



THE TATA POWER COMPANY LIMITED

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Website: www.tatapower.com CIN: L28920MH1919PLC000567

PUBLIC NOTICE

Inviting Suggestions/Objections on The Tata Power Company Limited – Distribution's Multi Year Tariff Petition for Final True up of FY 2017-18 and FY 2018-19, Provisional True up for FY 2019-20 and Approval of ARR & Tariff for Fourth Control Period from FY 2020-21 to 2024-25
[Case No. 326 of 2019]

The Tata Power Company Limited-Distribution (Tata Power-D) has filed a Multi-Year Tariff (MYT) Petition (Case No. 326 of 2019) for True-up of Aggregate Revenue Requirement (ARR) for FY 2017-18 and FY 2018-19, Provisional True up of ARR, for FY 2019-20 and Approval of ARR, expected revenue from existing Tariff and charges, expected revenue gap and proposed category-wise Tariff for Fourth Control Period from FY 2020-21 to FY 2024-25.

The Commission has admitted the Petition on 8th January 2020 and directed Tata Power-D to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions/Objections from the public.

The salient features of the Petition are provided below:

Final True-up for FY 2017-18, FY 2018-19 and Provisional True-up of FY 2019-20

The summary of Combined ARR (Wires + Supply) for final true up for FY 2017-18, FY 2018-19 and provisional True-up for FY 2019-20 vis-à-vis ARR approved by the Commission in the MTR Order (Case No. 69 of 2018 dated September 12, 2018), is shown below:

Table 1: Combined ARR (wires+supply) of Tata Power-D (Rs. Crore)

Table with 7 columns: Sr. No., Particulars, FY 2017-18 (Approved in MTR Order, Actual), FY 2018-19 (Approved in MTR Order, Actual), FY 2019-20 (Approved in MTR Order, Estimated). Rows include Power Purchase expenses, Operation & Maintenance Expenses, Depreciation Expenses, Interest on Loan Capital, Interest on Working Capital, Interest on deposits from Consumers and Distribution System Users, Other Finance Charges, Provision for bad and doubtful debts, Other Expenses, Intra-State Transmission Charges, MSDC fees & Charges, Contribution to Contingency Reserves, Income Tax, Benefit of Refinancing, Total Revenue Expenditure, Add: Return on Equity Capital, Aggregate Revenue Requirement, Less: Non-Tariff Income, Less: CSS, Past Revenue Gap/ (Surplus), Aggregate Revenue Requirement from (Wires + Supply) Business.

Table 2: Energy Sales for FY 2017-18, FY 2018-19 and FY 2019-20 (MU)

Table with 7 columns: Consumer Categories, FY 2017-18 (Approved in MTR Order T.O., Actual), FY 2018-19 (Approved in MTR Order, Actual), FY 2019-20 (Approved in MTR Order, Estimated). Rows include HT Category, Residential, Commercial, Industrial, Others, Total (A), LT Category, Residential, Commercial, Industrial, Others, Total (A)+(B).

Table 3: Power Purchase details for FY 2017-18, FY 2018-19 and FY 2019-20

Table with 10 columns: Particulars, Tata Power -G, RE Sources, REC procurement, Bilateral UI Purchase, Standby Power, OLA Sale, Transmission Charges, MSDC Charges, Total. Rows include Approved Quantum (MU), Actual, Expenses (Rs. Cr.), Expenses (Rs. Cr.), Approved Rate (Rs/kWh), Actual Rate (Rs/kWh).

Table 4: Distribution Loss from FY 2017-18 to FY 2019-20

Table with 7 columns: Particulars, FY 2017-18 (Approved in MTR Order, Actual), FY 2018-19 (Approved in MTR Order, Actual), FY 2019-20 (Approved in MTR Order, Estimated). Rows include Distribution Loss (Excl. EHV Sales) (%), Arrears and Collection Efficiency (%).

