



महाराष्ट्र विद्युत नियामक आयोग

Maharashtra Electricity Regulatory Commission

MERC/Case No. 221 of 2014/ 01611

Date: 13 February, 2015

Director (Finance)
Reliance Infrastructure Limited,
Devidas Lane, Off SVP Road,
Near Devidas Telephone Exchange,
Borivali (W),
Mumbai 400 092

Subject : Petition of Rinfra-T for approval of Mid-term Review including Truing up of FY 2012-13 & FY 2013-14, revised ARR for FY 2014-15 and FY 2015-16 in Case No. 221 of 2014.

Reference:

1. Submission of Petition by Rinfra-T on dated 10 December, 2014.
2. Technical Validation session in the matter held on Dated 28 January, 2015.
3. Submission of Revised Petition Dated 13 February, 2014.

Sir,

1. This is with reference to your Petition filed regarding approval of Mid-term Review including truing up of FY 2012-13 & FY 2013-14, revised ARR for FY 2014-15 and FY 2015-16 in Case No. 221 of 2014.
2. I am directed by the Commission to convey to you the admission of your Revised Petition under Regulation 51 of the MERC (Conduct of Business) Regulations, 2004 for further processing and conduct of Public Hearing.
3. Rinfra-T is directed to publish the approved Public Notice enclosed herewith u/s 64 (2) of the Electricity Act, 2003 as per the following guidelines latest by **18 February, 2015**.
4. The Template for Public Notice sets out the minimum information for publishing the notice for soliciting suggestions and objections from the public on the Petition for approval of Mid-term Review including truing up of FY 2012-13 & FY 2013-14, revised ARR for FY 2014-15 and FY 2015-16. Rinfra-T may include additional information, if necessary.
5. The Public Notice should be published in not less than two (2) daily News Papers in English and two (2) daily News Papers in Marathi, which have wide circulation in the State of Maharashtra, in accordance with Regulation 90 of the MERC (Conduct of Business) Regulations, 2004, on or before **18 February, 2015**.
6. Rinfra-T shall host the Executive Summary of its Petition (both in English and Marathi version) and the Petition submitted to the Commission on its website besides hosting formats in MS Excel for easy download by interested stakeholders. Rinfra-T shall make available a

Page 1 of 3

hard copy of the Petition to interested stakeholders with the specified Annexures (or CD of detailed Petition with all Annexures), on written request, at the rates specified in the approved Public Notice enclosed with this letter. RINFRA-T shall ensure that the copies of the Petition and Annexures are legible.

7. Rinfra-T shall make available copies of the Executive Summary of its Petition (both in English and Marathi version) at its offices specified in the approved Public Notice, free of cost to interested stakeholders.
8. All the above Petition documents shall be made available by Rinfra-T in the specified form at the specified offices, latest by **18 February, 2015**.
9. The Petition to be made available to public shall include the following:
 - (1) Main Petition including Executive Summary formats and all Annexure attached to the main Petition.
 - (2) Reply to Data Gaps raised before TVS, along with Annexures.
 - (3) Reply to Data Gaps raised during and after TVS, along with Annexures.
10. On receipt of suggestions and objections from the public on Rinfra-T Petition, Rinfra-T should expeditiously reply to suggestions and objections within three days from the date of receipt of suggestions and objections, but not later than **14 March, 2015**, for all the suggestions and objections received till **11 March, 2015**.
11. The Public Hearing on Rinfra-T's Petition for approval of Mid-term Review including truing up of FY 2012-13 & FY 2013-14, revised ARR for FY 2014-15 and FY 2015-16 in Case No. 221 of 2014, will be held in **Centrum Hall, First Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005 on Monday, 16 March, 2015, at 11:30 Hrs.**

Yours sincerely,


Secretary, MERC

Encl: i) Approved Public Notice

- Cc: Chief Engineer (SLDC)
Maharashtra State Load Despatch Centre,
Thane-Belapur Road, Airoli,
Navi Mumbai 400708.
cesldc@mahasldc.in
- Cc: Chief Engineer (STU)
Maharashtra State Electricity Transmission Co Ltd.,
Prakashganga, Plot C-19, E-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051
cestu@mahatranco.in

Consumer Representatives

Prayas (Energy Group)
Amrita Clinic, Athvale Corner,
Lakdipool-karve Road Junction,
Deccan Gymkhana, Karve Road,
Pune 411 004.

