

MAHARASHTRA STATE ELECTRICITY TRANSMISSION COMPANY LIMITED**STATE LOAD DESPATCH CENTRE, KALWA**

Thane- Belapur Road, P.O. Airoli, Navi Mumbai – 400708

Website: www.mahasldc.in**PUBLIC NOTICE****Suggestions/Objections on Maharashtra State Load Despatch Centre's (MSLDC) Petition for approval of Truing up of Budget Cost of Operations for FY 2014-15, Provisional truing-up for FY 2015-16 and ARR forecast and determination of Fees and Charges for FY 2016-17 to FY 2019-20 (Case No. 20 of 2016)**

1. Maharashtra State Load Despatch Centre (MSLDC) has filed a Petition for approval of Truing up of Budget Cost of Operations for FY 2014-15, Provisional truing-up for FY 2015-16 and ARR forecast and determination of Fees and Charges for FY 2016-17 to FY 2019-20 with reference to Section 32 of the Electricity Act, 2003.

The present filing for the truing-up for FY 2014-15 and for the provisional truing up for FY 2015-16 is based on applicable provisions of the MERC (Multi Year Tariff) Regulations, 2011 (the MYT Regulations, 2011), previous Orders of the Commission on MSLDC's Operating and Capital Charges and Regulation 18.9 of the MERC (Transmission Open Access) Regulations, 2014 (the Transmission OA Regulations). Filing for each year of the Control Period from FY 2016-17 to FY 2019-20 is based on applicable provisions of the MERC (Multi Year Tariff) Regulations, 2015 (the MYT Regulations, 2015) and other relevant Regulations.

2. The Commission has admitted the Petition on **10th March, 2016** and directed MSLDC to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 for inviting suggestions/objections from the Public through this Notice.
3. The salient features of the Petition are provided below:

Table 1: True up for FY 2014-15 and Revised Estimates for FY 2015-16 (Rs. Lakh)

Sr. No.	Particulars	FY 2014-15		FY 2015-16	
		Approved in Case No. 218 of 2014	April-March (Audited/Normative)	Approved in Case No. 218 of 2014	April-March (Estimated)
I.	Operating Cost Budget				
1	Operation & Maintenance Expenses				
1.1	Employee Expenses	1,617.41	1,346.76	1,772.21	1,644.19
1.2	Administration & General Expenses	436.05	497.60	528.56	584.26
1.3	Repair & Maintenance Expenses	83.36	96.39	175.63	175.91
2	Interest on Working Capital	88.89	85.70	100.93	99.97
3	RLDC Fees and WRPC Charges	602.00	670.97	602.00	627.03
	Sub-total (Operating Cost Budget)	2,827.71	2,697.41	3,179.33	3,131.36
II.	Capital Charge Budget				
4	Depreciation	358.39	357.98	388.70	444.12
5	Interest on Long-term Loan Capital	232.26	292.73	257.31	356.01
6	Return on Equity Capital	159.26	180.39	190.35	233.89
	Sub-total (Capital Charge Budget)	749.91	831.10	836.36	1,034.01
	TOTAL SLDC Budget (Operating Cost Budget + Capital Charge Budget)	3,577.62	3,528.51	4,015.69	4,165.37

III.	SLDC Revenue Components				
7	Income from Annual SLDC Fees		858.54	492.90	675.72
8	Income from Monthly SLDC Operating Charges	3265.38	2406.84	1,362.17	1,771.00
9	SLDC Scheduling Charges	978.19	709.50		1,641.05
10	Rescheduling charges	160.11	160.11		160.11
11	Other receipts	24.68	19.94		32.04
	Total Revenue	4,428.36	4,154.93	1,855.07	4,279.92
	Revenue Gap/ (Surplus)	(850.74)	(626.42)	2,160.62	(114.55)

Table 2: Capitalisation for FY 2014-15&FY 2015-16

(Rs. Lakh)

Capitalisation	FY 2014-15		FY 2015-16	
	Approved in Case No. 218 of 2014	April-March (Audited)	Approved in Case No. 218 of 2014	April - March (Estimated)
Total	938.53	1734.00	398.34	566.87

Table 3: Impact of truing up and related claims

Particulars	Amount (Rs. Lakh)
Add: Revenue gap / (surplus) of FY 2014-15 after final truing-up (a)	224.32
Add: Revenue gap / (surplus) of FY 2015-16 after provisional truing-up (b)	(2275.17)
Add: Impact of past-period disallowed capitalization (c)	247.47
Additional impact due to past period expense & gap / (surplus) = (a)+(b)+(c)	(1,803.38)
Component of surplus proposed to be used for creation of LDC Development fund (Regulation 91)	(300.00)
Balance (surplus) of past period proposed to be amortized over Control Period from FY 17 to FY 20 - to be adjusted with AFC of respective years	(1,503.38)

Table 4: Summary of Annual Fixed Charges for FY 2016-17 to FY 2019-20

(Rs. Lakh)

Sr. No.		FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	Operation & Maintenance Expenses	1979.16	2032.86	2088.01	2144.66
2	Depreciation Expenses	546.30	654.32	728.68	779.05
3	Interest on Loan Capital	339.65	367.98	353.40	308.55
4	Interest on Working Capital	58.06	62.51	65.75	68.15
5	RLDC Fees and WRPC Charges	668.34	712.36	759.29	809.31
6	Reactive Energy Charges paid to Generators/TSUs	-	-	-	-
7	Income Tax	-	-	-	-
8	Total Revenue Expenditure	3,591.51	3,830.04	3,995.13	4,109.73
9	Return on Equity Capital	276.70	331.94	369.96	395.73
10	Total Expenditure for MSLDC	3,868.21	4,161.98	4,365.09	4,505.46
11	Less: Non-Tariff Income	17.18	17.18	17.18	17.18