Table 5: Arrears and Collection Efficiency (%)

Table with 7 columns: Consumer Category & Consumption Slab, FY 2017-18 (Collection efficiency (%), Arrears as on 31 March), FY 2018-19 (Collection efficiency (%), Arrears as on 31 March), FY 2019-20 (Collection efficiency (%), Arrears as on 31 March). Rows include HT Category, LT - Residential, LT - Commercial, LT - Industrial, LT - Others, Total.

Table 6: Capital Expenditure and Capitalisation from FY 2017-18 to FY 2019-20 (Rs. Crore)

Table with 7 columns: Particulars, FY 2017-18 (Approved in MTR Order, Actual), FY 2018-19 (Approved in MTR Order, Actual), FY 2019-20 (Approved in MTR Order, Estimated). Rows include Capitalization, DPR Projects, Non DPR Projects, Non-DPR- SAP Licence Fees, Total.

Table 7: Aggregate Revenue Requirement for the Distribution (Wires+Supply) Business (Rs. Crore)

Table with 7 columns: Sr. No., Particulars, FY 2020-21 (Projected), FY 2021-22 (Projected), FY 2022-23 (Projected), FY 2023-24 (Projected), FY 2024-25 (Projected). Rows include Power Purchase expenses, Operation & Maintenance Expenses, Depreciation Expenses, Interest on Loan Capital, Interest on Working Capital, Interest on deposits from Consumers and Distribution System Users, Other Finance Charges, Provision for bad and doubtful debts, Other Expenses, Intra-State Transmission Charges, MSDC fees & Charges, Contribution to Contingency Reserves, Total Revenue Expenditure, Add: Return on Equity Capital, Aggregate Revenue Requirement, Less: Non-Tariff Income, Less: ARR (Wires), Less: ARR (Supply).

Table 8: Energy Sales from FY 2020-21 to FY 2024-25 (MU)

Table with 7 columns: Consumer Categories, FY 2021, FY 2022, FY 2023, FY 2024, FY 2025. Rows include HT CUSTOMERS (HT I - Industry, HT II - Commercial, HT Others), HT CUSTOMERS TOTAL MUS, LT I - Residential, LT II - Commercial, Upto 20 kW, > 20 kW & < 50kW, LT III (A) - Industry < 20 kW, LT III (B) - Industry > 20kW, LT Others, LT CONSUMERS TOTAL MUS.

Table 9: Power Purchase Cost for FY 2020-21 to FY 2024-25

Table with 7 columns: Particulars, Tata Power -G, RE Sources +REC, Bilateral+UI, Standby Charges, Transmission Charges, SLDC Charges, Total. Rows include FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, FY 2024-25.

Table 10: Operational Parameters for 2020-21 to 2024-25

Table with 6 columns: Particulars, FY 2020-21 (Projected), FY 2021-22 (Projected), FY 2022-23 (Projected), FY 2023-24 (Projected), FY 2024-25 (Projected). Rows include Distribution Loss (Excl. EHV loss) (%), Collection Efficiency (%).

Table 11: Tata Power-D Capital Expenditure and Capitalisation (Rs.Crore)

Table with 6 columns: Particulars, FY 2020-21 (Projected), FY 2021-22 (Projected), FY 2022-23 (Projected), FY 2023-24 (Projected), FY 2024-25 (Projected). Rows include Capitalization, DPR Projects, Non DPR Projects, Total.

Table 12: Total Revenue Gap (Rs. Crore)

Table with 6 columns: Sr. No., Particulars, Int. Rate, Wire, Supply. Rows include Incremental Revenue Gap (Surplus) for FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20, Sub Total -A, Sub Total -B, Sub Total -C, Standalone ARR FY 2018-19, Past Gap Allowed in MTR T.O., Total ARR for Recovery (after reduction of WC from OA Consumers), Revenue Recovered, Gap / (Surplus) for FY 2018-19, Carrying cost for FY 2018-19, Carrying cost for FY 2019-20, Subtotal -D, Standalone ARR FY 2019-20, Past Gap Allowed, Total ARR for Recovery (after reduction of WC from OA Consumers), Revenue Recovered, Subtotal -E, Increment impact of Tata Power-G, Subtotal -F, Contingency Reserves, Gap/ (Surplus) RAC, Subtotal -G, UI Reconciliation upto FY 2019-20 H1, Sub-Subtotal A to G, Total ARR for Recovery.

