

PUBLIC NOTICE

Objections / suggestions on Reliance Infrastructure Limited – Transmission Business (Rlnfra-T) Petition for final Truing-up for FY 2010-11 and FY 2011-12 (Case No. 123 of 2012)

- The Reliance Infrastructure Limited – Transmission Business (Rlnfra-T) has filed a Petition for final Truing-up for FY 2010-11 and FY 2011-12 before the Maharashtra Electricity Regulatory Commission as per the MERC (Terms and Conditions of Tariff) Regulations, 2005 and under the Electricity Act, 2003. The Commission has admitted the Petition on Thursday, 10 January, 2013 and directed Rlnfra-T to publish a Public Notice under Section 64 (2) of the Act.
- The salient Features of the Petition are provided below:

Table 1: Aggregate Revenue Requirement of Rlnfra-T (₹ Crore)

Sl.	Particulars	FY 2010-11			FY 2011-12		
		Approved by MERC	Actual as per Audited Accounts	Deviation	Approved by MERC	Actual as per Audited Accounts	Deviation
A	Expenditure						
1	Operation and Maintenance Expenses	16.36	17.57	1.21	20.69	23.01	2.32
1.1	Employee Expenses	9.46	10.31	0.85	11.60	12.98	1.38
1.2	Administration and General Expenses	3.32	3.48	0.16	5.27	5.66	0.39
1.3	Repair and Maintenance Expenses	3.58	3.78	0.20	3.82	4.37	0.55
2	Depreciation, including advance against depreciation	10.81	10.79	(0.02)	22.39	18.61	(3.78)
3	Interest on Long-term Loan Capital	14.26	14.71	0.45	33.12	22.70	(10.42)
4	Interest on Working Capital and security deposits, if any	1.64	1.65	0.01	2.38	2.46	0.08
5	Other Expenses	-	-	-	-	-	-
6	Income tax	-	3.24	3.24	0.10	-	(0.10)
7	Contribution to Contingency Reserves	1.09	1.09	-	1.67	1.67	-
	Total Revenue Expenditure	44.16	49.06	4.89	80.35	68.45	(11.90)
B	Add: Return on Equity Capital	28.94	28.94	-	38.98	39.76	0.78
C	Add: Incentive on Transmission Availability in FY 09	0.88	0.88	-	-	-	-
	Tax on availability incentive	-	0.30	0.30	-	-	-
D	Add impact of ATE judgment in FY 07	0.18	0.18	-	-	-	-
E	Add impact of ATE judgment in FY 08	0.27	0.27	-	-	-	-
F	Add impact of ATE judgment in Interest on working capital	-	-	-	-	1.38	1.38
G	Add revenue gap from FY 10	2.81	2.81	-	-	-	-
H	Add incentive for FY 11 & FY 12	-	1.32	1.32	-	1.94	1.94
I	Add Tax on incentive for FY 11 & FY 12	-	0.44	0.44	-	0.63	0.63
J	Total Net Expenditure	77.24	84.20	6.95	119.32	112.16	(7.16)
K	Revenue						
	Revenue through InSTS	77.86	77.86	-	92.75	92.75	-
	Other Income	2.96	3.10	0.14	2.96	(1.64)	(4.60)
L	Total Revenue	80.82	80.96	0.14	95.71	91.11	(4.60)
	Revenue Gap / (Surplus) = [J – L]	(3.58)	3.23	6.81	23.61	21.05	(2.56)
	Cumulative revenue gap till end of year	-	-	-	20.04	24.28	4.25

Table 2: Rlnfra-T's Capital Expenditure Plan (₹ Crore)

Sl. No.	Name of Project	Expenditure & Capitalisation			
		FY 2010-11		FY 2011-12	
		Expenditure	Capitalisation	Expenditure	Capitalisation
1	DPR	417.65	223.81	313.28	271.01
2	Non- DPR	5.98	6.52	10.38	13.77
	Total	423.63	230.33	323.66	284.78

Table 3: Revenue (₹ Crore)

The Revenue earned by Rlnfra-T is as follows:-

Sl. No.	Particulars	FY 2010-11		FY 2011-12	
		Approved by MERC	Actual as Per Audited Accounts	Approved by MERC	Actual as Per Audited Accounts
1	Revenue from InSTS (Rs Crores)	77.86	77.86	92.75	92.75

- Copies of the following documents can be obtained on written request from the offices of Rlnfra-T mentioned below:
 - Executive Summary of the proposals (free of cost, in Marathi or English)
 - Detailed Petition documents along with CD (in English) (on payment of ₹ 100/- by Cash/DD/Cheque drawn on "Reliance Infrastructure Limited" payable at Mumbai.
 - Detailed Petition documents (in English) (on payment of ₹ 50/-).
 - CD of detailed Petition document (in English) (on payment of ₹ 50/-).

