

Vidarbha Industries Power Limited
Dhirubhai Ambani Knowledge City, I-Block, 2nd Floor, North Wing,
Thane Belapur Road, Koparkhairane, Navi Mumbai 400 710

PUBLIC NOTICE

Suggestions/objections on the Petition filed by Vidarbha Industries Power Limited for determination of Capital cost and Final Tariff for FY 2014-15 and FY 2015-16 for 2x300 MW Generating station at Butibori [**Case No. 115 of 2014**]

1. M/s. Vidarbha Industries Power Limited (VIPL) has filed a Petition for determination of Capital Cost and Final Tariff for FY 2014-15 and FY 2015-16 for its 2x300MW Generating Station at Butibori before the Maharashtra Electricity Regulatory Commission (MERC) under Sections 61, 62 and 86(1)(a) & 86(1)(b) of the Electricity Act, 2003 (Act) and as per Part A, B, C, E, F & K of MERC (Multi Year Tariff) Regulations, 2011. Both the units of VIPL have been commissioned and the power is being supplied to R Infra- Distribution Business from 1st April, 2014. MERC has admitted the Petition on **13 October, 2014** and directed VIPL to publish a Public Notice under Section 64(2) of the Act, for inviting suggestions and objections from the Public through this Notice.
2. The salient features of the Petition are provided below:

Table 1: Project Cost of VIPL's Butibori Project

Sr. No.	Particulars	Installed Capacity (MW)	Original estimate of Project Cost	Actual Project Cost as on April 1, 2014 for Tariff Purposes	Reasons for variation
			Rs. Crore	Rs. Crore	
1	VIPL's Butibori Project	600	3581.92	3923.98	Predominantly due to depreciation of Rupee.

Table 2: Additional Capitalisation for Butibori Station

S. No.	Particulars	Amount Proposed to be Capitalised (Rs. Crore)	
		FY 2014-15	FY 2015-16
1	Railway Siding including pre-op expenses, Govt. fees, overheads, IDC etc.	422.00	0.00
2	RO Plant which is under commissioning and other misc facilities	40.40	0.00
3	Spares	48.00	0.00
	Total	510.40	0.00

Table 3: Annual Fixed Charge for Butibori Station for FY 2014-15 and FY 2015-16

S. No.	Particulars	FY 2014-15 Rs. Crore	FY 2015-16 Rs. Crore
1	Operation & Maintenance Expenses	105.00	111.00
2	Depreciation	208.90	218.28
3	Interest on Long-term Loan	273.44	322.36
4	Interest on Working Capital	57.10	60.59
5	Income Tax	48.45	56.44
6	Return on Equity Capital	182.71	212.85
7	Annual Fixed Charge	875.61	981.52

Table 4: Gross Generation and Net Generation for Butibori Station

Particulars	UoM	FY 2014-15	FY 2015-16
Gross Generation	MU	4,468	4,480
Auxiliary Consumption	MU	402	403
Net Generation	MU	4066	4077

Table 5: Operational Parameters for Butibori Station

S. No.	Particulars	UoM	Norms as per MYT Regulations, 2011	Value		Reasons for Variations, if any
				FY 2014-15	FY 2015-16	
1	Availability	%	85%	85%	85%	
2	PLF	%	85%	85%	85%	
3	Secondary Fuel Oil Consumption	ml/kWh	1	1	1	
4	Auxiliary Consumption	%	9%	9%	9%	
5	Transit Loss	%	0.8%	0.8%	0.8%	
6	Heat rate	kcal/kWh	1.065 x Design Heat Rate	2401	2401	

Table 6: Energy Charges for Butibori Project for Butibori Station for FY 2014-15 and FY 2015-16

