

**Maharashtra State Electricity Transmission Company Limited**  
8<sup>th</sup> Floor, 'Prakashganga', MSETCL, Plot No. C-19, E-Block, Bandra Kurla Complex,  
Bandra (East), Mumbai-400051  
Website: [www.mahatransco.in](http://www.mahatransco.in)

**PUBLIC NOTICE**

**Suggestions /Objections on Maharashtra State Electricity Transmission Company Limited –Petition for approval of True up of FY 2011-12, Provisional True up of FY 2012-13 and Multi Year Tariff Determination from FY 2013-14 to FY 2015-16  
(Case No. 39 of 2013)**

1. Maharashtra State Electricity Transmission Company Limited (MSETCL) has filed a Petition for approval of True up of FY 2011-12, Provisional True up of FY 2012-13 and Multi Year Tariff Determination from FY 2013-14 to FY 2015-16 along with the impact of disallowed past period Capitalisation for FY 2007-08, FY 2008-09 and FY 2010-11 before the Maharashtra Electricity Regulatory Commission under the Section 61 and 62 of the Electricity Act, 2003 read with MERC (Terms and Conditions of Tariff) Regulations, 2005 and MERC (Multi Year Tariff) Regulations, 2011. The Commission has admitted the Petition on **17 September, 2013** and directed MSETCL to publish a Public Notice under Section 64(2) of the Electricity Act, 2003.
2. The salient Features of the Petition are provided below:

**Table 1: Claim due to Disallowed Capitalisation (Rs. Crore)**

Particulars	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Total
Return on Equity	3.69	11.40	12.43	13.22	40.73
Depreciation including Advance against Depreciation	-	-	-	-	-
Interest on long-term Loan	11.08	28.76	28.75	28.33	96.91
Interest on working capital Loan (Efficiency Gain)	0.29	0.90	0.54	0.51	2.24
Contribution to contingency reserve	-	1.34	0.84	0.85	3.02
Incentive for Higher Availability	0.13	0.78	0.55	0.79	2.25
<b>Total</b>	<b>15.19</b>	<b>43.17</b>	<b>43.11</b>	<b>43.69</b>	<b>145.16*</b>

\*MSETCL proposes to recover Rs. 145.16 Crore due to the impact of disallowed capitalisation for past years in the ARR for FY 2013-14

**Table 2: Final Truing up for FY 2011-12 (Rs. Crore)**

<b>Particulars</b>	<b>MERC Approved (Review Order in Case No. 106 of 2012)</b>	<b>Audited</b>	<b>True up Amount</b>	<b>Efficiency Gain/(Loss) shared with TSUs</b>	<b>Net Entitlement of MSETCL</b>
Operation & Maintenance Expenses	1,040.66	967.20	(73.46)		967.20
<i>Employee Expenses</i>	605.79	581.61	(24.18)		581.61
<i>A&amp;G Expenses</i>	108.92	181.37	72.45		181.37
<i>R&amp;M Expenses</i>	325.95	204.21	(121.74)		204.21
Depreciation	407.97	421.79	13.82		421.79
Advance against depreciation	224.04	323.36	99.32		323.36
Interest on Long-term Loan Capital	417.95	384.47	(33.48)		384.47
Interest on Working Capital and on consumer security deposits	66.58	66.10	(0.48)	15.04	51.06
Other Interest and finance charges	18.42	13.61	(4.81)		13.61
Other Expenses	87.87	109.52	21.65		109.52
Income Tax	133.98	179.67	45.69		179.67
Contribution to contingency reserves	32.57	33.39	0.82		33.39
<b>Total Revenue Expenditure</b>	<b>2,430.05</b>	<b>2499.09</b>	69.04		<b>2484.06</b>
Return on Equity Capital	535.68	559.21	23.53		559.21
<b>Aggregate Revenue Requirement</b>	<b>2,965.73</b>	<b>3058.30</b>	92.57		<b>3043.26</b>
Less: Non Tariff Income	174.66	308.84	134.18		308.84
Less: Income from Goa & Dadra Nagar wheeling charges	20.52	26.30	5.78		26.30
Less: Amortisation of Income due to Revaluation of Stocks	0.00	0.00	0.00		0.00
<b>Aggregate Revenue Requirement from Transmission Tariff</b>	<b>2,770.55</b>	<b>2723.15</b>	<b>(47.40)</b>		<b>2708.12</b>
<b>Revenue from Transmission tariff</b>	<b>2,264.28</b>	<b>2264.25</b>	<b>(0.03)</b>		<b>2264.25</b>
Revenue (Gap)/surplus for current year	<b>(506.27)</b>	<b>(458.90)</b>	<b>47.37</b>		<b>(443.87)</b>
Revenue (Gap)/surplus till previous year	<b>(752.90)</b>	<b>(752.90)</b>	<b>0.00</b>		<b>(752.90)</b>
Cumulative Revenue Gap till the year	<b>(1259.17)</b>	<b>(1211.80)</b>	<b>47.37</b>		<b>(1196.77)</b>
<i>(add) Incentive on Transmission Availability of HVAC System</i>					<b>45.65</b>