Table 13: Revenue Recovery (Rs. Crore) and Average percentage increase/decrease (%)

Table with 7 columns: Particulars, MTR T.O., FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, FY 2024-25. Rows include Standalone ARR - Rs Crores, Past Recovery including carrying cost plus RAC - Rs Crores, Less: Expected Revenue from OA- Rs Crores, Total ARR Requirement - Rs Crores, Total Sale - Mus, Average Cost - Rs/kWh, % Increase / Decrease in tariff.

Tariff Philosophy

- Tata Power-D has considered i) the methodology used by the Hon'ble Commission in the previous Tariff Orders for determination of the cross subsidy by taking into account the Sales and Revenue from both direct and change-over consumers; ii) the impact of CS on the direct consumers in order to address the issue of different ACoS between direct Consumers and change-over consumers. The CS has been adjusted to bring it broadly in the range of +/-20%
- Tata Power-D has proposed new category for EHV supply
- Tata Power-D proposes to increase the Fixed Cost recovery from fixed cost component of Tariff. Ideally, all Fixed Cost should be recovered through Fixed / Demand Charges, however, considering the trend adopted by the Hon'ble Commission, Tata Power-D, for the Control Period has proposed Fixed / Demand Charges in such a manner that the % recovery over the five years of the Control Period will increase gradually.
- Tata Power-D has determined the category-wise Energy Charges such that the cross-subsidy with respect to the ACoS across consumer categories is reduced from the present levels. Further, as directed by the Hon'ble Commission from FY 2020-21 onwards, all two part consumers will be billed in kWh instead of kWh billing.
- kVAh based billing: With a view to ensure the automatic monetary benefit with regard to maintaining PF and to make Power Factor incentive / penalty redundant, it is proposed to replace the current kWh based billing by kVAh billing. The kWh billing has been implemented by many States like Uttar Pradesh, Delhi, Uttarakhand etc. The base Power Factor for conversion of kWh to kVAh can be considered as 0.95 which is an average of PF of all consumers of Tata Power-D. Tata Power-D for proposing tariff in Rs/kVAh has considered the average ratio of 0.95. However, the same can be levied category wise based on the directions of the Hon'ble Commission. However, we request the Hon'ble Commission to have a uniform base Power Factor across all Distribution Licensees of Maharashtra.
- Tata Power-D has segregated and reviewed its GFA between EHT, HT and LT. The same has been considered for computing wheeling charges
- Tata Power-D proposes to recover wheeling charges from such consumers based on their captive capacity, i.e. on Rs. / kWh / Month in addition to Rs. / kWh for energy wheeled. The proposed charges are computed considering Wheeling ARR and Billed Demand of Tata Power-D. These charges will be levied on the capacity of the captive plant in the consumer premises. This Charge will be applicable to all consumers having captive generating plants including Renewable Energy
- Tata Power-D currently not proposing the Grid Support Charges and will approach the Hon'ble Commission separately for the same.

Table 14: Proposed Wheeling Charges for FY 2020-21 to FY 2024-25

Table with 7 columns: Particulars, Voltage Level, FY 2021-22, FY 2022-23, FY 2023-24, FY 2024-25. Rows include Wheeling Charges (Rs/kVAh) for EHV, HT, LT, and Wheeling Losses (%) for EHV, HT, LT.

