

**TATA****TATA POWER****The Tata Power Company Limited**Bombay House, 24 Horni Mody Street, Mumbai 400 001
Website: www.tatapower.com
CIN No. : L26920MH1919PLC000567**PUBLIC NOTICE****Suggestions & Objections on Tata Power-Transmission Business Petition for Mid Term Review for MYT Second Control Period (Truing up for FY 2012-13 & FY 2013-14, Annual Performance Review of FY 2014-15, Revised estimates for FY 2015-16 along with Impact of various Appellate Tribunal (ATE) judgments) (Case No. 5 of 2015)**

- The Tata Power Company Limited's Transmission Business has filed a Petition for approval of its Mid Term Review Petition for the Second Control Period (FY 2012-13 to FY 2015-16) before the Maharashtra Electricity Regulatory Commission (MERC) as per the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011. MERC has admitted the Petition on 24th February, 2015 and directed Tata Power-T to publish a Public Notice under Section 64(2) of the Electricity Act, 2003
- The salient features of the Petition are as below:

Table 1: Impact of ATE Judgements (Rs. crore)

Particulars	Impact
Impact of the ATE Judgment in Appeal No.158 of 2012 regarding applicability of MERC (MYT) Regulations, 2011 to ARR of FY 2011-12 along with the carrying cost + Impact of Appeal No. 133 of 2013 regarding truing up of FY 2011-12	91.95
Judgment dated 28th November, 2013 in Appeal No 104 of 2012 regarding truing up of FY 2009-10 and FY 2010-11 along with the carrying cost.	143.30
Total Impact due to Judgments of ATE	235.25

Table 6 : Aggregate Revenue Requirement for FY 2015-16 along with ATE Impact (Rs. crore)

Sr. No	Particular	MYT Order	Projected
1	Operation & Maintenance Expenses	245.91	219.42
2	Depreciation	191.28	117.41
3	Interest on Long-term Loan Capital	231.51	109.42
4	Interest on Working Capital	21.92	16.24
5	Income Tax	32.20	32.20
6	Contribution to contingency reserves	9.83	6.87
7	Total Revenue Expenditure	732.65	501.56
8	Return on Equity Capital	226.92	150.26
9	Aggregate Revenue Requirement	959.57	651.81
10	Less: Non Tariff Income	38.32	18.24
11	Aggregate Revenue Requirement from Transmission Tariff	921.25	633.57
12	Impact of ATE Judgment	-	235.25
13	Total Gap allowed in the T.O. 178 of 2011 excluding provisional Gap for FY 2012-13 with carrying cost	-	30.83
14	Revenue Gap/(Surplus) for FY 2012-13 with carrying cost	-	245.17
15	Revenue Gap/(Surplus) for FY 2013-14 with carrying cost	-	(316.69)
16	Revenue Gap/(Surplus) for FY 2014-15	-	(133.83)
17	Net ARR to be recovered from Transmission Tariff	921.25	694.31

Table 2: Tata Power-T's Capitalisation during the 2nd Control Period (Rs. crore)

Category	FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16	
	Approved	Actual	Approved	Actual	Approved	Projected	Approved	Projected
DPR	714.54	323.87	373.72	271.43	1049.80	325.50	1239.60	303.97
Non-DPR	37.99	17.78	25.64	30.25	11.36	46.06	11.49	62.64
HOSS		4.56		9.40				
Total	752.53	346.21	399.36	311.08	1061.16	371.56	1251.09	366.62

Table 3: Truing Up for FY 2012-13 (Rs. crore)

Sr. No	Particular	Approved in MYT Order	Actual
1	Operation & Maintenance Expenses	151.14	127.92
2	Depreciation	73.63	67.71
3	Interest on Long-term Loan Capital	76.70	61.68
4	Interest on Working Capital	11.69	8.12
5	Other Finance Charges	-	0.08
6	Income Tax	32.20	53.43
7	Incentive	-	6.00
8	Contribution to contingency reserves	4.33	4.31
9	Total Revenue Expenditure	349.69	329.26
10	Return on Equity Capital	112.99	102.18
11	Aggregate Revenue Requirement	462.68	431.44
12	Less: Non Tariff Income	32.84	12.48
13	Aggregate Revenue Requirement from Transmission Tariff	429.84	418.96
14	Entitlement of Efficiency gain due to controllable & uncontrollable factor	-	17.36
15	Less: Revenue from Transmission Tariff	-	246.76
16	Revenue Gap/(Surplus) for the year	-	189.57
17	Carrying cost	-	55.60
18	Total Gap/(Surplus) with carrying cost	-	245.17

Table 4: Truing Up for FY 2013-14 (Rs. crore)