Sr. No.		FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
12	Less: Income from Open Access Charges	869.61	869.61	869.61	869.61
13	Less: Income from Reactive Energy Charges	-	-	-	-
14	Annual Fixed Charges for MSLDC	2,981.42	3,275.19	3,478.31	3,618.67
15	Balance (surplus) of past period proposed to be amortized over Control Period from FY 17 to FY 20 - to be adjusted with AFC of respective years	(1,503.38)			
16	Amortization of (surplus) after deducting allocation to LD fund	(375.85)	(375.85)	(375.85)	(375.85)
17	Net Annual Fixed Charges for MSLDC	2,605.58	2,899.35	3,102.46	3,242.83

Table 5: Proposed capitalisation for FY 2016-17 to FY 2019-20

(Rs. Lakh)

Proposed capitalisation	Ensuing Years			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Total	1274.50	1101.50	534.00	574.00

Table 6: Base Transmission Capacity Rights for FY 2016-17 and share

Sr. No	Transmission System Users	MW(Projected)	In %(Projected)
1	MSEDCL	15745	81.94%
2	TPCL-D	922	4.80%
3	REL-D	1378	7.17%
4	BEST	841	4.38%
5	M/s. Mindspace Business Parks Pvt. Ltd. (MBPPL)	12.78	0.07%
6	M/s. MADC	10	0.05%
7	M/s. Central Railway (Indian Railway)	300	1.56%
8	M/s. IRSL	7	0.04%
	Total	19216	100.00%

Table 7: Sharing of MSLDC Charges for FY 2016-17 to FY 2019-20

(Rs. Lakh)

Sr No.	Sharing of MSLDC Charges	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	MSEDCL	2134.97	2375.69	2542.11	2657.13
2	TPCL-D	125.03	139.12	148.87	155.60
3	REL-D	186.85	207.92	222.49	232.55
4	BEST	114.01	126.86	135.75	141.89
5	M/s. Mindspace Business Parks Pvt. Ltd. (MBPPL)	1.73	1.93	2.06	2.16
6	M/s. MADC	1.36	1.51	1.61	1.69
7	M/s. Central Railway (Indian Railway)	40.68	45.26	48.44	50.63
8	M/s. IRSL	0.95	1.06	1.13	1.18
	Total	2605.58	2899.35	3102.46	3242.83

Table 8: Proposed MSLDC Charges for FY 2016-17 to FY 2019-20 - Rs./MW/Month

Monthly MSLDC Charges	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Total MSLDC Charges (Rs. Lakh)	2605.58	2899.35	3102.46	3242.83
Base Transmission Capacity Right (MW)	19216	20750	22407	24196
Proposed MSLDC charges (Rs/MW/Month)	1129.96	1164.40	1153.85	1116.88

Table 9: Existing Fees vs. Proposed Fees for FY 2016-17 to FY 2019-20

Sr. No	Particulars	Existing fees	Proposed fees
1	Registration/Connection Fees	Rs. 20,000 Per Connection	Rs. 20,000 Per Connection
2	Scheduling Fees	Rs. 3,000 Per Day	Rs. 3,000 Per Day
3	Re-scheduling Fees	Rs. 3,000 Per Revision	Rs. 3,000 Per Revision
4	STOA Application processing Fees	7,500 Per Application	Rs.7500 per Application
5	REC processing fees	None	Rs. 1000/- per Application

- 4 Copies of the following documents can be obtained on written request from the office of MSLDC.
- Executive summary of the proposals (free of cost, in Marathi/English).
 - Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by Cash/DD) drawn on “**Maharashtra State Electricity Transmission Company Ltd.**”
 - Detailed Petition documents (in English) (on payment of Rs. 100-)
 - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office	Address	Tele / Fax No.	Email
Office of The Chief Engineer	State Load Despatch Centre Thane-Belapur Rd. P.O. Airoli Navi Mumbai Pin- 400708	Tele: 91-2227601765, 27601766 Fax: 91-22-27601769	cesldc@mahasldc.in , cesldc@mahatransco.in

- 5 The Commission has directed MSLDC to invite Suggestion/Objections from the public on the above Petition through this Notice. Suggestions/ Objections may be sent to the Principal Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 [Fax: 022 22163976 E-mail: mercindia@merc.gov.in] by **Thursday, 7th April, 2016** along with proof of service on the Chief Engineer, Maharashtra State Load Despatch Centre (MSLDC), Thane-Belapur Road, P.O. Airoli, Navi Mumbai – 400708 .
- 6 Every person who intends to file Suggestions/ Objections can submit the same in English or in Marathi, in six copies (1+5) personally or by post or by fax or by E-mail, and should mention 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 in the Public Hearing to be held at office of the **Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400005 on Tuesday, 12th April, 2016 at 12.30 Hrs.**, for which

no separate notice will be given.

- 7 MSLDC shall reply to each of the Suggestions/ Objections received within three days of the receipt of the same but not later than **Tuesday 12 April, 2016** for all the Suggestions/Objections received till **Thursday 7th April, 2016**. Stakeholders can submit their rejoinders on replies provided by MSLDC either during the public hearing or latest by **Monday, 18th April, 2016**.
- 8 The detailed Petition document and the summary are available on MSLDC's website www.mahaslhc.in and the Executive Summary is also available on the website of the Commission www.mercindia.org.in/www.merc.gov.in in downloadable format (free of cost).

Place: Airoli, Navi Mumbai

Date: 14th March, 2016

(Sanjay Kulkarni)

CE, MSLDC