

## PUBLIC NOTICE

### Inviting Comments on Maharashtra State Power Generation Company Limited's Petition for Capital Cost and Tariff Determination of Koradi Units # 8, 9 & 10, Chandrapur Units # 8 & 9, Parli Unit # 8 (Case No. 59 of 2017)

- The Maharashtra State Power Generation Company Limited (MSPGCL) has filed the Petition for approval of Capital cost and Tariff Determination of Koradi Units # 8, 9 & 10 (3x660 MW), Chandrapur Units # 8 & 9 (2x500 MW), Parli Unit # 8 (1x250 MW) from the date of commercial operation up to FY 2019-20 before the Maharashtra Electricity Regulatory Commission (MERC) under Sections 61, 62 and 86(1)(a)(b) of the Electricity Act, 2003, Part F of the MERC (Multi Year Tariff) Regulations, 2011 and Part E of the MERC (Multi Year Tariff) Regulations, 2015.
- The Commission has admitted the Petition on **Tuesday, 19 September, 2017** and directed MSPGCL to publish the Public Notice under Section 64(2) of the Act, 2003 inviting suggestions / objections.
- The salient features of the Petition are summarised below:

**Table 1 : Capital Cost of MSPGCL's Koradi Units # 8, 9 & 10**

Particulars	Capital Cost as on COD (Rs. Crores)				Additional capitalisation (Rs. Crore)		Total Capital Cost (Rs. Crore)
	Unit # 8	Unit # 9	Unit # 10	Units # 8, 9 & 10	FY 2017-18	FY 2018-19	
	As on 16-Dec-15	As on 22-Nov-16	As on 17-Jan-17	As on 17-Jan-17			
Land and Site Development	28.02	-	-	28.02	-	-	28.02
(BTG) Boiler, Turbine, Generator	2459.41	2232.26	2223.72	6915.39	57.17	23.25	6995.81
(BOP) Balance of Plant	331.51	17.86	16.24	365.61	181.92	-	547.53
Other than BTG, BOP	-	13.37	5.99	19.36	188.41	-	207.77
Taxes	120.70	75.87	74.70	271.27	-	-	271.27
Initial Spares	312.36	2.32	2.34	317.02	-	-	317.02
Civil Works	700.92	152.11	168.66	1021.69	417.27	104.90	1543.86
Pre-commissioning	305.35	269.27	268.15	842.77	-	-	842.77
Overheads	129.72	105.30	108.83	343.85	-	-	343.85
<b>Total Hard Cost</b>	<b>4387.99</b>	<b>2868.35</b>	<b>2868.62</b>	<b>10124.97</b>	<b>844.77</b>	<b>128.15</b>	<b>11097.90</b>
(IDC) Interest During Construction	1420.60	1200.91	1208.16	3829.67	-	-	3829.67
Foreign Exchange Rate Variation (FERV) (Gain (-) / Loss (+))	-123.91	20.39	-	-103.52	-	-	-103.52
Less unbilled revenue	2.22	-	-	2.22	-	-	2.22
<b>Total Capital Cost</b>	<b>5682.46</b>	<b>4,089.65</b>	<b>4,076.78</b>	<b>13848.90</b>	<b>844.77</b>	<b>128.15</b>	<b>14821.82</b>

