	Add: Additional allowance by the Commission (Case No. 62 of 2012)	0.00	24.64	22.24	19.84	17.45
25	Net Aggregate Revenue Requirement Retail Tariff	3553.25	4,146.20	4,566.06	4,608.14	4,229.86
26	Add: Deficit of Transport operations	263.84	692.78	733.77	253.71	270.67
27	Aggregate Revenue Requirement including Transport deficit	3817.08	4,838.98	5,299.83	4,861.84	4,500.53
28	Average Cost of Supply (Rs/kWh)	8.91	11.01	11.72	10.41	9.31

6. Copies of the following documents can be obtained on written request from the offices of BEST mentioned below:

- a. Executive Summary of the proposals (free of cost, in Marathi or English)
- b. Detailed Petition documents alongwith CD (in English) on payment of Rs. 150/- by cash

/ DD / Cheque drawn on Brihanmumbai Electric Supply & Transport Undertaking.

- c. Detailed Petition document (in English) (on payment of Rs. 100/-).
- d. CD of detailed Petition document (in English) (on payment of Rs. 50/-)

Office	Address	Tele / Fax No.
Registered Office	BEST Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai – 400 001	22856262 / Fax-22851244
Head Office	Public Relations Officer, BEST Undertaking, BEST Bhavan, BEST Marg, Colaba, Mumbai – 400 001	22856262 / Ext. 395 Fax- 22851244
Divisional Office 1	BEST Undertaking, Customer Care ('A' Ward), Electric House, 1 st Floor, BEST Marg, Colaba, Mumbai 400001.	22856262 Ext. 513, 523
Divisional Office 2	BEST Undertaking, Customer Care ('G' South), 2nd Floor, Transportation Engineering Bldg., Gate No 3, Tilak Road, Dadar, Mumbai 400014.	24183276 / 24146262 Ext. 541.

7. The Commission has directed BEST to invite objections and comments from the public on the above Petition through this Notice. Objections or comments may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400005 [Fax: 22163976 E-Mail: best@mercindia.org.in by **Wednesday, 21 November, 2012** along with proof of service on the General Manager, Brihanmumbai Electric Supply and Transport Undertaking.
8. Every person who intends to file objections and comments can submit the same in English or in Marathi, in six copies, and should carry the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the objections/comments are being filed on behalf of any organization of category of consumers. It should also be mentioned if the sender wants to be heard in person, in which case opportunity would be given by the Commission at the Public Hearing to be held at **CENTRUM HALL, 1st Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400005** on **Thursday, 29 November, 2012, at 14.00 Hrs**, for which no separate notice will be given.
9. BEST shall reply to each of the objections and comments received within three days of the receipt of the same but not later than **Monday, 26 November, 2012** for all the objections and comments received till **Wednesday, 21 November, 2012**. Stakeholders can submit their rejoinders on replies provided by BEST either during the public hearing or latest by **Monday, 3 December 2012**.
10. The detailed Petition document and the Executive Summary are available on BEST's website www.bestundertaking.com and the Executive Summary is also available on the web site of the Commission www.mercindia.org.in in downloadable format (free of cost).

GENERAL MANAGER

Brihanmumbai Electric Supply and Transport Undertaking