E-mail: peg@prayaspune.org

Mumbai Grahak Panchayat,
Grahak Bhavan,
Sant Dynaneshwar Marg,
Behind Cooper Hospital,
Vile Parle (West),
Mumbai 400 056

E-mail: mgpanchayat@yahoo.com

Vidarbha Industries Association,
1st Floor, Udyog Bhavan,
Civil Line, Nagpur 440 001.
E-mail: rkengg@gmail.com

The General Secretary,
Thane Belapur Industries Association,
Rabale Village, Post Ghansoli,
Plot P-14, MIDC,
Navi Mumbai 400 701

E-mail: tbia@vsnl.com

Maharashtra Chamber of Commerce,
Industry & Agriculture,
Oricon House, 6th floor,
12 K. Dubash Marg, Fort,
Mumbai - 400 001

(Nashik Branch)

E-mail : maccia.nsk@gmail.com

PUBLIC NOTICE

Suggestions /Objections on Reliance Infrastructure Ltd.-Transmission Business (RInfra-T) Petition for Mid Term Review for MYT Second Control Period (Truing up for FY 2012-13 and FY 2013-14, Annual Performance Review of FY 2014-15 and determination of Annual Revenue Requirement for FY 2015-16.

(Case No. 221 of 2014)

1. RInfra-T submitted Multi Year Tariff Mid Term review Petition for the period FY 2012-13 to FY 2015-16 on 13 February, 2015 before the Maharashtra Electricity Regulatory Commission (MERC or the Commission) under the Electricity Act, 2003. The Commission has admitted the Petition on **13 February, 2015** and directed RInfra-T to publish a Public Notice under Section 64(2) of the Act.
2. The salient Features of the Petition are provided below:

Table 1: Reassessment of Income Tax and Interest on Loan Capital as per ATE Judgement in Appeal No. 138 & 139 of 2012 (Rs. Crore)

Particulars	Impact
Reassessment of Income Tax of previous years	(0.47)
Reassessment of interest on loan capital for FY 2011-12	5.80
Carrying cost due to ATE Judgment on the above	4.71
Total impact of Hon'ble ATE Judgment including carrying cost	10.04

Table 2: RInfra-T's Capitalisation during the Control Period (Rs. Crore)

Particulars	FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16	
	Approved	Actual	Approved	Actual	Approved	Revised Estimates	Approved	Revised Estimates
Total DPR Scheme	433.40	393.87	230.29	44.79	230.61	30.59	729.08	146.03
Total Non DPR Scheme	16.00	6.90	16.00	7.27	12.00	2.19	12.00	21.26
Total Scheme	449.40	400.77	246.29	52.06	242.61	32.78	741.08	167.29

Table 3: Truing up for FY 2012-13 (Rs. Crore)

Particulars	Actuals	MYT Order
Expenditure		
Operation & Maintenance expenses	39.53	45.72
Interest on long-term loan capital	67.46	48.53
Depreciation	42.95	47.93
Return on Equity	59.86	61.09
Interest on working capital	3.17	3.20
Contribution to contingency reserve	2.38	2.38

Income Tax	-	-
Total expenditure – A	215.36	208.85
Availability incentive – B	3.76	-
Revenue		
Revenue from InSTS	121.26	121.26
Non Tariff income	4.54	2.80
Income from other business	-	-
Total revenue – C	125.80	124.06
Revenue Gap / (Surplus) = (C - B - A)	93.33	84.79

Table 4: Truing up for FY 2013-14

(Rs. Crore)

