

**Reliance Infrastructure Limited**  
Registered Office:  
H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City,  
Navi Mumbai 400 710  
Website: [www.relianceenergy.in](http://www.relianceenergy.in)

**PUBLIC NOTICE**

**Suggestions / objections on the Petition filed by Reliance Infrastructure Ltd.-Generation Business (RInfra-G) for True up of ARR for FY 2014-15, Provisional True up of ARR for FY 2015-16 and determination of ARR and MYT for the Third Control Period from FY 2016-17 to FY 2019-20.**

**(Case No. 14 of 2016)**

1. RInfra-G has submitted the Petition for True up of Aggregate Revenue Requirement (ARR) for FY 2014-15, Provisional True up of ARR for FY 2015-16 and determination of ARR and MYT for the Third Control Period from FY 2016-17 to FY 2019-20 on 4 March, 2016 before the Maharashtra Electricity Regulatory Commission (MERC or the Commission) under the Electricity Act, 2003. The Commission has admitted the Petition on **10 March, 2016** and directed RInfra-G to publish a Public Notice under Section 64(2) of the Act, inviting suggestions and objections from the Public through this Notice
2. The salient Features of the Petition are provided below:

**Table 1: Norms of Operation for FY 2014-15 and FY 2015-16**

Particular	FY 2014-15		FY 2015-16	
	Approved	Actual	Approved	Actual
Availability (%)	91.60	91.60	95.90	94.35
PLF (%)	91.26	91.26	95.90	92.66
Station Heat Rate (kCal/kWh)	2305	2305	2370	2339
Auxiliary Consumption (%)	8.88	8.88	9.71	9.23
Secondary Fuel Oil Consumption (ml/kWh)	0.13	0.13	1.00	0.57
Gross Generation(MUs)	3997.24	3997.24	4211.97	4069.59
Net Generation (MUs)	3642.26	3642.26	3802.80	3693.81
Transit Loss for Imported Coal (%)	0.21	0.21	0.80	0.47
Transit Loss for Washed Coal (%)	0.59	0.59	0.80	0.53

\*Including Aux. Consumption of FGD

**Table 2: Truing up for FY 2014-15**

**(Rs. Crore)**

Particulars	MTR Order	Actual
<b>Expenditure</b>		
Total Fuel Related Expenses	1012.24	1012.24
Operation & Maintenance Expenses	136.69	135.29
Depreciation	26.88	25.85
Interest on Long-term Loan Capital	18.12	19.30
Interest on Working Capital	15.12	16.05
Income Tax	27.86	40.15

Particulars	MTR Order	Actual
<b>Total Expenditure (A)</b>	<b>1236.91</b>	<b>1248.89</b>
Return on Equity	85.27	85.27
Add: Incentive for Higher PLF	11.50	11.67
Add: 2/3rd of Efficiency gain in Fuel Cost	0.00	38.05
Add: 2/3rd of Efficiency gain in O&M Expenses	0.00	0.30
<b>Total of RoE+ Gains+ Incentives (B)</b>	<b>96.77</b>	<b>135.30</b>
<b>Revenue</b>		
Revenue from sale of electricity	1371.13	1371.31
Non-Tariff Income	17.38	23.94
<b>Total Revenue (C)</b>	<b>1388.51</b>	<b>1395.25</b>
<b>Revenue Gap/(Surplus) = (C) - [(A) + (B)]</b>	<b>(54.83)</b>	<b>(11.06)</b>

**Table 3: Provisional Truing up for FY 2015-16**

**(Rs. Crore)**

Particulars	MTR Order	Actual/ Estimated
<b>Expenditure</b>		
Total Fuel Related Expenses	1114.33	1068.99
Operation & Maintenance Expenses	143.65	144.75
Depreciation	26.64	28.32
Interest on Long-term Loan Capital	20.77	19.91
Interest on Working Capital	16.18	16.17
Income Tax	27.86	40.15
<b>Total Expenditure (A)</b>	<b>1349.43</b>	<b>1318.28</b>
Add: Gap Arising due to Impact of ATE Judgement	135.74	135.74
Add: Revenue surplus along with the carrying cost for FY 2012-13 and FY 2013-14	(58.51)	(58.51)
Add: Provisional Surplus of FY 2014-15 Truing Up	(54.82)	(54.82)
<b>Total (A)</b>	<b>22.41</b>	<b>22.41</b>
Return on Equity	88.24	88.23
Add: Incentive for Higher PLF	0.00	11.71
Add: 2/3rd of Efficiency gain in Fuel Cost	0.00	0.00
Add: 2/3rd of Efficiency gain in O&M Expenses	0.00	0.00
<b>Total of RoE+ Gains+ Incentives (B)</b>	<b>88.24</b>	<b>99.94</b>
<b>Revenue</b>		
Revenue from sale of electricity	1442.38	1437.24
Non-Tariff Income	17.70	16.84
<b>Total Revenue (C)</b>	<b>1460.08</b>	<b>1454.08</b>
<b>Revenue Gap/(Surplus) = (C) - [(A) + (B)]</b>	<b>-</b>	<b>(13.45)</b>

**Table 4: Operational Parameters for the control period**

Particular	DTPS			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
PLF (%)	96.03	96.03	92.19	92.21
Availability (%)	96.03	96.03	92.19	92.21
Station Heat Rate (kCal/kWh)	2450	2450	2450	2450

Particular	DTPS			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Auxiliary Consumption (%)*	9.64	9.64	9.68	9.68
Gross Generation(MU)	4206	4206	4038	4050
Secondary Fuel Oil Consumption (ml/kWh)	0.50	0.50	0.50	0.50
Net Generation (MU)	3800.65	3800.65	3646.93	3657.91
Transit Loss for Imported Coal (%)	0.20	0.20	0.20	0.20
Transit Loss for Washed Coal (%)	0.80	0.80	0.80	0.80

