

**MAHARASHTRA EASTERN GRID POWER TRANSMISSION COMPANY LIMITED**

Corp. Office:

Achalraj Building, Opposite Mayor's Bungalow, Law Garden,  
Ahmedabad 380 0019, Gujarat, India

Website: [www.megptcl.com](http://www.megptcl.com)

Email: [info@megptcl.com](mailto:info@megptcl.com)

**PUBLIC NOTICE**

**Suggestions /Objections on  
Maharashtra Eastern Grid Power Transmission Company Limited's (MEGPTCL) Petition for  
approval of Business Plan for Second Control Period from FY 2013-14 to FY 2015-16  
(Case No. 128 of 2013)**

1. M/s Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) has submitted a Petition before the MERC, under provisions of Sections 61 and 62 of the Electricity Act, 2003 and Regulation 7 read with Regulation 57 of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011 for approval of Business Plan for Maharashtra Eastern Grid Power Transmission Company Limited, with the following main prayers:  
"
  - a. *Admit this Petition of the Petitioner for approval of Business Plan for the MYT Control period from FY 2013-14 to FY 2015-16 submitted herewith.*
  - b. *Approve the Business Plan for the MYT Control Period from FY 2013-14 to FY 2015-16 along with the relevant operational and financial parameters as proposed in this Petition.*
  - c. *Pass suitable orders with respect to the Business Plan for the MYT Control Period from FY 2013-14 to FY 2015-16 as proposed by the Petitioner in this Petition along with the relevant operational and financial parameters as proposed in the Petition;...."*
2. The Maharashtra Electricity Regulatory Commission (MERC) had granted Transmission License (License No. 1 of 2010) dated 21 September, 2010 for a period of 25 years to MEGPTCL to establish, operate and maintain a 765 kV intra-state transmission system comprising 2 x 765 kV S/C Tiroda – Koradi III –Akola II– Aurangabad (MSETCL) transmission lines along with associated substations & bays (hereinafter referred to as 765 kV Transmission System) for evacuation of power from upcoming generation projects in North-Eastern Maharashtra.
3. The licence authorizes MEGPTCL to establish and operate the following transmission lines, substations, bays and equipment inclusive of related infrastructure:
  - (a) **Details of Transmission Lines:**
    - Tiroda-Koradi – III 765 kV S/C Line-1 (120 Kms)
    - Koradi-III - Akola –II 765 kV S/C Line-1 (270 Kms)
    - Akola-II – Aurangabad 765 kV S/C Line-1 (240 Kms)
    - Tiroda-Koradi –III 765 kV S/C Line-2 (120 Kms)
    - Koradi-III- Akola –II 765 kV S/C Line-2 (270 Kms)
    - Akola-II – Aurangabad 765 kV S/C Line-2 (240 Kms)
    - Akola-II – Akola-I 400 KV Quad D/C Line (30 Kms)

**(b) Details of Substations:**

(i) Establishment of 765/400 kV Switchyard at Tiroda

- 1 × 1500 MVA, 765/400 kV Power Transformer with bays on either side.  
(4 × 500 MVA, 1 ph units providing 1 × 1500 MVA bank with one spare unit)
- 2 nos. of 765 kV line bays.  
(For Tiroda – Koradi – III, 2 × S/C 765 kV Lines)
- 2 × 240 MVAR, 765 kV switchable line reactors.  
(7 × 80 MVAR, 1 ph units providing 2 × 240 MVAR banks with one spare unit for Tiroda – Koradi – III, 2 × S/C 765 kV Lines)
- Space for 1 number 765 kV bay (for future use)

(ii) Establishment of 765/400 kV Substations at Koradi-III

- 2 × 1500 MVA, 765/400 kV Power Transformers with bays on either side.  
(7 × 500 MVA, 1ph units providing 2 × 1500 MVA bank with one spare unit)
- 4 × 240 MVAR, 765 kV switchable line reactors.  
(14 × 80 MVAR, 1 ph units providing 4 × 240 MVAR banks with two spare units for Tiroda – Koradi – III and Koradi –III- Akola II 2 × S/C 765 kV Lines)
- 1 × 240 MVAR, 765 kV switchable bus reactor.  
(4 × 80 MVAR, 1 ph units providing 1 × 240 MVAR banks with one spare unit)
- 4 nos. of 765 kV line bays.  
(For Tiroda – Koradi –III and Koradi –III- Akola II 2 × S/C 765 kV Lines)
- 4 nos. of 400 kV line bays  
(For Koradi-III- Koradi-II and Koradi-III- Kharperkheda D/C 400 kV lines)
- Space for 2 nos. of 765 kV line bays. (for future use)
- Space for 2 nos. of 400 kV line bays. (for future use)