**Table 2 : Capital Cost of Chandrapur Units # 8 & 9**

Particulars	Capital Cost as on COD (Rs. Crores)			Additional capitalisation (Rs. Crore)				Total Capital Cost (Rs. Crore)
	Unit # 8	Unit # 9	Units # 8 & 9	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
	As on 04-Jun-16	As on 24-Nov-16	As on 24-Nov-16					
Land and Site Development	3.75	-	3.75	-	-	-	-	3.75
(BTG) Boiler, Turbine, Generator	1096.40	1095.11	2191.51	20.57	181.24	70.62	18.98	2482.92
(BOP) Balance of Plant	670.45	399.68	1070.13	5.00	64.07	29.71	-	1168.91
Other than BTG, BOP	4.21	4.89	9.10	-	-	-	-	9.10
Taxes	69.53	51.44	120.97	-	-	-	-	120.97
Initial Spares	36.97	33.57	70.54	-	-	-	-	70.54
Civil Works	426.36	194.12	620.48	137.39	367.77	43.72	2.00	1171.36
Construction & pre-commissioning	160.49	149.18	309.67	-	-	-	-	309.67
Overheads	118.95	94.37	213.32	-	-	-	-	213.32
<b>Total Hard Cost</b>	<b>2587.11</b>	<b>2022.36</b>	<b>4609.47</b>	<b>162.96</b>	<b>613.08</b>	<b>144.05</b>	<b>20.98</b>	<b>5550.54</b>
(IDC) Interest During Construction	1176.00	1068.43	2244.43	-	-	-	-	2244.43
<b>Total Capital Cost</b>	<b>3763.11</b>	<b>3090.79</b>	<b>6853.90</b>	<b>162.96</b>	<b>613.08</b>	<b>144.05</b>	<b>20.98</b>	<b>7794.97</b>

**Table 3 : Capital Cost of Parli Unit # 8**

Particulars	Capital Cost as on COD (Rs. Crores)	Additional capitalisation (Rs. Crore)			Total Capital Cost (Rs. Crore)
	As on 19-Nov-16	FY 2016-17	FY 2017-18	FY 2018-19	
Land and Site Development	13.93	-	-	-	13.93
(BTG) Boiler, Turbine, Generator	643.26	11.39	22.14	2.73	679.52
(BOP) Balance of Plant	230.02	5.07	42.70	19.83	297.62
Other than BTG, BOP	1.29	-	-	-	1.29
Taxes	110.20	-	-	-	110.20
Initial Spares	22.22	-	-	-	22.22
Civil Works	243.00	3.44	33.50	7.40	287.34
Construction & pre-commissioning	110.19	-	-	-	110.19
Start-up Fuel	-	-	-	-	-
Overheads	96.25	-	-	-	96.25
C&I	-	-	-	-	-
<b>Total Hard Cost</b>	<b>1470.37</b>	<b>19.90</b>	<b>98.34</b>	<b>29.96</b>	<b>1618.57</b>
(IDC) Interest During Construction	727.30	-	-	-	727.30
<b>Total Capital Cost</b>	<b>2197.67</b>	<b>19.90</b>	<b>98.34</b>	<b>29.96</b>	<b>2345.87</b>

**Table 4 : Norms of Operation**

S. No.	Particulars	Koradi Units # 8, 9 & 10	Chandrapur Units # 8 & 9	Parli Unit # 8
1	Target Availability for recovery of full fixed charges (%)	85%	85%	85%
2	Plant Load Factor (%)	85%	85%	85%
3	Auxiliary Energy Consumption (%)	6%	6%	8.5%
4	Gross Station Heat Rate (Kcal/KWh)	2264.66	2363.95	2421.80
5	Secondary Fuel Oil consumption (ml/KWh)	FY 2015-16 -1.0 FY 2016-17 onwards -0.5	0.5	0.5
6	Transit Loss (%)	0.8%	0.8%	0.8%

**Table 5 : Generation Tariff of Koradi Units # 8, 9 & 10**

S. No.	Particulars	Units	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>A</b>	<b>Installed Capacity</b>	<b>MW</b>	<b>660</b>	<b>1980</b>	<b>1980</b>	<b>1980</b>	<b>1980</b>
<b>B</b>	<b>No. of days of operation</b>	<b>No.</b>	<b>Unit 8-107</b>	<b>Unit 8-365 Unit 9-129 Unit 10-73</b>	<b>365</b>	<b>365</b>	<b>366</b>
<b>C</b>	<b>Annual Fixed Charges</b>						
1	Return on Equity	Rs. Crore	62.91	130.72	209.25	463.36	463.36
2	Interest on Loan	Rs. Crore	148.33	670.18	1,000.48	997.65	927.97
3	Depreciation	Rs. Crore	86.56	413.90	745.99	771.67	775.06