Fuel	Calorific Value (kcal/kg or kcal/l)	Specific Fuel Consumption (kg/kWh or ml/kWh)	Price (Rs./MT or Rs./kL)	Cost at Generator Terminal (Rs./kWh)	Ex-bus Energy Charge (Rs./kWh)
FY 2014-15					
Coal (Raw coal from SECL)	4750	0.27	2438	0.65	0.71
Coal (Cost plus coal from WCL)	4534	0.25	3975	0.99	1.09
Secondary Fuel – Fuel Oil	10,400	0.70	47836	0.03	0.04
Secondary Fuel – Light Diesel Oil	10,700	0.30	64972	0.02	0.02
Other Charges	NA	NA	NA	0.05	0.05
Total				1.74	1.91
FY 2015-16					
Coal (Raw coal from SECL)	4750	0.27	2438	0.65	0.71
Coal (Cost plus coal from WCL)	4534	0.25	3975	0.99	1.09
Secondary Fuel – Fuel Oil	10,400	0.70	47836	0.03	0.04
Secondary Fuel – Light Diesel Oil	10,700	0.30	64972	0.02	0.02
Other Charges	NA	NA	NA	0.05	0.05
Total				1.74	1.91

Table 7: Per Unit Fixed Charge and Variable Charge for Butibori Station (Rs./kWh)

Particulars	UoM	FY 2014-15	FY 2015-16
Fixed Charge	Rs./kWh	2.15	2.41
Variable Charge	Rs./kWh	1.91	1.91
Total Charge	Rs./kWh	4.06	4.32

3. Copies of the following documents can be obtained on written request from the offices of VIPL mentioned below:
 - a. Executive Summary of the proposals (free of cost, in Marathi or English).
 - b. Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by DD/ Cheque/ Cash drawn on “**Vidarbha Industries Power Limited**” payable at Mumbai.
 - c. Detailed Petition documents (in English) (on payment of Rs. 100/-).
 - d. CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Head Office:

Business Head

Vidarbha Industries Power Limited,

Dhirubhai Ambani Knowledge City,

I-Block, 2nd Floor, North Wing,

Thane Belapur Road, Koparkhairane,

Navi Mumbai 400 710

Offices:

Office	Address	Tele / Fax No.
Office	Vidarbha Industries Power Limited, Dhirubhai Ambani Knowledge City, I Block, 2 nd floor, North Wing, Thane Belapur Road, Koparkhairane, Navi Mumbai 400 710	Tel:+91-22-3038 6600 Fax:+91-22-3038 6999 / 3038 6799
Registered Office	Vidarbha Industries Power Limited, H-Block, 1 st Floor, Dhirubhai Ambani Knowledge City, Thane Belapur Road, Koparkhairane, Navi Mumbai 400710.	Tel:+91-22-3038 6600 Fax:+91-22-3038 6999 / 3038 6799
Nagpur Office	Vidarbha Industries Power Limited, Reliance Power Limited, 11,Daga Layout, North Ambazari Road Nagpur – 440010	Tel:+91-7104-305607 Fax:+91-7104-305720
Nagpur Site Office	Vidarbha Industries Power Limited, Reliance Power Limited, D-3, MIDC Industrial Area, Butibori, Nagpur-441122	Tel:+91-7104-305607 Fax:+91-7104-305720

- The Commission has directed VIPL to invite objections and comments / suggestions from the public on the above Petition through this Notice. Objections and comments / suggestions 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@merc.gov.in] by **2 December, 2014**, along with proof of service on VIPL.
- Every person who intends to file objections and comments / suggestions can submit the same in English or in Marathi, in (6+1) 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 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 the **Maharashtra Electricity Regulatory Commission, World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005 on Tuesday 9 December, 2014 at 1200 Hrs**, for which no separate notice will be given.
- VIPL shall reply to each of the objections and comments / suggestions received within three days of the receipt of the same, but not later than **5 December, 2014** for all the

objections and comments / suggestions received till **2 December, 2014**. Stakeholders can submit their rejoinders on replies provided by VIPL either during the public hearing or latest by **12 December, 2014**.

7. The detailed Petition document and the summary are available on VIPL's website www.reliancepower.co.in and the executive summary is also available on the web site of the Commission www.merc.gov.in / www.mercindia.org.in in downloadable format (free of cost).

Sd/-
Vibhav Agarwal
Sr. Vice President
Vidarbha Industries Power Limited