<b>Particulars</b>	<b>MERC Approved (Review Order in Case No. 106 of 2012)</b>	<b>Audited</b>	<b>True up Amount</b>	<b>Efficiency Gain/(Loss) shared with TSUs</b>	<b>Net Entitlement of MSETCL</b>
<i>(add) Incentive on Transmission Availability of HVDC System</i>					<b>7.46</b>
<b>Cumulative Revenue Gap till the year</b>					<b>(1249.88)</b>

MSETCL proposes to include this Revenue Gap in the ARR for FY 2013--14 and humbly requests the Hon'ble Commission to consider this Gap by including it in the proposed ARR for FY 2013-14

**Table 3: Provisional Truing Up for FY 2012-13 and Aggregate Revenue Requirement for FY 2013-14 to FY 2015-16 of MSETCL  
(Rs. Crore)**

S. No	Particulars	FY2012-13		FY2013-14		FY2014-15		FY2015-16	
		Approved*	Petition	Approved#	Petition	Approved#	Petition	Approved#	Petition
1	Operation and Maintenance Expenses	1115.42	1115.42	1,329.81	1,401.24	1,516.52	1,633.21	1,757.32	1,878.65
A	<i>Employee Expenses</i>	651.87	651.87	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
B	<i>Administration and General Expenses</i>	115.24	115.24						
C	<i>Repair and Maintenance Expenses</i>	348.30	348.30						
2	Depreciation	501.50	560.49	1,101.46	1102.75	1,283.08	1285.25	1,456.72	1455.87
3	Advance against depreciation	155.65	418.33	-	32.41	-	0.00	-	115.57
4	Interest on Long-term Loan Capital	464.41	504.52	991.12	752.39	1,185.70	1017.49	1,343.55	1226.17
5	Interest on Working Capital and consumer security deposits, if any	71.10	80.34	97.60	94.19	112.98	111.35	129.09	130.26
6	Other interest and finance charges	18.50	18.50	16.91	16.91	19.21	19.21	16.22	16.22
7	Other Expenses	1.23	1.12	1.21	1.14	1.23	1.17	1.26	1.19
8	Income tax	157.34	275.40	103.67	179.67	103.67	179.67	103.67	179.67
9	Contribution to Contingency Reserves	40.11	40.20	49.24	49.24	57.29	57.29	66.58	66.59
<b>A</b>	<b>Total Revenue Expenditure (1+2+3+4+5+6+7+8+9)</b>	<b>2525.26</b>	<b>3,014.32</b>	<b>3,691.01</b>	<b>3,629.95</b>	<b>4,279.69</b>	<b>4,304.65</b>	<b>4,874.42</b>	<b>5,070.19</b>
B	Add: Return on Equity Capital	629.04	641.38	802.96	816.63	910.51	924.17	1,012.71	1026.37
<b>C</b>	<b>Aggregate Revenue Requirement (A+B)</b>	<b>3154.30</b>	<b>3,655.70</b>	<b>4,493.97</b>	<b>4,446.57</b>	<b>5,190.20</b>	<b>5,228.82</b>	<b>5,887.13</b>	<b>6,096.56</b>
	Less: Non-tariff income	178.15	232.60	197.94	240.39	205.70	248.94	214.22	258.28
	Less: Income from Goa and Dadra Nagar wheeling charges	20.52	26.30	20.52	26.30	20.52	26.30	20.52	26.30
	Less: Amortisation of income due to revaluation of stocks			-	30.50	-	30.50	-	30.50

