

## JAIGAD POWERTRANSCO LIMITED

(A Joint Venture of JSW Energy Ltd. & Maharashtra State Electricity Transmission Co. Ltd.)  
Corp. Office: The Enclave, New Prabhadevi Road, Mumbai 400025  
Website: www.jsw.in

### PUBLIC NOTICE

**Objections/Suggestions on  
Jaigad Power Transco Limited's (JPTL) Petition for approval of truing up of Aggregate Revenue Requirement (ARR) for FY 2011-12 and approval of ARR for MYT Control Period from FY 2012-13 to FY 2015-16  
(Case No. 27 of 2013)**

1. Jaigad PowerTransco Limited (JPTL) is a joint venture between JSW Energy Limited (JSWEL) and Maharashtra State Electricity Transmission Company Ltd. (MSETCL) for the purpose of developing, operating and maintaining the Transmission System as given below consisting of two Transmission Lines along with the associated equipment / Terminal Bays, etc.

**Table 1: Details of Transmission System of JPTL**

Name of the line	Line length & Capacity	District	Interface Point
Jaigad-New Koyna Transmission Line	55Km – 400 kV Double Circuit (Quad) Transmission Line	Ratnagiri, Maharashtra	MSETCL Substation, New Koyna
Jaigad-Karad Transmission Line	110 Km – 400 kV Double Circuit (Quad) Transmission Line	Ratnagiri /Satara, Maharashtra	MSETCL Substation, Karad

2. The Maharashtra Electricity Regulatory Commission (MERC) had granted Transmission License, (License No 1 of 2009) dated 8 February, 2009, for the period of 25 years to JPTL for the said Transmission System.
3. The 400 kV D/C (Quad) Jaigad-New Koyna Transmission Line has achieved Commercial Operations Date on 7July, 2010 and the 400 kV D/C (Quad) Jaigad-Karad Transmission Line has achieved Commercial Operation Date on 2 December, 2011.
4. Subsequently, the Commission issued Order dated 25 May, 2011 (Case No. 97 of 2010), in the matter of Petition filed by JPTL for approval of Aggregate Revenue Requirement for FY 2010-11 and another Order dated 16 May, 2012 (Case No. 170 of 2011), in the matter of Petition filed by JPTL for approval of Truing up of the Aggregate Revenue Requirement for FY 2010-11 and approval of Aggregate Revenue Requirement for FY 2011-12.
5. Further to above, the Commission issued MYT Business Plan Order for JPTL for the Control Period FY 2012-13 to FY 2015-16 on 20 December 2012. Vide the said Order, the Commission directed JPTL to submit its true-up of ARR for FY 2011-12 based on revised capital cost as per MERC Terms and Conditions of Tariff Regulations, 2005 as a separate section in its MYT Petition for FY 2012-13 to FY 2015-16 as per MERC MYT Regulations, 2011. Taking this into consideration JPTL has filed a Petition for approval of True-up of Aggregate Revenue Requirement for FY 2011-12 and MYT Petition of Second Control Period from FY 2012-13 to FY 2015-16 before the Maharashtra Electricity Regulatory Commission (MERC) under the Electricity Act, 2003. The Commission has **admitted the Petition on 25 April, 2013** and directed JPTL to publish a Public Notice under Section 64(2) of the Act.
6. Following are the main prayers of the aforesaid Petition submitted by JPTL before MERC.
  - a. Approve the True-up of ARR of JPTL including carrying cost and incentive for higher Transmission availability for FY 2011-12;

b. Approve the Aggregate Revenue Requirement of JPTL for MYT control period from FY 2012-13 to FY 2015-16;

7. The capital expenditure for the Transmission system of JPTL as approved in-principle by MERC was Rs. 576.29 Crore, and the revised estimate of JPTL is Rs 554.30 Crore (including margin money of Rs. 4.06 Cr.) based on the actual amount incurred as on commissioning date of the Transmission Project and the subsequent final settlement with EPC Contractor. A summary of the major cost components of the project is given in the table below.