\*Including Aux. Consumption of FGD

**Table 5: Gross Calorific Value and Fuel Price for Third Control Period of FY 2016-17 to 2019-20**

Particulars	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Gross Calorific Value*	Fuel Price**	Gross Calorific Value	Fuel Price	Gross Calorific Value	Fuel Price	Gross Calorific Value	Fuel Price
Washed Coal	3925	4499	3925	4499	3925	4499	3925	4499
Imported Coal	4395	5713	4395	5713	4395	5713	4395	5713
Light Diesel Oil (LDO)	10754	45490	10754	45490	10754	45490	10754	45490

\* in kCal/kg for Coal and kCal/KL for LDO

\*\* Rs/MT for Coal and Rs/KL for LDO

**Table 6: Capital Expenditure and Capitalisation during the Control Period (Rs. Crore)**

Particular	DTPS				Total
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
<b>DPR Schemes</b>					
Spill over Projects from Previous Control Period	44.92	21.38	114.19	23.41	<b>203.90</b>
Approved in FY 15-16	22.73	2.50	13.50	2.50	<b>41.23</b>
New schemes – as per outcome of RLA study preliminary results	0.00	1.40	70.95	73.60	<b>145.95</b>
New schemes – Other	0.50	12.17	41.66	21.99	<b>76.32</b>
<b>Non-DPR Schemes</b>	1.49	0.00	0.00	0.00	1.49
<b>Total Capital Expenditure</b>	<b>69.65</b>	<b>37.45</b>	<b>240.30</b>	<b>121.50</b>	<b>468.90</b>
<b>Capitalisation</b>	<b>69.65</b>	<b>37.45</b>	<b>240.30</b>	<b>121.50</b>	<b>468.90</b>

**Table 7: ARR for Third Control Period of FY 2016-17 to 2019-20**

(Rs. Crore)

Particular	DTPS			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fuel Expenses	1220.28	1220.28	1171.54	1175.02
Operation & Maintenance Expenses	156.61	167.31	177.14	188.37
Depreciation	30.90	31.96	38.96	51.15
Interest on Long-term Loan	20.13	20.59	26.94	35.53

Particular	DTPS			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Capital				
Interest on Working Capital	22.76	22.93	23.06	23.48
Other Expense	0.00	0.00	0.00	0.00
Income Tax	40.15	40.15	40.15	40.15
<b>Total Revenue Expenditure</b>	<b>1490.84</b>	<b>1503.22</b>	<b>1477.80</b>	<b>1513.70</b>
Add : Return on Equity	91.36	93.85	100.31	108.72
Less: Non-Tariff Income	16.84	16.84	16.84	16.84
Incremental Revenue Gap/ (Surplus) of FY 2014-15	43.77	0.00	0.00	0.00
Carrying cost for Revenue Gap/ (Surplus) of FY 2014-15	(3.04)	0.00	0.00	0.00
Revenue Gap/(surplus) for FY 2015-16 (Provisional)	(13.45)	0.00	0.00	0.00
<b>Annual Revenue Requirement</b>	<b>1592.64</b>	<b>1580.23</b>	<b>1561.27</b>	<b>1605.58</b>

**Table 8: Fixed Cost and Variable Cost of Generation for Third Control Period of FY 2016-17 to FY 2019-20**

Particular	DTPS			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fixed Cost (Rs. Crore)	372.36	359.95	389.73	430.56
Net Generation (MU)	3800.65	3800.65	3646.93	3657.91
Variable Charges ex-Bus (Rs./Kwh)	<b>3.211</b>	<b>3.211</b>	<b>3.212</b>	<b>3.212</b>

3. Copies of the following documents can be obtained on written request from the offices of

RInfra-G mentioned below:

- Executive Summary of the Petition (free of cost, in Marathi or English).
- Detailed Petition documents along with CD (in English) (on payment of Rs.150 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 <sup>st</sup> 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

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

- The Commission has directed RInfra-G to invite suggestions and objections from the public on the above Petition through this Notice. Suggestions and objections may be submitted to the Commission by a written intimation or by Fax or Email, addressed to the **Secretary, Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005**, [Fax No. 022 22163976 E-Mail: [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)] by **Thursday 7 April, 2016**, along with proof of service on Shri. Vivek Mishra, Regulatory Affairs, 7th Floor, Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali (W), Mumbai 400 103. [Fax No 022 30376622/23, Email id: [vivek.g.mishra@relianceada.com](mailto:vivek.g.mishra@relianceada.com)]
- Every person who intends to file suggestions and objections can submit the same in English or in Marathi, in (6) copies, and should carry the full name, postal address and email address, if any, of the sender; or by Fax or Email [Fax No. 022 22163976 E-Mail: [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)]. 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 at **the Office of the Commission, 13<sup>th</sup> Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005 on Tuesday 12 April, 2016 at 1130 Hrs**, for which no separate notice will be given.
- RInfra-G shall reply to each of the suggestions and objections received within three days of their receipt but not later than **Tuesday 12 April, 2016** for all the suggestions and objections received till **Thursday 7 April, 2016**. Rejoinders may be submitted on replies provided by RInfra-G either during the Public Hearing or by **Monday 18 April, 2016**.
- The detailed Petition document and the Summary are available on RInfra-G's website [www.relianceenergy.in](http://www.relianceenergy.in), and the Executive Summary is also available on the websites 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  
(Ramesh Shenoy)  
Company Secretary  
Reliance Infrastructure Limited