

Adani Transmission (India) Limited

Registered Office: “ADANI HOUSE”, Near Mithakhali Six Roads, Navarangapura,
Ahmedabad-380009

Website: www.adanitransmission.com

PUBLIC NOTICE

Inviting Suggestions/Objections on Adani Transmission (India) Limited’s Petition for Truing Up of ARR for FY 2015-16 & FY 2016-17, Provisional Truing Up for FY 2017-18 and Revised ARR Forecast for FY 2018-19 and FY 2019-20 [Case No. 170 of 2017]

1. **Adani Transmission (India) Limited** has filed a Mid-term Review (MTR)Petition (Case No 170 of 2017) for the 3rd Control Period comprising of truing up of Aggregate Revenue Requirement (ARR) for FY 2015-16 and FY 2016-17, provisional truing up for FY 2017-18 and Revised Forecast of ARR for FY 2018-19 & FY 2019-20. The filing of for truing-up for FY 2015-16 is based on applicable provisions of MERC (Multi Year Tariff) Regulations, 2011. The filing for truing-up of FY 2016-17 and Provisional Truing Up for FY 2017-18, Revised estimate of ARR for FY 2018-19 and FY 2019-20 is based on applicable provisions of the MERC (Multi Year Tariff) Regulations, 2015 and other relevant Regulations.
2. The Commission has admitted the Petition on 12 June, 2018 and directed ATIL to publish a Public Notice under section 64(2) of the Electricity Act, 2003 inviting suggestions/objections from the public.
3. The salient features of the Petition are provided below:

Table 1: Capitalisation for FY 2015-16 and FY 2016-17

(Rs. Crore)

Particulars	FY 2015-16		FY 2016-17	
	Approved in Case No.7 of 2016	MTR Petition (Actual)	Approved in Case No.7 of 2016	MTR Petition (Actual)
Capital Expenditure	-	4.35	4.50	0.07
Capitalisation	-	4.35	4.50	0.07

Table 2: Truing Up for FY 2015-16 and FY 2016-17

(Rs. Crore)

Sr. No.	Particulars	FY 2015-16		FY 2016-17	
		Approved in Case No.7 of 2016	ATIL Petition (Actual)	Approved in Case No.7 of 2016	ATIL Petition (Actual)

Sr. No.	Particulars	FY 2015-16		FY 2016-17	
		Approved in Case No.7 of 2016	ATIL Petition (Actual)	Approved in Case No.7 of 2016	ATIL Petition (Actual)
1	Operation & Maintenance Expenses	7.58	13.60	5.77	10.32
2	Depreciation Expenses	36.15	36.36	36.27	36.38
3	Interest on Loan Capital	44.81	48.12	40.58	44.62
4	Interest on Working Capital and on Consumer Security Deposits	2.29	3.01	1.93	2.66
5	Income Tax	10.25	11.55	8.67	6.05
6	Contribution to contingency reserves	1.71	3.42	1.71	3.44
7	Total Revenue Expenditure	102.78	116.06	94.93	103.48
8	Add: Return on Equity Capital	31.83	32.02	31.94	32.04
9	Aggregate Revenue Requirement	134.62	148.09	126.86	135.52
10	Less: Non-Tariff Income	22.12	-	0.41	-
11	Less: Income from Other Business				
12	Less: Income from Open Access charges				
13	Aggregate Revenue Requirement from Transmission	112.49	148.09	126.45	135.52

*(ATIL has petitioned to treat O&M expense as 'uncontrollable' and claimed for actual O&M expenses incurred for FY 2015-16 and FY 2016-17, as against the normative O&M expense permissible as per MYT Regulations)

Table 3: Impact of Truing-up of FY 2015-16 and FY 2016-17 and related claims (Rs. Crore)

Sr. No.	Particulars	Formula	FY 2015-16	FY 2016-17
1	ARR approved in the MYT Order	a	112.49	126.45
2	Gain (loss) on account of Uncontrollable factor to be passed on to the consumers	b	35.59	9.06
3	1/3rd Gain (loss) on account of Controllable factor to be passed on to the consumers	c	-	-
4	Trued-up ARR	d = a+b+c	148.09	135.52
5	Availability Incentive	e	2.64	1.03
6	Carrying Cost for Delay in Recovery of ARR for FY 2015-16*	f	5.56	
7	Carrying Cost for Delay in Recovery of Incentive of FY 2015-16*	g	0.74	
8	Carrying Cost for Delay in Recovery of ARR for FY 2016-17*	h		2.86
9	Carrying Cost for Delay in Recovery of Incentive of FY 2016-17*	i		0.10
10	Total revenue recovered from TSUs during the year	j	132.57	117.63
11	Revenue Gap/(Surplus)	k=d+e+f+g+h+i-j	24.46	21.88

(*calculated upto 31.3.2018.)

