

## **GIGAPLEX ESTATE PRIVATE LIMITED**

Plot No. IT-5, Airoli Knowledge Park, Block G, TTC Industrial area, Village Airoli, Thane – 400 708

Website: <http://www.krahejacorp.com>

### **PUBLIC NOTICE**

#### **[Case No. 149 of 2016]**

Suggestions/objections on Gigaplex Estate Private Limited's Petition for approval of Aggregate Revenue Requirement and Tariff for the period from FY 2016-17 to FY 2019-20 for its Distribution Business

1. M/s. Gigaplex Estate Private Limited (GEPL) has filed a Petition for the Commission's approval in accordance with MERC (Multi Year Tariff) Regulations, 2015 for determination of Aggregate Revenue Requirement and Tariff for the Third Control Period from FY 2016-17 to FY 2019-20.
2. GEPL has been notified as a "Developer" by Ministry of Commerce & Industry, Government of India under the Special Economic Zones (SEZ) Act, 2005 for the IT/ITES SEZ located at Plot No. IT-5, Airoli Knowledge Park, TTC Industrial Area, Villages Airoli and Dighe, Dist. Thane, Maharashtra.
3. In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4 (1) of the SEZ Act, 2005, GEPL is a Deemed Distribution Licensee for operating and maintaining a distribution system for supplying electricity to the consumers in the SEZ area as specified in the SEZ notification of the Government of India. Vide Order dated 26 October, 2015 in Case No. 198 of 2014, the Commission has taken on record the deemed Distribution Licensee status of GEPL, and notified the Specific Conditions of Licence for GEPL through Regulations on 23 December, 2015.
4. The Ministry of Commerce and Industry, vide its notification dated 18 February, 2015, approved the increase in the area of the SEZ from 11.74 hectares to 12.91 hectares, adding 1.170 hectares to the existing plot. GEPL filed a Petition in Case No. 64 of 2016 before the Commission for suitably amending its Specific Conditions of Distribution Licence notified by the Commission on 23 December, 2015. The Commission, vide Order dated 6 December, 2016 has allowed GEPL's Petition for amending the Specific Conditions of its Licence in principle and will separately undertake the process of amending those Regulations to incorporate the revised area.
5. The Commission has admitted the Petition on **3 January, 2016** and directed GEPL to publish a Public Notice under Section 64 (2) of the Electricity Act, 2003 inviting suggestions/objections from the public.
6. The operation of GEPL as a Distribution Licensee commenced from 19 April, 2016, i.e. in FY 2016-17.

7. The salient features of the Petition are provided below:

**Table 1: Category-wise Energy Sales proposed by GEPL for FY 2016-17 to FY 2019-20**

Consumer Category & Consumption Slab	FY 2016-17 (MU)	FY 2017-18 (MU)	FY 2018-19 (MU)	FY 2019-20 (MU)
<b>HT Category</b>				
HT – I	7.19	22.21	43.43	64.95
HT – II	2.60	1.90	1.96	2.04
<b>LT Category</b>				
LT - II A	0.01	0.03	0.04	0.06
LT – II B	0.01	0.07	0.07	0.07
LT – II C	0.04	0.08	0.09	0.09
LT – V A	0.09	0.15	0.31	0.52
LT – V B	1.54	2.57	5.36	9.19
<b>Grand Total</b>	<b>11.48</b>	<b>27.02</b>	<b>51.25</b>	<b>76.91</b>

**Table 2: Energy Balance for FY 2016-17 to FY 2019-20**

Sr. No.	Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	Energy Sales (MU)	11.48	27.02	51.25	76.91
2	Distribution Loss (%)	1.45%	1.45%	1.45%	1.45%
3	Energy Requirement at T<math>\leftrightarrow</math>D (MU)	11.65	27.42	52.01	78.04
4	Intra-State Transmission Loss (%)	3.92%	3.92%	3.92%	3.92%
5	Energy Requirement at G<math>\leftrightarrow</math>T (MU)	12.12	28.53	54.13	81.22