S. No	Particulars	FY2012-13		FY2013-14		FY2014-15		FY2015-16	
		Approved*	Petition	Approved#	Petition	Approved#	Petition	Approved#	Petition
D	<b>Aggregate Revenue Requirement from Transmission Tariff</b>	<b>2955.63</b>	<b>3396.80</b>	<b>4,275.51</b>	<b>4,149.39</b>	<b>4,963.98</b>	<b>4,923.08</b>	<b>5,652.39</b>	<b>5,781.48</b>

*N.A. Not Applicable*

*\* Order dated 18 May, 2012 in Case No. 169 of 2011*

*# Order dated 11 January, 2013 in Case No.137 of 2011*

**Table 4: MSETCL's Capital Expenditure Plan (Rs Crore)**

S. No	Particulars	FY 2011-12 *	FY2012-13	FY2013-14	FY2014-15	FY2015-16
<b>A</b>	<b>Capital expenditure</b>					
	DPR	2456.31	4704.17	3779.11	3267.9	1542.5
	Non- DPR	278.92	190.83	56.55	38.55	138.28
	Total capital expenditure	2735.23	4,895.00	3835.66	3306.45	1680.78
<b>B</b>	<b>Capitalisation</b>					
	DPR	1967.69	3732.25	3362.27	3901.02	3121.91
	Non- DPR	274.34	142.37	78.59	75.15	65.98
	Intangible Assets	19.5	N.A	N.A	N.A	N.A
	Less: SLDC	0.11	N.A	N.A	N.A	N.A
	Total Capitalisation	2261.32	3874.62	3440.86	3976.17	3187.89

\* As per Actual      N.A. Not Applicable

**Table 5: Details of Operational Performance**

S. No.	Particulars	FY 2011-12 #	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
		Actual	Provisional	Estimated	Estimated	Estimated
A	<b>Availability (%)</b>					
1	<i>HVAC</i>	99.72%	> 98%	> 98%	> 98%	> 98%
2	<i>HVDC</i>	96.55%	> 92% for HVDC bi pole links and > 95% for HVDC back-to-back stations	> 92% for HVDC bi pole links and > 95% for HVDC back-to-back stations	> 92% for HVDC bi pole links and > 95% for HVDC back-to-back stations	> 92% for HVDC bi pole links and > 95% for HVDC back-to-back stations
B	<b>Transmission loss (%)</b>	4.17%	4.85%	4.85%	4.85%	4.85%

# FY 2011-12 based on Actual

**Table 6: Revenue for MSETCL**

S. No.	Particulars	FY 2011-12		FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
		Approved by MERC	Actual as per audited accounts	Provisional	Approved*	Approved*	Approved*
1	<b>Revenue (Rs Crore)</b>	2264.28	2264.25	3338.04	5152.23	4963.98	5652.39

\*Revenue as per the Commission's InSTS Order in Case No. 56 of 2013 dated 13 May, 2013.