(iii) Establishment of 765/400 kV Substations at Akola-II

- 1 × 1500 MVA, 765/400 kV Power Transformers with bays on either side.  
(4 × 500 MVA, 1ph units providing 1 × 1500 MVA bank with one spare unit)
- 2 × 240 MVAR, 765 kV switchable line reactors.  
(7 × 80 MVAR, 1 ph units providing 2 × 240 MVAR banks with one spare unit for Akola –II- Aurangabad, 2 × S/C 765 kV Lines)
- 2 × 240 MVAR, 765 kV fixed line reactors  
(7 × 80 MVAR, 1 ph units providing 2 × 240 MVAR banks with one spare unit for Koradi – III – Akola -II, 2 × S/C 765 kV Lines)
- 1 × 240 MVAR, 765 kV switchable bus reactor  
(4 × 80 MVAR, 1 ph units providing 1 × 240 MVAR banks with one spare unit)

- 4 nos. of 765 kV line bays.  
(For Koradi – III – Akola -II and Akola II- Aurangabad 2 × S/C 765 kV lines)
- 4 nos. of 400 kV line bays  
(2 nos. for Akola–II - Akola-I 400 kV quad D/C line and 2 nos. for Nandgaopet-Akola –II 400 kV D/C Line)
- Space for 2 nos. of 765 kV line bays. (for future use)
- Space for 2 nos. of 400 kV line bays. (for future use)

(iv) Extension of 765 kV Aurangabad Substation

- 2 × 240 MVAR, 765 kV fixed line reactors  
(7 × 80 MVAR, 1 ph units providing 2 × 240 MVAR banks with one spare unit for Akola –II – Aurangabad 2 × S/C 765 kV lines)
- 2 nos. of 765 kV line bays.  
(For Akola-II – Aurangabad 2 × S/C 765 kV lines)

4. The transmission lines are proposed to be commissioned as per the revised schedule given in the Petition is outlined below:

Details of the Transmission Project	Original Completion Date	Revised Estimated Completion Date
<ul style="list-style-type: none"> <li>• Tiroda–Koradi-III-Akola-II-Aurangabad 765 kV S/C - Line-1</li> <li>• 765/400 kV switchyard at Tiroda</li> <li>• 765/400 kV substation at Akola –II</li> <li>• Akola-II- Akola-I 400 kV quad D/C line</li> </ul>	March, 2012	December, 2013
<ul style="list-style-type: none"> <li>• Tiroda–Koradi-III-Akola-II-Aurangabad 765 kV S/C - Line-2</li> <li>• 765/400 kV substation at Koradi-III</li> <li>• Extension of 765 kV substation at Aurangabad</li> </ul>	August, 2012	July, 2014

5. In view of the above, MEGPTCL has filed a Petition for approval of its Business Plan for the Second Control Period from FY 2013-14 to FY 2015-16 before the MERC, under provisions of Sections 61 and 62 of the Electricity Act, 2003 and Regulation 7 read with Regulation 57 of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011. MERC has admitted the Business Plan Petition on 25 November, 2013 and directed MEGPTCL to publish a Public Notice under Section 64(2) of the EA, 2003.
6. In compliance with the MERC Order (Case No. 118 of 2009) dated 14 September, 2010 to execute the transmission system through suitable packages to be awarded through competitive bidding basis, MEGPTCL has conducted international competitive bidding process and the execution of the project is at advanced stage. MEGPTCL in the current Business Plan Petition has projected increase in capital cost compared to its original submission at the time of in-principle approval mainly on account of the foreign exchange rate variations and increase in the IDC on account of delay in the project. MEGPTCL has submitted that the delay in the implementation of the project is mainly on account of delay in getting necessary forest clearances, right of way issues, need for undertaking detailed survey twice on account of various reasons including involvement of forest area necessitating line route change to minimise forest

area, difficulty of Route Alignment near Adani Power Maharashtra Limited's (APML) Tiroda Power Plant due to local agitation, involvement of Coal belt in Saoner Area, change in termination point of the line from 765 kV Aurangabad (PGCIL) to 765 kV Aurangabad (MSETCL) Substation, etc. Other issues included delay in getting necessary approvals from various authorities like, railways, NHAI, Punjab Rao Deshmukh Krishi Vidyapeeth, etc. A summary of revised capital cost projected by MEGPTCL in the Business Plan is as under:

**Table 1: In-principle approval of the capital cost by the Commission and revised capital cost estimates considered by MEGPTCL in the Business Plan**

**(Rs. Crore)**

Sr. No.	Particulars	In-Principal Approval	Revised Cost			Total Revised Cost	Variation - Increase / (Decrease)
			Set - 1 Dec 13	Set - 2 Dec 13	Set - 3 Jul 14		
1	Preliminaries	4.00	0.08	1.99	1.93	4.00	-
2	Transmission Lines	2,210.71	76.04	1,068.15	1,068.15	2,212.32	1.61
3	Substation Works	1,946.88	10.68	1,031.02	959.97	2,001.68	54.80
4	Overheads						-
4.1	Overheads (inclusive of project management & consultancy services)	166.46	4.39	106.06	102.47	212.91	46.45
4.2	Contingency	124.85	2.48	60.36	62.01	124.85	-
4.3	Pre-operative expenses (lenders' fee, merchant banker fees, PGCIL design costs etc.)	26.00	0.30	15.06	10.65	26.00	-
5	Deposit Work for bays at Aurangabad Substation	32.00	-	-	32.00	32.00	-
6	Financing & IDC (including lender fees, Bank Charges, BG, documentation)	210.98	7.15	173.80	286.62	467.58	256.60
7	Impact on Capital Cost due to Foreign Exchange Rate Variations	-	4.17	101.31	104.09	209.58	209.58
	<b>TOTAL</b>	<b>4,721.88</b>	<b>105.30</b>	<b>2,557.74</b>	<b>2,627.88</b>	<b>5,290.92</b>	<b>569.04</b>

7. The Business Plan Petition enumerates various strategic plans and operational plans of MEGPTCL for the second Control Period from FY 2013-14 to FY 2015-16. In the Business Plan, in addition to projecting the base case Aggregate Revenue Requirement (ARR), MEGPTCL has also submitted two scenarios of its Aggregate Revenue Requirement (ARR) for the second Control Period, one in which the ARR is projected at the 2% upward revision in the revised capital cost and second in which ARR is projected considering a 2% downward revision in the revised capital cost.
8. The Aggregate Revenue Requirement of MEGPTCL under the aforementioned scenarios are provided below:

**Table 2: Base Case, Aggregate Revenue Requirement of MEGPTCL at revised Capital Cost**  
(Rs. Crore)

SI No	Particulars	FY 2013-14	FY 2014-15	FY 2015-16
1	Operation and maintenance Expenses	15.26	80.95	96.91
2	Depreciation	46.11	242.36	276.67
3	Interest on Long-term Loan Capital	59.04	337.29	362.72
4	Interest on Working Capital and on consumer security deposits	3.72	19.22	21.58
5	Other Expenses	0.50	0.75	1.00
6	Income tax	10.89	57.17	65.25
7	Contribution to Contingency Reserves	13.32	26.45	26.45
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>148.82</b>	<b>764.21</b>	<b>850.58</b>
9	Add: Return on Equity Capital	41.05	215.56	246.03
<b>10</b>	<b>Aggregate Revenue Requirement</b>	<b>189.88</b>	<b>979.77</b>	<b>1,096.61</b>
11	Less: Non tariff Income	-	0.48	1.92
12	Less: Income from other business	-	-	-
13	<b>Aggregate Revenue Requirement from transmission tariff</b>	<b>189.88</b>	<b>979.29</b>	<b>1,094.68</b>

**Table 3: Scenario-1, Aggregate Revenue Requirement of MEGPTCL considering 2% escalation in the revised capital cost**

SI No	Particulars	FY 2013-14	FY 2014-15	FY 2015-16
1	Operation and maintenance Expenses	15.26	80.95	96.91
2	Depreciation	47.04	247.26	282.25
3	Interest on Long-term Loan Capital	60.22	344.04	369.97
4	Interest on Working Capital and on consumer security deposits	3.78	19.56	21.95
5	Other Expenses	0.50	0.75	1.00
6	Income tax	11.10	58.31	66.55
7	Contribution to Contingency Reserves	13.58	26.98	26.98
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>151.48</b>	<b>777.85</b>	<b>865.61</b>
9	Add: Return on Equity Capital	41.87	219.87	250.95
<b>10</b>	<b>Aggregate Revenue Requirement</b>	<b>193.36</b>	<b>997.72</b>	<b>1,116.56</b>
11	Less: Non-tariff Income	-	0.49	1.96
12	Less: Income from other business	-	-	-
13	<b>Aggregate Revenue Requirement from transmission tariff</b>	<b>193.36</b>	<b>997.23</b>	<b>1,114.60</b>

