

Executive Summary

1. Jaigad PowerTransco Limited (JPTL) is a Joint Venture between JSW Energy Limited (JSWEL) and Maharashtra State Electricity Transmission Company Limited (MSETCL) which has developed, operates and maintains the transmission system consisting of two 400 kV transmission lines along with associated equipment and terminal bays, etc.
2. The Hon'ble Commission has granted the Transmission License (License No. 1 of 2009) on February 8, 2009, for a period of 25 years to JPTL for establishing, operating and maintaining the above referred transmission system including the associated infrastructure and hence as per Electricity Act, 2003, JPTL is a transmission licensee within the state of Maharashtra for above transmission system.
3. JPTL had submitted its MYT Petition on January 28, 2016 for third control period from FY 2017 – 18, FY 2018 – 19 and FY 2019 – 20. The Hon'ble Commission has approved the ARR for third control period vide order dated June 27, 2016.
4. As per MERC MYT Regulations, 2011, JPTL through this petition has submitted the True Up of FY 2015-16 and as per MERC MYT Regulations, 2015 and the True Up of FY 2016 – 17, Provisional True Up for FY 2017-18 and mid-term performance review of FY 2018 – 19 and FY 2019 – 20 on 29th November 2017 to the Hon'ble Commission.
5. Subsequently, the Hon'ble Commission asked for data gap queries Set-1 notified by MERC vide email dated 8th December 2017 and 22nd December 2017 against the said case no. 167 of 2017. Also, a detailed discussion was carried out with MERC officials on 12th December 2017 on the said data gaps and was directed to file the revised Petition post including the changes as claimed in the Data Gaps.
6. In line with the same as per the directions of the Hon'ble Commission, JPTL has submitted the revised petition including the relevant disclosure wherever required and specified in the data gaps
7. True Up for FY 2015-16

JPTL has calculated its ARR for FY 2015-16 as part of True Up for FY 2015-16. JPTL has presented the actual cost based on audited annual accounts for FY 2015-16 and applied norms wherever applicable as per MERC (Multi Year Tariff) Regulations 2011. The detailed comparison of various cost components with cost approved by the Hon'ble Commission as per MERC order Case No. 12 of 2016 dated 27th June 2016, has been presented in Chapter for True Up for FY 2015-16. A summary of the proposed True Up of FY 2015-16 with the approved ARR for FY 2015-16 is presented below:

Table 1: Comparison of MYT Order & Audited Accounts for FY 2015 – 16 (Rs. Crores)

Sl. No.	Particulars	Approved	Actual	Net Entitlement after sharing of gains/(losses)	Deviation
1	Operation & Maintenance Expenses	6.86	3.34	5.69	-1.17
2	Depreciation	29.35	29.35	29.35	0.00
3	Interest on Long-term Loan	34.42	34.51	34.51	0.08
4	Interest on Working Capital	1.72	2.88	2.11	0.39
5	Contribution to Contingency Reserves	1.39	1.39	1.39	0.00
6	Income Tax Expense	13.40	13.13	13.13	-0.27
7	Total Revenue Expenditure	87.14	84.59	86.17	-0.97
8	Return on Equity Capital	21.63	21.63	21.63	0.00
9	Gross Aggregate Revenue Requirement	108.78	106.22	107.80	-0.98
10	Less: Non-Tariff Income	20.66	0.47	0.47	-20.19
11	Add: Incentive	0.00	1.92	1.92	1.92
12	Net Aggregate Revenue Requirement	88.12	107.66	109.24	21.12
13	Add: Gap/ (Surplus) for FY 2012-13 including carrying cost	14.74	14.74	14.74	0.00
14	Add: Gap/ (Surplus) for FY 2013-14 including carrying cost	9.93	9.93	9.93	0.00
15	Revenue gap/ (surplus) including carrying/ (holding) cost for FY 2014-15	2.63	2.63	2.63	0.00
16	Add: Past period Recovery for 2 months of FY 2010-11 & FY 2011-12	14.46	14.46	14.46	0.00
17	Add: Carrying Cost / (Holding Cost) for contingency reserves	-0.80	-0.80	-0.80	0.00
18	Total Annual Revenue Requirement including past gaps	129.08	148.62	150.20	21.12

8. True Up for FY 2016 – 17

JPTL has calculated its ARR for FY 2016-17 as part of the True Up for FY 2016-17. JPTL has presented the actual cost based on audited annual accounts for FY 2016-17 and applied norms wherever applicable as per MERC (Multi Year Tariff) Regulations 2015. The detailed comparison of various cost components with cost approved by the Hon'ble Commission as per MERC order CASE No. 12 of 2016 dated 27th June 2016, has been presented in Chapter for True Up for FY 2016-17. A summary of the proposed True Up of FY 2016-17 with the approved ARR for FY 2016-17 is presented below:

Table 2: Comparison of MYT Order & Audited Accounts for FY 2016 – 17 (Rs. Crores)

Sl. No.	Particulars	Approved	Actual	Net Entitlement after sharing of gains/(losses)	Deviation
1	Operation & Maintenance Expenses	4.35	4.14	4.21	-0.14
2	Depreciation	29.35	29.25	29.25	-0.10
3	Interest on Long-term Loan	29.16	29.02	29.02	-0.14
4	Interest on Working Capital	1.89	2.24	2.01	0.12
5	Contribution to Contingency Reserves	1.39	1.38	1.38	-0.01
6	Income Tax Expense	5.61	6.00	6.00	0.39
7	Total Revenue Expenditure	71.76	72.03	71.87	0.12
8	Return on Equity Capital	21.63	21.54	21.54	-0.09
9	Gross Aggregate Revenue Requirement	93.39	93.58	93.41	0.03
10	Less: Non-Tariff Income	0.55	0.56	0.56	0.01
11	Add: Incentive	0.00	0.78	0.78	0.78
12	Net Aggregate Revenue Requirement	92.83	93.79	93.63	0.79
13	Revenue gap/ (surplus) including carrying/ (holding) cost for FY 2014-15	-0.38	-0.38	-0.38	0.00
14	Revenue gap/ (surplus) cost for FY 2015-16	2.97	28.62	28.62	25.65
15	Less: Return on surplus Fund invested in market	0.00	-2.89	-2.89	-2.89
16	Total Annual Revenue Requirement including past gaps	95.42	119.14	118.98	23.55

9. Provisional True Up for FY 2017-18

As per MERC (Multi Year Tariff) Regulations, 2015, provisional true up of FY 2017-18 is based on the approved forecast in the MYT order and half yearly results. The summary of the ARR is shown in table below:

Table 3: Provisional True Up for FY 2017-18 (Rs. Crores)

Sl. No.	Particulars	Approved	Provisional
		FY 2017-18	
1	Operation & Maintenance Expenses	4.57	4.44
2	Depreciation	29.39	29.10
3	Interest on Long-term Loan	26.07	24.95
4	Interest on Working Capital	1.85	1.79
5	Contribution to Contingency Reserves	1.39	1.38
6	Income Tax Expense	5.61	6.00
7	Total Revenue Expenditure	68.87	67.66
8	Return on Equity Capital	21.68	21.47
9	Gross Aggregate Revenue Requirement	90.55	89.13
10	Less: Non-Tariff Income	0.67	0.68
11	Add: Net Entitlement after sharing of gains/(losses) - refinancing of loan - clause 29.10 of MYT Regulations 2015		0.61
12	Net Aggregate Revenue Requirement	89.88	89.06
13	Total Annual Revenue Requirement	89.88	89.06

10. Mid Term Performance Review of FY 2018 – 19 & FY 2019 - 20

As per MERC (Multi Year Tariff) Regulations, 2015, mid-term performance review for FY 2018 – 19 & 2019 – 20 is based on the approved forecast in the MYT order. The summary of the ARR is shown in table below:

Table 4: Mid Term Performance Review of FY 2018 – 19 & FY 2019 - 20 (Rs. Crores)

Sl. No.	Particulars	Approved	Estimates	Approved	Estimates
		FY 2018-19		FY 2019-20	
1	Operation & Maintenance Expenses	4.79	4.79	5.02	5.02
2	Depreciation	29.42	29.16	29.41	29.20
3	Interest on Long-term Loan	22.97	19.50	19.79	16.87
4	Interest on Working Capital	1.82	1.55	1.78	1.53
5	Contribution to Contingency Reserves	1.39	1.38	1.39	1.39
6	Income Tax Expense	5.61	6.00	5.61	6.00
7	Total Revenue Expenditure	65.99	62.37	63.00	59.99
8	Return on Equity Capital	21.72	21.54	21.72	21.59
9	Gross Aggregate Revenue Requirement	87.72	83.91	84.72	81.57
10	Less: Non-Tariff Income	0.79	0.79	0.90	0.91
11	Add: Net Entitlement after sharing of gains/(losses) - refinancing of loan - clause 29.10 of MYT Regulations 2015		0.95		0.82
12	Net Aggregate Revenue Requirement	86.93	84.07	83.82	81.49
13	Add: Gap/ (Surplus) for FY 2015-16 & FY 2016-17		15.96		
14	Add: Gap/ (Surplus) for FY 2017-18		-0.81		
15	Carrying cost of above gap		5.40		
16	Total Annual Revenue Requirement including past gaps	86.93	104.61	83.82	81.49