**Table 3: Power Purchase Cost proposed by GEPL for FY 2016-17 to FY 2019-20**

Particulars	Source	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Power Purchase Quantum (MU)	Base Load and Peak Load	11.65	28.53	54.13	81.22
	Purchase for Solar RPO	-	-	-	-
	Purchase for Non-Solar RPO	-	-	-	-
	Less: Sale of Surplus Power	-	-	-	-
	<b>Total</b>	<b>11.65</b>	<b>28.53</b>	<b>54.13</b>	<b>81.22</b>
Power purchase cost (Rs. Crore)	Base Load and Peak Load	4.47	9.80	18.60	27.90
	Purchase for Solar RPO	0.04	0.20	0.52	1.00
	Purchase for Non-Solar RPO	0.18	0.45	0.89	1.40
	Less: Sale of Surplus Power	-	-	-	-
	<b>Total</b>	<b>4.69</b>	<b>10.45</b>	<b>20.01</b>	<b>30.30</b>
Average Power Purchase Cost (Rs./kWh)	Base Load and Peak Load	3.73	3.44	3.44	3.43
	Purchase for Solar RPO	3.50	3.50	3.50	3.50
	Purchase for Non-Solar RPO	1.50	1.50	1.50	1.50
	Less: Sale of Surplus Power	-	-	-	-
	<b>Total</b>	<b>4.03</b>	<b>3.66</b>	<b>3.70</b>	<b>3.73</b>

**Table 4: Capital Expenditure and Capitalisation proposed by GEPL for FY 2016-17 to FY 2019-20 (Rs. Crore)**

Particulars	Upto FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Capital Expenditure	4.83	20.38	36.55	32.42	0.30
Capitalization	4.83	20.38	36.55	32.42	0.30

**Table 5: Funding of capital expenditure proposed by GEPL for FY 2016-17 to FY 2019-20 (Rs. Crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>Distribution Wires Business</b>				
Consumer Contribution	0.00	0.00	0.00	0.00
Equity	6.02	10.87	9.64	0.00
Debt	14.06	25.37	22.48	0.00
<b>Total</b>	<b>20.08</b>	<b>36.25</b>	<b>32.12</b>	<b>0.00</b>
<b>Retail Supply Business</b>				
Consumer Contribution	0.22	0.00	0.00	0.00
Equity	0.03	0.09	0.09	0.09
Debt	0.06	0.21	0.21	0.21
<b>Total</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>

**Table 6: Proposed Aggregate Revenue Requirement for FY 2016-17 to FY 2019-20 (Rs. Crore)**

Sr No	Particulars	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
		Wires Business	Retail Supply	Wires Business	Retail Supply	Wires Business	Retail Supply	Wires Business	Retail Supply
1	Power Purchase Cost	-	4.69	-	10.45	-	20.01	-	30.30
2	O&M Expenses	0.76	0.41	1.29	0.70	2.26	1.21	3.30	1.78
3	Depreciation	0.71	0.01	2.19	0.03	3.93	0.05	4.74	0.06
4	Interest on Loan Capital	1.05	0.01	3.12	0.03	5.44	0.04	6.20	0.06
5	Interest on Working Capital	0.001	0.012	0.002	0.021	0.006	0.052	0.012	0.109
6	Interest on Consumer's Security Deposit	0.01	0.07	0.02	0.17	0.04	0.32	0.05	0.45
7	Provision for Bad and Doubtful Debts	-	-	-	-	-	-	-	-
8	Contribution to Contingency Reserves	0.02	0.001	0.12	0.002	0.31	0.004	0.47	0.01
9	Intra-State Transmission Charges	-	-	-	0.91	-	1.84	-	2.60
10	MSLDC Fees & Charges	-	-	-	0.09	-	0.09	-	0.09
11	Income Tax	0.12	0.002	0.38	0.004	0.68	0.008	0.83	0.01
<b>12</b>	<b>Total Revenue Expenditure</b>	<b>2.68</b>	<b>5.21</b>	<b>7.13</b>	<b>12.41</b>	<b>12.65</b>	<b>23.64</b>	<b>15.60</b>	<b>35.46</b>
13	Return on Equity	0.65	0.01	1.99	0.02	3.58	0.04	4.33	0.05
<b>14</b>	<b>Aggregate Revenue Requirement</b>	<b>3.33</b>	<b>5.22</b>	<b>9.12</b>	<b>12.43</b>	<b>16.23</b>	<b>23.68</b>	<b>19.93</b>	<b>35.51</b>
15	Less: Non-Tariff Income	-	0.01	0.00	0.00	0.01	0.00	0.02	0.00
<b>16</b>	<b>Total Aggregate Revenue Requirement</b>	<b>3.33</b>	<b>5.21</b>	<b>9.12</b>	<b>12.43</b>	<b>16.22</b>	<b>23.68</b>	<b>19.91</b>	<b>35.51</b>