**Table 5 : Generation Tariff of Koradi Units # 8, 9 & 10**

S. No.	Particulars	Units	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
4	Operation & Maintenance expenses	Rs. Crore	37.73	298.32	613.26	640.38	668.86
5	Interest on Working Capital	Rs. Crore	18.20	56.98	134.66	140.67	140.77
6	Income Tax	Rs. Crore	13.43	27.90	44.65	98.88	98.88
7	Less: Non-Tariff Income	Rs. Crore	-	-	-	-	-
<b>8</b>	<b>Annual Fixed Charges</b>	<b>Rs. Crore</b>	<b>367.16</b>	<b>1598.00</b>	<b>2748.30</b>	<b>3112.60</b>	<b>3074.89</b>
<b>D</b>	<b>Energy Charge Rate</b>	<b>Rs./kWh</b>	<b>2.97</b>	<b>2.57</b>	<b>2.51</b>	<b>2.51</b>	<b>2.51</b>

**Table 6 : Generation Tariff of Chandrapur Units # 8 & 9**

S. No.	Particulars	Units	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>A</b>	<b>Installed Capacity</b>	<b>MW</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
<b>B</b>	<b>No. of days of operation</b>	<b>No.</b>	<b>Unit 8:301 Unit 9:127</b>	<b>365</b>	<b>365</b>	<b>366</b>
<b>C</b>	<b>Annual Fixed Charges</b>					
1	Return on Equity	Rs. Crore	55.28	94.40	209.23	209.23
2	Interest on Loan	Rs. Crore	391.21	544.82	553.99	521.36
3	Depreciation	Rs. Crore	222.14	386.68	406.67	411.03
4	Operation & Maintenance expenses	Rs. Crore	167.57	303.99	317.68	332.06
5	Interest on Working Capital	Rs. Crore	33.32	66.42	69.67	69.76
6	Income Tax	Rs. Crore	11.80	20.15	44.65	44.65
7	Less: Non-Tariff Income	Rs. Crore	-	-	-	-
<b>8</b>	<b>Annual Fixed Charges</b>	<b>Rs. Crore</b>	<b>881.31</b>	<b>1416.45</b>	<b>1601.90</b>	<b>1588.09</b>
<b>D</b>	<b>Energy Charge Rate</b>	<b>Rs./kWh</b>	<b>2.39</b>	<b>2.38</b>	<b>2.38</b>	<b>2.38</b>

**Table 7 : Generation Tariff of Parli Unit # 8**

S. No.	Particulars	Units	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>A</b>	<b>Installed Capacity</b>	<b>MW</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>B</b>	<b>No. of days of operation</b>	<b>No.</b>	<b>133</b>	<b>365</b>	<b>365</b>	<b>366</b>
<b>C</b>	<b>Annual Fixed Charges</b>					
1	Return on Equity	Rs. Crore	9.57	30.16	60.45	62.77
2	Interest on Loan	Rs. Crore	67.86	165.54	173.63	174.32
3	Depreciation	Rs. Crore	41.78	118.31	136.37	122.48
4	Operation & Maintenance expenses	Rs. Crore	26.43	81.52	85.33	89.33
5	Interest on Working Capital	Rs. Crore	3.48	19.70	20.74	20.76
6	Income Tax	Rs. Crore	2.04	6.44	12.90	13.40
7	Less: Non-Tariff Income	Rs. Crore	-	-	-	-
<b>8</b>	<b>Annual Fixed Charges</b>	<b>Rs. Crore</b>	<b>151.16</b>	<b>421.67</b>	<b>489.42</b>	<b>483.06</b>
<b>D</b>	<b>Energy Charge Rate</b>	<b>Rs./kWh</b>	<b>7.35</b>	<b>2.90</b>	<b>2.90</b>	<b>2.90</b>