**Table 1: In-principle approval of the Capital Cost by MERC and Actual Capital Cost (Rs. Crore)**

Particulars	In-principle approval by MERC	Actual cost
EPC cost	446.00	410.84
Non EPC cost	18.60	55.93
<b>Sub Total-I</b>	<b>464.6</b>	<b>466.77</b>
Preliminary & Pre-operative Expenses	23.23	11.66
Contingencies	18.58	-
Interest During Construction (IDC)	43.73	47.49
<b>Sub Total – II</b>	<b>85.54</b>	<b>59.15</b>
Cost Towards Terminal Bays	22.08	24.31
<b>Total Project Cost</b>	<b>572.22</b>	<b>550.23</b>
<b>Margin Money for Working Capital</b>	4.06	4.06
<b>Total Project Cost (Rs. Cr.)</b>	<b>576.29</b>	<b>554.30</b>

8. Based on the actual project cost, JPTL in the present Petition has submitted the summary of approved expenses by MERC and actual / Normative expenses for FY 2011-12, as shown in the table below:

**Table 2: True up of Aggregate Revenue Requirement for FY 2011-12 of JPTL Transmission Business (Rs. Crore)**

Particulars	MERC Order (Case No.170 of 2011)	Actual / Normative
ROE	10.76	12.77
Interest on Long-term Loan Capital	30.10	30.34
Depreciation including AAD and Amortisation of intangible assets	7.90	7.86
Income Tax	2.69	8.46
O&M Expenses	4.60	5.49
Interest on Working Capital and deposits from Transmission System Users	1.17	1.35
Contribution to contingency reserves	1.41	1.38
<b>Aggregate Revenue Requirement</b>	<b>58.62</b>	<b>67.64</b>
Less: Non-Tariff Income	0.02	0.06

Particulars	MERC Order (Case No.170 of 2011)	Actual / Normative
Less: Income from Other Business	-	-
<b>Net Aggregate Revenue Requirement</b>	<b>58.60</b>	<b>67.58</b>
<b>Incentive for higher Transmission Availability</b>	-	<b>0.08</b>
<b>Carrying cost</b>	-	<b>12.76</b>
<b>Net ARR including incentive and carrying cost</b>	<b>58.60</b>	<b>80.42</b>

**Table 3: MYT Aggregate Revenue Requirement for Second Control period FY 2012-13 to FY 2015-16 of JPTL Transmission Business (Rs. Crore)**

Particulars	FY 13	FY 14	FY 15	FY 16
ROE	21.44	21.55	21.55	21.55
Interest on Long-term Loan Capital	45.22	40.31	37.00	33.70
Depreciation	29.17	29.28	29.28	29.28
Income Tax	5.36	5.39	5.39	5.39
O&M Expenses	9.31	9.86	10.45	11.07
Interest on Working Capital and deposits from Transmission System Users	2.25	2.18	2.13	2.09
Contribution to contingency reserves	1.39	1.39	1.39	1.39
<b>Aggregate Revenue Requirement</b>	<b>114.13</b>	<b>109.95</b>	<b>107.18</b>	<b>104.46</b>
Less: Non-Tariff Income	0.09	0.20	0.32	0.43
Less: Income from Other Business	-	-	-	-
<b>Net Aggregate Revenue Requirement</b>	<b>114.03</b>	<b>109.74</b>	<b>106.87</b>	<b>104.03</b>

9. Copies of the following documents can be obtained on written request from the offices of JPTL mentioned below:
- Summary of the proposals (free of cost, in Marathi or English)
  - Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by Cash/DD/ Cheque drawn on “**Jaigad PowerTransco Ltd**”).
  - Detailed Petition documents (in English) (on payment of Rs. 100/-).
  - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office	Address	Tele / Fax No.
Corporate Office	Mr.Pritpal Singh/ Nishant Thote, Jaigad Power Transco Limited, The Enclave, New Prabhadevi Road, Mumbai 400 025	Tel: 67848628/ 325 Fax.: 67848393

10. The Commission has directed JPTL to invite objections/ suggestions from the public on the above Petition through this Notice. Objections/ suggestions may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 [Fax: 22163976 E-Mail: [merc@merc.gov.in](mailto:merc@merc.gov.in) by **Friday 24 May, 2013**, along with proof of service on Jaigad PowerTransco Limited.

11. Every person who intends to file objections/ suggestions 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 objection/ suggestion is 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 the office of the Commission at 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005 on Thursday 30 May, 2013, at 1100 Hrs.** for which no separate notice will be given.
12. JPTL shall reply to each of the objections and objections/ suggestions received within three days of the receipt of the same but not later than **Wednesday 29 May, 2013** for all the objections and comments/suggestions received till **Friday 24 May, 2013**. Stakeholders can submit their rejoinders on replies provided by JPTL either during the public hearing or latest by **4 June, 2013**.
13. The detailed Petition document and the summary are available on JPTL's website [www.jsw.in](http://www.jsw.in) and the executive summary is also available on the web site of the Commission [www.merc.gov.in](http://www.merc.gov.in) in downloadable format (free of cost).

For, Jaigad PowerTransco Ltd.

sd/-  
Navraj Singh  
Managing Director