Proposed Category-wise Tariffs for the Control Period

Table 15: Energy Charges Sub-Category-wise Existing and Proposed- HT Category

Table with 13 columns: Customer Category, Existing, Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y). Rows include HT I - Industry, HT II - Commercial, HT III - Group Housing Society (Residential), HT IV - PWW, HT V (A) - Railways, HT VI - Metro & Monorail, HT VII - Public Services, HT VIII - Temp. Supply, HT IX - Temp. Supply Religious, HT X - Temp. Supply Religious, HT XI - Temp. Supply Religious, HT XII - Temp. Supply Religious, HT XIII - Temp. Supply Religious, HT XIV - Temp. Supply Religious, HT XV - Temp. Supply Religious, HT XVI - Temp. Supply Religious, HT XVII - Temp. Supply Religious, HT XVIII - Temp. Supply Religious, HT XIX - Temp. Supply Religious, HT XX - Temp. Supply Religious, HT XXI - Temp. Supply Religious, HT XXII - Temp. Supply Religious, HT XXIII - Temp. Supply Religious, HT XXIV - Temp. Supply Religious, HT XXV - Temp. Supply Religious, HT XXVI - Temp. Supply Religious, HT XXVII - Temp. Supply Religious, HT XXVIII - Temp. Supply Religious, HT XXIX - Temp. Supply Religious, HT XXX - Temp. Supply Religious.

Table 16: Energy Charges Sub-Category-wise Existing and Proposed- LT Category

Table with 13 columns: Customer Category, Existing, Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kVAh), Proposed (Rs./kWh), %hike (y-o-y). Rows include LT I (A) - Residential (BPL), LT I (B) - Residential, S1 (0-100 units), S2 (101-300 units), S3 (>301-500 units), S4 (Above 500 units (balance units)), LT II - Commercial, (A) - Upto 20 kW, (B) - > 20 kW & < 50kW, (C) - > 50kW, LT III (A) - Industry < 20kW, LT III (B) - Industry > 20kW, LT IV - PWW, LT V - Advertisement & Hoardings, LT VI - Streetlights, LT VII - Temporary Supply, LT VIII - Temporary Supply Religious, LT IX - Temporary Supply Religious, LT X - Temporary Supply Religious, LT XI - Crematoriums and Burial Grounds, LT XII - Commercial, a) Govt. Edu. Inst. & Hospitals, b) Others, EV Charging Stations.

Table 17: Fixed Charges Sub-Category-wise Existing and Proposed- LT Category

Table with 13 columns: Customer Category, Unit, Existing, Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y). Rows include EHV - Industry, HT I - Industry, EHV-Commercial, HT II - Commercial, HT III - Group Housing Society (Residential), EHV-PWW, HT IV - PWW, HT V (A) - Railways, HT VI - Metro & Monorail, HT VII - Public Services, a) Govt. Edu. Inst. & Hospitals, b) Others, HT VIII - Temp. Supply, HT IX - Temp. Supply Religious, HT X - Temp. Supply Religious, HT XI - Temp. Supply Religious, HT XII - Temp. Supply Religious, HT XIII - Temp. Supply Religious, HT XIV - Temp. Supply Religious, HT XV - Temp. Supply Religious, HT XVI - Temp. Supply Religious, HT XVII - Temp. Supply Religious, HT XVIII - Temp. Supply Religious, HT XIX - Temp. Supply Religious, HT XX - Temp. Supply Religious, HT XXI - Temp. Supply Religious, HT XXII - Temp. Supply Religious, HT XXIII - Temp. Supply Religious, HT XXIV - Temp. Supply Religious, HT XXV - Temp. Supply Religious, HT XXVI - Temp. Supply Religious, HT XXVII - Temp. Supply Religious, HT XXVIII - Temp. Supply Religious, HT XXIX - Temp. Supply Religious, HT XXX - Temp. Supply Religious.

Table 18: Fixed Charges Sub-Category-wise Existing and Proposed- LT Category

Table with 13 columns: Customer Category, Unit, Existing, Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y), Proposed (Rs./kWh), Proposed (Rs./kWh), %hike (y-o-y). Rows include LT I (A) - Residential (BPL), LT I (B) - Residential, S1 (0-100 units), S2 (101-300 units), S3 (>301-500 units), S4 (Above 500 units (balance units)), LT II - Commercial, (A) - Upto 20 kW, (B) - > 20 kW & < 50kW, (C) - > 50kW, LT III (A) - Industry < 20kW, LT III (B) - Industry > 20kW, LT IV - PWW, LT V - Advertisement & Hoardings, LT VI - Streetlights, LT VII - Temporary Supply, LT VIII - Temporary Supply Religious, LT IX - Temporary Supply Religious, LT X - Temporary Supply Religious, LT XI - Crematoriums and Burial Grounds, LT XII - Commercial, a) Govt. Edu. Inst. & Hospitals, b) Others, EV Charging Stations.