- Copies of the following documents may be obtained on written request from the offices of MSPGCL 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 DD / Cash drawn on "Maharashtra State Power Generation Company Limited" payable at Mumbai).
  - Detailed Petition documents (in English) (on payment of Rs. 100/-).
  - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

**Head Office:**

Chief Engineer, Regulatory & Commercial Deptt.  
Maharashtra State Power Generation Co. Ltd. 3rd Floor, Prakashgad, Prof. A.K. Marg,  
Bandra (E), Mumbai - 400051

**Other Offices of:**

1. The Chief Engineer, GTPS Uran, Dist. Raigad - 400702. STD Code : (022) Phone: 27222285, Fax: 27222235/27221157	2. The Chief Engineer, CSTPS, Urja Bhavan, PO. Durgapur, Dist. Chandrapur- 442404. STD Code-07172, Phone: 220155, Fax : 220203	3. The Chief Engineer, Koradi TPS, Urja Bhavan, Adm. Bldg., Koradi (Nagpur) - 441111, STD Code-07109, Phone-262141, Fax - 262127
4. The Chief Engineer, Khaperkheda TPS, Post-Khaperkheda, Dist. Nagpur STD Code-07113, Phone-268168, Fax-268123	5. The Chief Engineer, Parli TPS, Parli Vajjanath, Dist. Beed- 431520 STD Code-02446, Phone-222357, Fax-222492	6. The Chief Engineer, Bhusawal TPS Post Deepnagar, Bhusawal, Dist. Jalgaon - 425307, STD Code-02582, Phone-250012, Fax-250308
7. The Chief Engineer, Nashik TPS Adm Bldg, PO Eklahare, Nashik-422105, STD Code -0253, Phone-2810291, Fax-2810072	8. The Chief Engineer, TPS, Paras, Dist. Akola-444109, STD Code-07257, Phone-234848, Fax-234846	9. The Supdtg. Engineer, Hydro Power Circle, Pune. Prakash Bhawan, 5th Floor, Opp. Bank of Baroda, Plot no 106, Senapati Bapat Marg, Pune-411016, STD Code -020, Phone -25637610, Fax - 25630359
10. The Dy. Chief Engineer, (TIC), Vidyut Bhavan, Katol Road, Nagpur - 440013, STD Code-0712, Phone - 2592374, Fax - 2591717.		

- The Commission has directed MSPGCL to invite suggestions/objections from the public on the Petition through this Notice. Suggestions/objection may be sent in English or in Marathi, in six (1+5) copies, to the 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](mailto:mercindia@merc.gov.in)] by **Monday, 23 October, 2017**, along with proof of service on the Chief Engineer, Regulatory & Commercial Department, 3rd Floor, Prakashgad, Prof. A.K. Marg, Bandra (E), Mumbai - 400051. [Fax No. 022-26580643, Email Id: [rcgen@mahagenco.in](mailto:rcgen@mahagenco.in)] and should carry the full name, postal address and e-mail address, if any, of the sender. 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 **Office of the Commission, 13th Floor, World Trade Center-1, Cuffe Parade, Mumbai - 400005 on Thursday, 26 October, 2017, at 11:30 Hrs.** for which no separate notice will be given.
- MSPGCL shall reply to each of the Suggestions/Objections received within three days of the receipt of the same but not later than **Thursday, 26 October, 2017** for all those received till **Monday, 23 October, 2017**. Rejoinders may be submitted to the replies provided by MSPGCL either during the Public Hearing or by **Monday, 30 October, 2017**.
- The detailed Petition document and the Executive Summary are available on MSPGCL's website [www.mahagenco.in](http://www.mahagenco.in) and the Executive Summary is also available on the websites of the Commission [www.mercindia.gov.in](http://www.mercindia.gov.in) / [www.merc.gov.in](http://www.merc.gov.in) in downloadable format (free of cost).

Place : Mumbai  
Date : 23 September, 2017

Sd/-  
**Shyamsunder Bajrangali Soni**  
Chief Engineer (Regulatory & Commercial Deptt.)  
Maharashtra State Power Generation Company Ltd.