Table 4: Capitalisation for FY 2017-18, FY 2018-19 and FY 2019-20 (Rs. Crore)

Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
	Approved in Case No.7 of 2016	MTR Petition (Provisional truing-up)	Approved in Case No.7 of 2016	Projected	Approved in Case No. 7 of 2016	Projected
Capital Expenditure	-	0.27	-	4.62	-	-
Capitalisation	-	0.27	-	4.62	-	-

Table 5: Provisional Truing-up of ARR for FY 2017-18 and revised ARR projected for FY 2018-19 to FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
		Approved in Case No.7 of 2016	MTR Petition (Provisional truing-up)	Approved in Case No.7 of 2016	Projected	Approved in Case No.7 of 2016	Projected
1	Operation & Maintenance Expenses*	6.06	13.16	6.35	14.05	6.65	14.97
2	Depreciation Expenses	36.38	36.38	36.38	36.52	36.38	36.64
3	Interest on Loan Capital	36.34	39.42	31.90	34.83	27.46	30.20
4	Interest on Working Capital and on Consumer Security Deposits	1.90	2.54	1.87	2.37	1.83	2.34
5	Income Tax	8.69	8.69	8.69	8.72	8.69	8.75
6	Contribution to contingency reserves	1.72	3.45	1.72	3.45	1.72	3.47
7	Total Revenue Expenditure	91.10	103.63	86.92	99.94	82.75	96.36
8	Add: Return on Equity Capital	32.04	32.04	32.04	32.16	32.04	32.27
9	Aggregate Revenue Requirement	123.14	135.67	118.97	132.10	114.79	128.63
10	Less: Non-Tariff Income	0.54	-	0.68	-	0.81	-
11	Less: Income from Other Business						
12	Less: Income from Open Access charges						

Sr. No.	Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
		Approved in Case No.7 of 2016	MTR Petition (Provisional truing-up)	Approved in Case No.7 of 2016	Projected	Approved in Case No.7 of 2016	Projected
13	Aggregate Revenue Requirement from Transmission	122.60	135.67	118.29	132.10	113.98	128.63

*(ATIL has petitioned to treat O&M expense as 'uncontrollable' and claimed estimated O&M expenses for FY 2017-18, FY 2018-19 and FY 2019-20, as against the normative O&M expense permissible as per MYT Regulations)

Table 6: Cumulative ARR for FY 2018-19 and FY 2019-20 (Rs. Crore)

Particulars	FY 2018-19	FY 2019-20
Standalone ARR for the year	132.10	128.63
Revenue Gap/ (Surplus) including carrying cost & incentives - FY 2015-16*	24.46	-
Revenue Gap/ (Surplus) including carrying cost & incentives - FY 2016-17*	21.88	-
Revenue Gap/ (Surplus) - FY 2017-18	13.08	-
Cumulative ARR Recovery	191.52	128.63

(* Carrying Cost calculated upto 31.3.2018.)

4. Copies of the following documents can be obtained on written request from the office of ATIL as mentioned below:
 - a) Executive Summary of the Petition (free of cost, in English or Marathi)
 - b) Detailed Petition documents along with CD (in English) (on payment of Rs.150/- by Cash/ DD) drawn on "Adani Transmission (India) Limited" payable at Mumbai.
 - c) Detailed Petition documents (in English) (on payment of Rs. 100/-).
 - d) CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office	Address	Telephone/Fax No	Email
Registered Office	Adani Transmission (India) Limited, Adani House, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad- 380009	Tele- +91-7925556601 Fax- +917925557155	Bhavesh.Kundalia @adani.com

5. The Commission has directed ATIL to invite suggestions/objections from the public on its 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, 13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai-400005; or by Fax or E-mail [Fax: 02222163976, E-Mail: mercindia@merc.gov.in] by 10 July, 2018 along with proof of service on ATIL [**Shri Bhavesh Kundalia, Adani Transmission (India) Limited, Adani House, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, Tel No. +91-7925556601/Fax No. +917925557155, Email id: Bhavesh.Kundalia@adani.com** 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, Centre No. 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005, on Tuesday, 24 July 2018, at 10.00 Hours**, for which no separate notice will be given.

6. ATIL shall reply to each of the suggestions/objections received within three days of its receipt, but not later than **Friday, 13 July, 2018** for all the suggestions/objections received till **Tuesday, 10 July, 2018**. Rejoinders may be submitted on the replies provided by ATIL either during the Public Hearing or by **Friday, 27 July, 2018**.
7. The detailed Petition document and the Executive Summary are available on ATIL's website www.adanitransmission.com and the Executive Summary is also available on the websites of the Commission www.mercindia.org.in/ www.merc.gov.in in downloadable format (free of cost).

Place: Ahmedabad, Gujarat
Date: June, 2018

Signature:
Name: Bhavesh Kundalia
Designation: General Manager
Adani Transmission (India) Limited