**Table 4: Scenario-2, Aggregate Revenue Requirement of MEGPTCL considering 2% downward revision in the revised capital cost**

(Rs. Crore)

Sl No	Particulars	FY 2013-14	FY 2014-15	FY 2015-16
1	Operation and maintenance Expenses	15.26	80.95	96.91
2	Depreciation	45.17	237.47	271.08
3	Interest on Long-term Loan Capital	57.86	330.55	355.48
4	Interest on Working Capital and on consumer security deposits	3.66	18.88	21.20
5	Other Expenses	0.50	0.75	1.00
6	Income tax	10.67	56.02	63.94
7	Contribution to Contingency Reserves	13.05	25.93	25.93
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>146.16</b>	<b>750.56</b>	<b>835.53</b>
9	Add: Return on Equity Capital	40.23	211.25	241.11
<b>10</b>	<b>Aggregate Revenue Requirement</b>	<b>186.39</b>	<b>961.81</b>	<b>1,076.64</b>
11	Less: Non-tariff Income	-	0.47	1.89
12	Less: Income from other business	-	-	-
<b>13</b>	<b>Aggregate Revenue Requirement from Transmission Tariff</b>	<b>186.39</b>	<b>961.33</b>	<b>1,074.75</b>

9. Copies of the following documents can be obtained on written request from the offices of MEGPTCL mentioned below:
- Executive Summary of the proposals (free of cost, in Marathi or English)
  - Detailed MYT Business Plan along with CD (in English) (on payment of Rs. 100/- by Cash/DD/ Cheque drawn on “**Maharashtra Eastern Grid Power Transmission Company Limited**”).
  - Detailed MYT Business Plan (in English) (on payment of Rs. 50/-).
  - CD of detailed MYT Business Plan (in English) (on payment of Rs. 50/-).

**Office:**

Office	Address	Tele / Fax No.
Corporate Office (Ahmedabad)	Mr. Vipul Jadav, 3 <sup>rd</sup> floor, Achalraj Building, Opposite Mayor’s Bungalow, Law Garden, Ahmedabad 380 009 Email: vipul.jadav@adani.com	+91 (79) 25556900/ +91 (79) 25557176
Office (Maharashtra)	Mr. Ajit Barodia, 601, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Nr. Kalamandir Talkies, Opp. Gurunanak Hospital, Bandra (East), Mumbai - 400 051 Email: info@megptcl.com	+91 (22) 22022480/ +91 (22) 26561616

10. The Commission has directed MEGPTCL to invite suggestions/ objections from the public on the above Petition for approval of Business Plan through this Public Notice. Suggestions/ objections shall 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: 022-22163976 E-Mail: [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)] by **17 December, 2013**, along with proof of service on Shri Vipul Jadav, Maharashtra Eastern Grid Power Transmission Company Limited, 3<sup>rd</sup> floor, Achalraj Building, Opposite Mayor's Bungalow, Law Garden, Ahmedabad 380 0019, Email: [vipul.jadav@adani.com](mailto:vipul.jadav@adani.com) Fax: +91 (79) 25557176\_.

11. Every person who intends to file suggestions/ objections can submit the same in English or in Marathi, in six (1+5) copies, and shall carry the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the suggestions/ objections 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 Maharashtra Electricity Regulatory Commission, Court Room, 13<sup>th</sup> Floor, Centre 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005 on 19 December,2013 at 12:30 hrs**, for which no separate notice will be given.
12. MEGPTCL shall reply to each of the suggestions/ objections not later than **18 December,2013** for all the suggestions/ objections received till **17 December,2013** . Stakeholders can submit their rejoinders on replies provided by MEGPTCL either during the public hearing or latest by **23 December,2013**
13. The detailed Petition for approval of Business Plan along with Executive Summary is available on [www.megptcl.com](http://www.megptcl.com) 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).

Signature

Name (Vipul Jadav)

AGM

Maharashtra Eastern Grid Power Transmission  
Company Limited

Email: [vipul.jadav@adani.com](mailto:vipul.jadav@adani.com)