Offices:

Office	Address	Tele / Fax No.
Registered & Head Office	H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710	Tel:+91-22-3038 6101 Fax:+91-22-3037 6622/23
Office	Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 092	Tel:+91-22-3009 9999 Fax: +91-22-3009 8799
North Division	369 D, Jn of Shanker Lane & S V Road, Kandivali (W), Mumbai 400 067	Tel:+91-22-3009 6999 Fax:+91-22-3009 4580
Central Division	Western Expressway, Opp: Patel Aluminium, Dindoshi, Goregaon (E), Mumbai 400 097	Tel:+91-22-3009 6999 Fax:+91-22-3009 4844
South Central Division	E-4, MIDC, Andheri (E), Mumbai 400 093	Tel:+91-22-3009 6999 Fax:+91-22-3009 4200
South Division	RNA Corporate Park, Old Kala Mandir, Near Collector's Office, Bandra (E), Mumbai 400 051	Tel:+91-22-3009 6999 Fax:+91-22-3009 6263
East Division	Near Sahakar Cinema, Tilak Nagar, Road No.3, Chembur, Mumbai 400 089	Tel:+91-22-3009 6999 Fax:+91-22-3009 2022

- The Commission has directed Rlnfra-T to invite suggestions and objections from the public on the above Petition through this Notice. Suggestions and objections may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005 [Fax: 22163976 E-Mail: mercindia@mercindia.org.in] by Thursday, 14 February, 2013, along with proof of service on Shri. Kapil Sharma, Regulatory Affairs, 7th Floor, Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 092.
- Every person who intends to file suggestions and objections 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 suggestion/objection is being filed on behalf of any organization or 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 Court Room of MERC, 13th Floor, Centre 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005 on Wednesday, 20 February 2013 at 11.00 hours for which no separate notice will be given.
- R Infra-T shall reply to each of the suggestions and objections received within three days of the receipt of the same but not later than Monday 18, February, 2013, for all the suggestions and objections received till Thursday, 14 February, 2013. Stakeholders can submit their rejoinders on replies provided by Rlnfra-T either during the public hearing or latest by Monday, 25 February, 2013.
- The detailed Petition document and the Executive Summary are available on Rlnfra-T's website www.rinfra.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).

s/d

(Ramesh Shenoy)

Company Secretary

Reliance Infrastructure Limited

PUBLIC NOTICE

Objections / Suggestions on Reliance Infrastructure Ltd.-Generation Business (Rlnfra-G) Petition for final Truing up for FY 2010-11 and FY 2011-12 (Case No. 122 of 2012)

- The Reliance Infrastructure Limited – Generation Business (Rlnfra-G) has filed a Petition for final Truing-up for FY 2010-11 and FY 2011-12 before the Maharashtra Electricity Regulatory Commission as per the MERC (Terms and Conditions of Tariff) Regulations, 2005 and under the Electricity Act, 2003. The Commission has admitted the Petition on 15th January, 2013 and directed Rlnfra-G to publish a Public Notice under Section 64(2) of the Act.
- The salient Features of the Petition are provided below:

Table 1: Summary of Aggregate Revenue Requirement of Rlnfra-G (₹ Crore)