**Table 7: Revenue Gap/(Surplus) at existing Tariff projected by GEPL for FY 2016-17 to FY 2019-20 (Rs. Crore)**

Sr. No.	Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	ARR for Distribution Wires Business	3.33	9.12	16.22	19.91
2	ARR for Retail Supply Business	5.21	12.43	23.68	35.51
3	ARR for combined Wires Business & Retail Supply Business	8.54	21.55	39.89	55.42
4	Less: Revenue at existing tariff	8.91	20.41	38.26	57.02
5	<b>Revenue Gap/(Surplus)</b>	<b>(0.37)</b>	<b>1.14</b>	<b>1.63</b>	<b>(1.60)</b>

**Table 8: ACoS projected by GEPL for FY 2016-17 to FY 2019-20 (Rs. Crore)**

Sr. No.	Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	ARR for (Wire + Retail Supply Business)	8.54	21.55	39.89	55.42
2	Energy Sales (MU)	11.48	27.02	51.25	76.91
3	Average cost of Supply (Rs./kWh)	7.44	7.98	7.78	7.21

**Table 9: Tariff proposed by GEPL for FY 2016-17 to FY 2019-20**

Year	Consumer Category	Fixed Charges (Rs./month)	Energy Charges (Rs./kWh)	Wheeling Charges (Rs./kWh)
FY 2016-17	HT	Rs.230/ kVA	3.95	2.90
	LT A (0-20 kW)*	Rs.280	4.24	2.90
	LT B (>20 kW)	Rs.230/ kVA	4.31	2.90
FY 2017-18	HT	Rs.240/ kVA	4.10	3.38
	LT A (0-20 kW)*	Rs.290	4.35	3.38
	LT B (>20 kW)	Rs.240/ kVA	4.52	3.38
FY 2018-19	HT	Rs.250/ kVA	4.16	3.16
	LT A (0-20 kW)*	Rs. 300	4.40	3.16
	LT B (>20 kW)	Rs.250/ kVA	4.63	3.16
FY 2019-20	HT	Rs.260/ kVA	4.17	2.59
	LT A (0-20 kW)*	Rs. 310	4.41	2.59
	LT B (>20 kW)	Rs.260/ kVA	4.62	2.59

**Table 10: Cross-Subsidy Trajectory proposed by GEPL for FY 2016-17 to FY 2019-20**

Category	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Projected (%)	Projected (%)	Projected (%)	Projected (%)
HT Category	100%	100%	100%	100%
LT A (0-20 kW)	100%	100%	100%	100%
LT B (> 20 kW)	100%	100%	100%	100%

**Table 11: Cross-Subsidy Surcharge proposed by GEPL for FY 2016-17 to FY 2019-20**

Year	Consumer category	T	C	L	C/(1-L/100)	D	CSS
		Rs/kWh	Rs/kWh	%	Rs/kWh	Rs/kWh	Rs/kWh
FY 2016-17	HT	7.44	4.03	5.37%	4.26	3.18	-
	LT A (0-20 kW)	7.44	4.03	5.37%	4.26	3.18	-
	LT B (>20 kW)	7.44	4.03	5.37%	4.26	3.18	-
FY 2017-18	HT	7.98	3.66	5.37%	3.87	3.70	0.41
	LT A (0-20 kW)	7.98	3.66	5.37%	3.87	3.70	0.41
	LT B (>20 kW)	7.98	3.66	5.37%	3.87	3.70	0.41
FY 2018-19	HT	7.78	3.70	5.37%	3.91	3.50	0.37
	LT A (0-20 kW)	7.78	3.70	5.37%	3.91	3.50	0.37
	LT B (>20 kW)	7.78	3.70	5.37%	3.91	3.50	0.37
FY 2019-20	HT	7.21	3.73	5.37%	3.94	2.91	0.36
	LT A (0-20 kW)	7.21	3.73	5.37%	3.94	2.91	0.36
	LT B (>20 kW)	7.21	3.73	5.37%	3.94	2.91	0.36