**Table 7: Revenue Gap (In Rs Crore)**

S.No.	Particulars	FY 2011-12	FY 2012-13
1	Aggregate Revenue Requirement	2708.12	3396.80
2	Revenue from existing Transmission Tariff	2264.25	3338.04
3	<b>Stand alone Revenue (Gap)/ Surplus for the year</b>	(443.87)	<b>(58.76)</b>
4	Revenue (Gap)/surplus till previous year	(752.90)	
5	Cumulative Revenue Gap till the year	(1196.77)	
6	<i>(add) Incentive on Transmission Availability of HVAC System</i>	45.65	
7	<i>(add) Incentive on Transmission Availability of HVDC System</i>	7.46	
8	Cumulative Revenue Gap till the year	(1249.88)	

**Table 8: Cumulative Revenue Gap from FY 2013-14 to FY 2015-16 (In Rs. Crore)**

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Net ARR	4149.39	4923.08	5781.48
Revenue from Transmission Tariff on stand alone basis as approved in InSTS Order dtd. 13 May, 2013	4275.51	4963.98	5652.39
Stand Alone (Gap)/Surplus for the year –Provisional	126.12	40.90	(129.09)
Un-recovered Revenue (Gap)/Surplus for FY 2011-12	(1249.88)	-	-
Un-recovered Revenue (Gap)/Surplus for FY 2012-13	(58.76)	-	-
Impact of past period dis-allowed capitalisation	(145.16)	-	-
Revenue from Transmission Tariff on account of past period recovery as approved in InSTS Order dtd. 13 May, 2013	876.72	0.00	0.00

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
<b>Cumulative un-recovered (Gap)/Surplus till the year</b>	<b>(450.95)</b>	<b>40.90</b>	<b>(129.09)</b>

**Table 9: Transmission Tariff (Rs./kWh) during the period**

S. No.	Particulars	Unit	FY 2011-12 *	FY 2012-13 #	FY 2013-14 \$	FY 2014-15 \$	FY 2015-16 \$
1	ARR of MSETCL as submitted in the present MYT Petition	Rs. Crore	2264.25	3552.80	5603.18	4923.08	5781.48
2	Average Coincident and Non Coincident Peak Demand (CPD and NCPD) as per Applicable InSTS Order \$	MW	13429.00	15634.00	17748.00	19533.00	21102.00
3	Contribution of MSETCL in InSTS Tariff as per ARR of MSETCL submitted in the MYT Petition @	Rs./ kW/ month	140.51	189.37	263.09	210.03	228.32
4		Rs./ kWh	0.19	0.25	0.35	0.28	0.31
5	Transmission Tariff in Maharashtra as per InSTS Order	Rs./ kW/ month	164.68	213.39	320.22	265.25	285.13
6		Rs./ kWh	0.22	0.29	0.43	0.36	0.38

\* Order dated 10 September, 2010 in Case No. 120 of 2009. No separate Transmission Tariff Order for FY 2011-12. Approved Transmission Tariff for the State is Rs. 0.22/kWh and Rs. 164.68/kW/Month.

# Order dated 21 May, 2012 in Case No. 51 of 2012.

\$ It is to be noted that the ARR of MSETCL for FY 2013-14 to FY 2015-16 is as per its submission in present MYT Petition. TTSC and demand projection for FY 2013-14 to FY 2015-16 is as per the Commission's InSTS Order in Case No. 56 of 2013 dated 13 May, 2013.