Sr. No.	Particulars	FY 2010-11		FY 2011-12	
		MERC Order (Case 122 of 2011)	Present Petition (Case 163 of 2011)	MERC Order (Case 163 of 2011)	Present Petition (Case 122 of 2012)
1	Fuel Related Expenses	890.74	780.51	801.51	934.34
2	Operation and maintenance Expenses	82.49	93.45	93.97	97.28
2.1	Employee Expenses	-	45.28	-	52.30
2.2	Administration and General Expenses	-	17.30	-	19.39
2.3	Repair and Maintenance Expenses	-	30.87	-	25.59
3	Depreciation, including advance against depreciation	15.87	15.98	16.93	15.93
4	Interest on Long-term Loan Capital	15.46	16.10	14.84	15.88
5	Interest on Working Capital	9.74	9.85	11.54	14.04
6	Income tax	17.80*	55.55	16.89	66.72
7	Total Revenue Expenditure	1032.10	971.45	955.68	1,144.19
8	Add: Return on Equity Capital	74.39	74.69	74.61	75.21
9	Add: PLF Incentive	-	21.97	-	22.33
10	Adjustment for efficiency gains/(loss)	-	71.86	-	81.79
11	Less: Non Tariff Income	10.29	10.29	9.11	11.89
12	Aggregate Revenue Requirement	1096.20	1,129.68	1,021.18	1,311.63

*Income Tax for FY2010-11 approved in case 163 of 2011

Table 2: Truing up for FY 2010-11 and FY 2011-12

Table 2.1: Truing up for FY 2010-11 (₹ Crore)						
Sr. No.	Particulars	MERC Order (Case 122 of 2011)	Audited	Deviation	Controllable	Uncontrollable
A	Expenditure					
1	Fuel Related Expenses	888.29*	780.51	107.78	107.78	-
2	Operation & Maintenance Expenses	82.49	93.45	-10.96	-	-10.96
2.1	Employee Expenses	-	45.28	-	-	-
2.2	Administration & General Expenses	-	17.30	-	-	-
2.3	Repair & Maintenance Expenses	-	30.87	-	-	-
3	Depreciation, including advance against depreciation	15.87	15.98	-0.11	-	-0.11
4	Interest on Long-term Loan Capital	15.46	16.10	-0.64	-	-0.64
5	Interest on Working Capital	9.74	9.85	-0.11	-	-0.11
6	Other Expenses	-	-	-	-	-
7	Income Tax	17.80**	55.55	-37.75	-	-37.75
	Total Expenditure (A)	1029.65	971.45	107.78	-	-49.57
B	Add: Return on Equity	74.39	74.69	-	-	-
	Add: Incentive for Higher PLF	-	21.97	-	-	-
	Add: 2/3rd of Efficiency gain (due to controllable factors)- to be retained by Rlnfra-G	-	71.86	-	-	-
	Total of RoE+Gains+Incentive (B)	74.39	168.52	-	-	-
C	Revenue					
1	Revenue from sale of electricity	1,075.95	1,126.87	-	-	-
2	Other Income	10.29	10.29	-	-	-
	Total Revenue (C)	1,086.24	1,137.16	-	-	-
D	Revenue Gap = (C) - [(A) + (B)]	-	-2.81	-	-	-

Note: * Fuel Cost and IOWC has been derived for the actual generation at Commission's approved parameters for DTPS in the APR Order in Case 122 of 2011

** Income Tax for FY2010-11 approved in case 163 of 2011

Table 2.2: Truing up for FY 2011-12 (₹ Crore)						
Sr. No.	Particulars	MERC Order (Case 163 of 2011)	Audited	Deviation	Controllable	Uncontrollable
A	Expenditure					
1	Fuel Related Expenses	1,057.02*	934.34	122.68	122.68	-
2	Operation & Maintenance Expenses	93.97	97.28	-3.31	-	-3.31
2.1	Employee Expenses	-	-	-	-	-
2.2	Administration & General Expenses	-	-	-	-	-
2.3	Repair & Maintenance Expenses	-	-	-	-	-
3	Depreciation, including advance against depreciation	16.93	15.93	1.00	-	1.00
4	Interest on Long-term Loan Capital	14.84	15.88	-1.04	-	-1.04
5	Interest on Working Capital	11.54	14.04	-2.50	-	-2.50
6	Other Expenses	-	-	-	-	-
7	Income Tax	16.89	66.72	-49.83	-	-49.83
	Total Expenditure (A)	1,211.19	1,144.19	122.68	-	-55.68
B	Add: Return on Equity	74.61	75.21	-	-	-
	Add: Incentive for Higher PLF	-	22.33	-	-	-
	Add: 2/3rd of Efficiency gain (due to controllable factors)- to be retained by Rlnfra-G	-	81.79	-	-	-
B	Total of RoE+Gains+Incentive	74.61	179.32	-	-	-
C	Revenue					
1	Revenue from sale of electricity	1,276.69	1,295.95	-	-	-
2	Other Income	9.11	11.89	-	-	-
	Total Revenue (C)	1,285.80	1,307.84	-	-	-
D	Revenue Gap = (C) - [(A) + (B)]	-	-15.67	-	-	-