**Table 12: Schedule of Charges proposed by GEPL for FY 2016-17 to FY 2019-20**

Sr. No	Schedule of Charges	UoM	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
1	Service Connection Charges	Rs.	-	-	-	-
2	Cost of meter and meter box	Rs.	-	-	-	-
3	Installation testing fees	Rs.	-	-	-	-
4	Reconnection Charges	Rs.	-	-	-	-
5	Changing location of the meters within the same premises at consumer's request	Rs.	-	-	-	-
6	Testing of meters	Rs.	-	-	-	-
7	Administrative charges for cheque bouncing	Rs.	Rs. 350/- irrespective of cheque amount	Rs. 350/- irrespective of cheque amount	Rs. 350/- irrespective of cheque amount	Rs. 350/- irrespective of cheque amount
8	Application registration and processing charges	Rs.	-	-	-	-
9	Processing Fees for Open Access	Rs.	Rs. 2500/- per application	Rs. 2500/- per application	Rs. 2500/- per application	Rs. 2500/- per application
10	Operating charges for Open Access	Rs.	Rs. 2500/- per application	Rs. 2500/- per application	Rs. 2500/- per application	Rs. 2500/- per application

8. Copies of the following documents can be obtained on written request from the office of GEPL.
- Executive Summary of the proposals (free of cost, in Marathi/English).
  - Detailed Petition documents along with CD (in English) (on payment of Rs. 125/- by Cash/DD) drawn on “Gigaplex Electricity Distribution Licensee-Division of Gigaplex Estate Private Limited”
  - Detailed Petition documents (in English) (on payment of Rs. 100/-)
  - CD of detailed Petition document (in English) (on payment of Rs. 25/-).

Office	Address	Tele / Fax No.	Email
Office of Gigaplex DL	Gigaplex Electricity Distribution Licensee-Div of Gigaplex Estate Pvt. Ltd. Switching Station, Gigaplex SEZ, IT-5, MIDC Airoli Knowledge Park Dist: Thane, Navi Mumbai 400708	<b>Tele:</b> <b>9619901671</b>  <b>Fax:</b> 022 2656 4560	<a href="mailto:gepldl@kraheja.com">gepldl@kraheja.com</a> <a href="mailto:sambade@kraheja.com">sambade@kraheja.com</a> <a href="mailto:vyermalkar@kraheja.com">vyermalkar@kraheja.com</a>

9. The Commission has directed GEPL to invite suggestions/objections from the public on the above Petition through this Notice. Suggestions/objections may be submitted in English or in Marathi, in six (1+5) copies, to the **Secretary, Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No.1, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005; or by Fax or E-mail [Fax: 022 22163976 E-Mail: mercindia@merc.gov.in] by 28 January, 2017**, along with proof of service on the Associate Vice President, Gigaplex Estate Private Limited, Plot No. IT-5, Airoli Knowledge Park, Block G, TTC Industrial area, Village Airoli, Thane – 400 708, Fax No.:022-2656 4560, E-mail Id: [sambade@kraheja.com](mailto:sambade@kraheja.com)/[vyermalkar@kraheja.com](mailto:vyermalkar@kraheja.com)], 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 **Office of the Commission, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 on Thursday, 2 February, 2017, at 11.30 Hrs.**, for which no separate notice will be given.
10. GEPL shall reply to each of the suggestions/ objections received within three days of the receipt of the same but not later than **1 February, 2017** for all the suggestions/objections received till **28 January, 2017**. Rejoinders may be submitted on replies provided by GEPL either during the Public Hearing or by **6 February, 2017**.
11. The detailed Petition document and the Summary are available on GEPL’s website <http://www.krahejacorp.com>, and the Executive Summary is also available on the websites of the Commission [www.mercindia.org.in](http://www.mercindia.org.in)/[www.merc.gov.in](http://www.merc.gov.in) in downloadable format (free of cost).

Place: Navi Mumbai  
Date: 6 January, 2016

Signature: sd/-  
Name: Mr Suhas Ambade  
Designation: Associate Vice President

For GEPL