Particulars	Actuals	MYT Order
Expenditure		
Operation & Maintenance expenses	50.65	61.15
Interest on long-term loan capital	76.78	64.95
Depreciation	57.71	65.09
Return on Equity	70.28	77.27
Interest on working capital	8.58	6.19
Contribution to contingency reserve	3.37	3.50
Income Tax	1.01	-
Truing up gap of FY 10-11	10.50	10.50
Truing up gap of FY 11-12	28.55	28.55
Impact of Hon'ble ATE Judgment in Appeal No. 203 of 2010	12.20	12.20
Revenue gap of FY 12-13	93.33	84.79
Total expenditure for recovery from Transmission tariffs – A	412.96	414.19
Availability incentive – B	5.69	-
Revenue		
Revenue from InSTS billed as per MYT Order	417.51	417.51
Non Tariff income	1.16	2.66
Income from other business	0.07	-
Total revenue – C	418.74	420.17
Revenue Gap / (Surplus) = (C - B - A) inclusive of FY 12-13 Gap	(0.09)	(5.99)

Table 5: Annual Performance Review for FY 2014-15

(Rs. Crore)

Particulars	Estimate	MYT Order
Expenditure		
Operation & Maintenance expenses	52.05	71.77
Interest on long-term loan capital	73.65	73.78
Depreciation	59.83	75.82
Return on Equity	72.25	88.63
Interest on working capital	6.93	7.09
Contribution to contingency reserve	3.50	4.12
Income Tax	1.01	-
Total expenditure – A	269.23	321.22
Revenue other from InSTS		
Non Tariff income	2.32	2.99
Income from other business	0.04	-
Total revenue – B	2.36	2.99

Revenue (Gap) / Surplus – C = (B - A)	(266.87)	(318.23)
Revenue from InSTS – D	317.42	318.23
Net Revenue (Gap) / Surplus = (D + C)	50.55	-

Table 6: Annual Revenue Requirement for FY 2015-16 (Rs. Crore)

Particulars	Estimate	MYT Order
Expenditure		
Operation & Maintenance expenses	54.87	82.37
Interest on long-term loan capital	74.88	96.32
Depreciation	64.72	99.52
Return on Equity	76.90	111.50
Interest on working capital	5.84	8.70
Contribution to contingency reserve	3.58	4.72
Income Tax	1.01	-
Total expenditure – A	281.80	403.13
Revenue other from InSTS		
Non Tariff income	2.64	3.37
Income from other business	0.04	-
Total revenue – B	2.67	3.37
ARR for FY 15-16 (A - B)	279.13	399.76
Cumulative revenue gap till FY 13-14	17.89	-
Impact of ATE Judgment	10.04	-
Revenue gap / (surplus) for FY 14-15	(50.55)	-
Net ARR (C + D + E + F)	256.52	399.76

3. Copies of the following documents can be obtained on written request from the offices of RInfra-T mentioned below:
- Executive Summary of the Petition (free of cost, in Marathi or English).
 - Detailed Petition along with CD (in English) (on payment of Rs.100/- by Cash/ DD/ Cheque drawn on “**Reliance Infrastructure Limited**”).
 - Detailed Petition documents (in English) (on payment of Rs. 100/-).
 - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office:

Office	Address	Tele / Fax No.
Registered & Head Office	H Block, 1 st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710	Tel:+91-22-3038 6101 Fax:+91-22-3037 6622/23
Office	Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 103	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

Office	Address	Tele / Fax No.
East Division	Near Sahakar Cinema, Tilak Nagar, Road No.3, Chembur, Mumbai 400 089	Tel:+91-22-3009 6999 Fax:+91-22-3009 2022

4. The Commission has directed RInfra-T to invite suggestions and objections from 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@merc.gov.in] by **11 March, 2015**, along with proof of service on **Shri. Kishor Patil, Regulatory Affairs, 7th Floor, Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 103.**
5. Every person who intends to file suggestions and objections can submit the same in English or in Marathi, in (1+6) copies, and should carry the full name, postal address and email address, if any, of the sender. It should be indicated whether the suggestion /objection 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 in **Centrum Hall, First Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005 on Monday, 16 March, 2015, at 11:30 Hrs.** for which no separate notice will be given.
6. RInfra-T shall reply to each of the suggestions and objections received within three days of the receipt of the same but not later than **14 March, 2015** for all the suggestions and objections received till **11 March, 2015.**
7. The detailed Petition document and the summary are available on RInfra-T's website www.relianceenergy.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).

Signature
(Ramesh Shenoy)
Company Secretary
Reliance Infrastructure Limited