Note: * Fuel Cost and IOWC has been derived for the actual generation at Commission's approved parameters for DTPS in the APR Order in Case No 163 of 2011

Table 3: Operational Parameters

Table 3.1: Availability and Plant Load Factor

Station	Availability (%)		PLF (%)	
	FY 2010-11 (Audited)	FY 2011-12 (Audited)	FY 2010-11 (Audited)	FY 2011-12 (Audited)
DTPS	96.48	97.48	102.23	102.53

Table 3.2: Station Heat Rate and Auxiliary Energy Consumption

Station	Station Heat Rate (kcal/kWh)		Auxiliary Consumption (%)	
	FY 2010-11 (Audited)	FY 2011-12 (Audited)	FY 2010-11 (Audited)	FY 2011-12 (Audited)
DTPS	2282	2282	7.38%	7.42%
			8.64%	8.67%

Note: 1. MERC norm of 2500 kcal/kWh considered for purpose of tariff determination.

2. MERC norm is 8.5% without FGD plant.

3. MERC norm of 8.5% considered for tariff determination

Table 3.3: Secondary Fuel Oil Consumption

Station	m/kWh	
	FY 2010-11 (Audited)	FY 2011-12 (Audited)
DTPS	0.135	0.087

Table 3.4: Transit Loss

Station	Raw Coal		Washed Coal		Imported Coal	
	FY 2010-11 (Audited)	FY 2011-12 (Audited)	FY 2010-11 (Audited)	FY 2011-12 (Audited)	FY 2010-11 (Audited)	FY 2011-12 (Audited)
DTPS	1.22	3.06	2.00	1.86	0.27	0.27

Table 4: Fixed Cost and Variable Cost of Generation

Table 4.1: Fixed Cost and Variable Cost of Generation (FY 2010-11)

Station	MERC Order (Case 122 of 2011)				(Audited)		
	FC		VC		FC		VC
	₹ Cr.	₹ /kWh	₹ /kWh	₹ /kWh	₹ Cr.	₹ /kWh	₹ /kWh
DTPS	187.66#	0.46	2.22	2.68	349.17	0.86	1.93

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3. Copies of the following documents can be obtained on written request from the offices of Rlnfra-G mentioned below:
- Summary of the Petition (free of cost, in Marathi or English).
 - Detailed Petition documents along with CD (in English) (on payment of ₹ 150/- by Cash/ DD/ Cheque drawn on "Reliance Infrastructure Limited").
 - Detailed Petition documents (in English) (on payment of ₹ 100/-).
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4. The Commission has directed Rlnfra-G to invite suggestions and objections from the public on the above Petition through this notice. Suggestions and objections may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 [Fax: 22163976 E-Mail: mercindia@mercindia.org.in] by, Monday, 11 February, 2013, along with proof of service on Shri Kapil Sharma, Regulatory Affairs, Reliance Infrastructure Limited, 7th Floor, Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 092.
5. Every person who intends to file suggestions and objections 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 suggestion /objection is being filed on behalf of any organization or category of consumers. It should also be mentioned if the sender wants to be heard in person, in which case opportunity may be given by the Commission at the Public Hearing to be held at Court Room of MERC, 13th Floor, Centre 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai -400 005, on Wednesday 20th February 2013 at 11:00 hrs for which no separate notice will be given.
6. Rlnfra-G shall reply to each of the suggestions and objections received within three days of the receipt of the same but not later than Friday, 15th February, 2013 for all the suggestions and objections received till 11 February 2013. Stakeholders can submit their rejoinders on replies provided by Rlnfra-G either during the public hearing or latest by 25th February, 2013.
7. The detailed Petition document and the summary are available on Rlnfra-G's website www.rlnfra.com and the executive summary is also available on the web site of the Commission, www.mercindia.org.in/www.merc.gov.in in downloadable format (free of cost).

s/d

 (Ramesh Shenoy)
 Company Secretary

Reliance Infrastructure Limited