Sr. No	Particular	Approved in MYT Order	Actual
1	Operation & Maintenance Expenses	171.83	124.47
2	Depreciation	98.34	84.85
3	Interest on Long-term Loan Capital	112.15	77.99
4	Interest on Working Capital	13.97	17.61
5	Other Finance Charges	-	0.03
6	Income Tax	32.20	55.86
7	Incentive	-	7.16
8	Contribution to contingency reserves	6.21	5.17
9	Total Revenue Expenditure	434.70	373.13
10	Return on Equity Capital	139.59	117.31
11	Aggregate Revenue Requirement	574.29	490.44
12	Less: Non Tariff Income	34.56	18.24
13	Aggregate Revenue Requirement from Transmission Tariff	539.73	472.20
14	Entitlement of Efficiency gain due to controllable & uncontrollable factor	-	32.30
15	Less: Revenue from Transmission Tariff	-	780.48
16	Revenue Gap/(Surplus) for the year	-	(275.98)
17	Carrying cost	-	(40.71)
18	Total Gap/(Surplus) with carrying cost	-	(316.69)

Table 5: Annual Performance Review of FY 2014-15 (Rs. crore)

Sr. No	Particular	Approved in MYT Order	Actual
1	Operation & Maintenance Expenses	198.61	190.13
2	Depreciation	134.28	98.83
3	Interest on Long-term Loan Capital	157.31	93.30
4	Interest on Working Capital	16.95	14.34
5	Income Tax	32.20	32.20
6	Contribution to contingency reserves	7.19	5.94
7	Total Revenue Expenditure	546.54	434.74
8	Return on Equity Capital	173.29	133.09
9	Aggregate Revenue Requirement	719.83	567.83
10	Less: Non Tariff Income	36.39	18.24
11	Aggregate Revenue Requirement from Transmission Tariff	683.44	549.59
12	Less: Revenue from Transmission Tariff	-	683.42
13	Revenue Gap/(Surplus) for FY 2014-15	-	(133.83)

- Copies of the following documents can be obtained on written request from the offices of The Tata Power Company Ltd, mentioned below:
 - Executive summary of the proposals (free of cost, Marathi or English)
 - Detailed Petition along with CD (English) (on payment of Rs. 150/- by Cash/DD/ Cheque drawn on "The Tata Power Company Limited").
 - Detailed Petition (English) (on payment of Rs.100/-).
 - CD of detailed Petition (English) (on payment of Rs.50/-).

Office Details :

Office	Address	Telephone No.
Registered Office	Mr Uday Bhide, The Tata Power Company Ltd, Bombay House, 24, Horni Mody Street, Fort, Mumbai 400 001	6717 1032
Head Office	Mr S K Raphael, The Tata Power Company Limited, Corporate Finance & Accounts, 'B' Block 6th Floor, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	6717 1608
Dharavi	Ms. Hawwa Inamdar, The Tata Power Company Ltd., Near Shalimar Indl. Estate, Matunga (East), Mumbai 400 019.	6717 2637
Kandivali (W)	Tata Power Consumer Relations Centre, Unit No. 8 A & B, Kalpavruksha Garden, Building No. 1, Near Vasant Complex, Mahavir Nagar, New Link Road, Kandivali (W), Mumbai 400067	2868 5933

- The Commission has directed Tata Power-T to invite Suggestions & Objections from the public on the above Petition through this Notice. Suggestions & 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](mailto:mercindia@merc.gov.in)] by **17th March, 2015**, along with proof of service on Mr. Bhaskar Sarkar, Head – Business Strategy & Regulations, The Tata Power Company Limited, Dharavi Receiving Station, Near Shalimar Industrial Estate, Matunga, Mumbai 400 019. Email : bhaskar.sarkar@tatapower.com
- Every person who intends to file Suggestions & Objections can submit the same in English or in Marathi, in (1 + 6) copies, and should 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 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 **Centrum Hall, 1st Floor, Centre No.1, World Trade Centre, Cuffe Parde, Mumbai 400 005 on Friday, 20th March, 2015 at 11.30 Hrs**, for which no separate notice will be given.
- Tata Power-T shall reply to each of the Suggestions & Objections received within three days of the receipt of the same but not later than **19th March, 2015** for all the Suggestions & Objections received till **17th March, 2015**. Stakeholders can submit their rejoinders all replies provided by Tata Power-T either during the public hearing or latest by **25rd March, 2015**.
- The detailed Petition and the Executive Summary are available on Tata Power's website: www.tatapower.com and the Executive Summary is also available on the website of the Commission www.mercindia.org.in or www.merc.gov.in in down loadable format (free of cost).

Sd/-
Bhaskar Sarkar
Head – Business Strategy & Regulations
The Tata Power Company Limited