@ Contribution of MSETCL in InSTS Tariff not approved separately in InSTS Order and has been computed here only for illustration purpose by considering ARR as submitted in the present MYT Petition and demand as projected by the Commission in InSTS Order in Case No. 56 of 2013 dated 13 May, 2013



3. Copies of the following documents can be obtained on written request from the offices of MSETCL 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 Rs. 100/- by Cash/DD/Cheque drawn on “**Maharashtra State Electricity Transmission Company Limited**” payable at Mumbai.
  - Detailed Petition documents (in English) (on payment of Rs. 50/-).
  - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

**Office:**

Office	Address	Tele / Fax No.	Email
Head Office	Superintending Engineer (R&C), Prakashganga, Plot No. C-19, E- Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	022 2659 5177	<a href="mailto:se.rc.stu@gmail.com">se.rc.stu@gmail.com</a>
Amravati	The Chief Engineer, EHV CC O&M Zone, Old Power House Premises, Duffrin Hospital Road, Shrikrishna Peth Amravati – 446601	0721 2552870	<a href="mailto:ceamravati@mahatransco.in">ceamravati@mahatransco.in</a>
Aurangabad	The Chief Engineer, EHV CC O&M Zone, Aurangabad, Old Power House, Near Mill Corner, Dr.Ambedkar Road, Aurangabad – 431 001	0240 2346291	<a href="mailto:ceabd@mahatransco.in">ceabd@mahatransco.in</a>
Karad	The Chief Engineer, EHV CC O&M Zone, Karad, Administrative Bldg., 1 <sup>st</sup> Floor, At- Vijaynagar, Post – Supane, Taluka – Karad, Dist – Satara – 415114	02164 2255054	<a href="mailto:cekarad@mahatransco.in">cekarad@mahatransco.in</a>
Navi Mumbai	The Chief Engineer, EHV CC O&M Zone Vashi, Admn. Bldg. Plot No. 5, 4 <sup>th</sup> Floor, Sector 17, Vashi, Navi Mumbai – 400 703	022 27665994	<a href="mailto:cevashi@mahatransco.in">cevashi@mahatransco.in</a>
Nasik	The Chief Engineer, EHV CC O&M Zone, City Arcade, 3 <sup>rd</sup> Floor, Ingale Nagar, Jail Road, Nashik Road 422 101	0253 2418072	<a href="mailto:cenasik@mahatransco.in">cenasik@mahatransco.in</a>
Nagpur	The Chief Engineer, EHV CC O&M Zone, Ingole Bhavan, Faras, Chindwara Road, Nagpur – 440 030.	0712 2596864	<a href="mailto:cenagpur@mahatransco.in">cenagpur@mahatransco.in</a>

Office	Address	Tele / Fax No.	Email
Pune	The Chief Engineer, EHV CC O&M Zone, Administrative Building, 3 <sup>rd</sup> Floor, Block No. 402, Rasta Peth, Pune – 411011	020 26136106	<a href="mailto:cepune@mahatransco.in">cepune@mahatransco.in</a>

4. The Commission has directed MSETCL to invite suggestions and objections from the public on the above Petition through this Notice. Suggestions and objections may be sent to the Principal 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: [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)] by **Monday, 21 October, 2013**, along with proof of service on Shri Pratap G. Mohite, Director (Finance), Maharashtra State Electricity Transmission Company Limited, Prakashganga, C-19, E-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051.
5. Every person who intends to file suggestions and objections can submit the same in English or in Marathi, in six copies (1+5), 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 on **Tuesday, 29 October, 2013, at 11:30 AM in the office of the Commission at 13<sup>th</sup> Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005**, for which no separate notice will be given.
6. MSETCL shall reply to each of the suggestions and objections and received within three days of the receipt of the same but not later than **Thursday, 24 October, 2013**, for all the objections and comments/ suggestions received till **Monday, 21 October, 2013**. Stakeholders can submit their rejoinders on replies provided by MSETCL either during the public hearing or latest by **Friday, 1 November, 2013**.
7. The detailed Petition document and the Executive Summary are available on MSETCL's website [www.mahatransco.in](http://www.mahatransco.in) and the executive summary is also available on the website of the Commission [www.merc.gov.in/](http://www.merc.gov.in/) [www.mercindia.org.in](http://www.mercindia.org.in) in downloadable format (free of cost).

Sd/-

Pratap G. Mohite

Director (Finance)

Maharashtra State Electricity  
Transmission Co. Ltd.