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Additional Surcharge

Tata Power-D is not proposing any Additional Surcharge. Tata Power-D will approach the Hon'ble Commission should such a need arise in future.

Table 19: Proposed Cross Subsidy Surcharge (Rs/kWh)

Consumer Categories	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
HT CUSTOMERS					
EHV - Industry	1.54	1.45	1.45	1.46	1.46
HT I - Industry	1.61	1.55	1.55	1.55	1.56
EHV- Commercial	1.54	1.46	1.46	1.46	1.47
HT II - Commercial	1.66	1.57	1.56	1.57	1.57
HT III - Group Housing Society (Residential)	1.66	1.57	1.56	1.57	1.57
EHV-PWW	1.09	1.19	1.20	1.23	1.21
HT IV - PWW	0.99	1.04	1.05	1.09	1.08
HT V(A) - Railways					
- 22/33 kV	0.99	1.04	1.05	1.09	1.08
- 100kV					
HT V(B) - Metro & Monorail	0.92	0.97	0.98	1.02	1.02
HT VI - Public Services					
a) Govt. Edu. Inst. & Hospitals	1.66	1.57	1.56	1.57	1.57
b) Others	1.10	1.14	1.15	1.19	1.19
HT VII - Temporary Supply	1.78	1.68	1.68	1.69	1.69
HT VIII - EV Charging Stations	0.00	0.00	0.00	0.00	0.00
HT total	0.00	0.00	0.00	0.00	0.00
LT CUSTOMERS					
LT I (A) - Residential (BPL)					
LT I (B) - Residential	0.00	0.00	0.00	0.00	0.26
- S1 (0-100 units)	0.00	0.00	0.00	0.00	0.00
- S2 (101-300 units)	0.00	0.00	0.00	0.00	0.00
- S3 (> 301-500 Units)	0.00	0.00	0.02	0.11	0.16
- S4 (Above 500 units (balance units)	0.85	0.84	0.89	0.99	1.04
LT II - Commercial					
(A) - Upto 20 kW	0.00	0.00	0.00	0.00	0.00
(B) - > 20 kW & < 50kW	0.49	0.50	0.56	0.65	0.70
(C) - > 50kW	0.85	0.84	0.89	0.99	1.04
LT III (A) - Industry < 20 kW	0.00	0.00	0.00	0.00	0.00
LT III (B) - Industry > 20kW	0.49	0.50	0.56	0.65	0.70
LT IV - PWW	0.21	0.24	0.29	0.38	0.43
LT V - Advertisement & Hoardings,	0.85	0.84	0.89	0.99	1.04
LT VI - Streetlights	0.85	0.84	0.89	0.99	1.04
LT VII - Temporary Supply					
- TSR - Temporary Supply Religious	0.00	0.00	0.00	0.00	0.00
- TSO - Temporary Supply Others	0.82	0.81	0.87	0.96	1.01
LT VIII - Crematoriums and Burial Grounds	0.00	0.00	0.00	0.00	0.00
LT IX - Public Services					
a) Govt. Edu. Inst. & Hospitals	0.00	0.00	0.00	0.00	0.00
b) Others	0.35	0.37	0.42	0.52	0.57
EV Charging Stations	0.00	0.00	0.00	0.00	0.00

Tata Power-D has proposed revision in Schedule of Charges, details of which is available in the Petition

1. Copies of the following documents can be obtained on written request from the offices of Tata Power-D:

- 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 Cash/ DD/Cheque) drawn on "The Tata Power 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/-).

	Address	Telephone	Email Id
Fort Office	Mr. Ravi Antony, The Tata Power Company Ltd, Bombay House, 24, Homi Mody Street, Fort, Mumbai 400001	Tel: (91 22) 6665 8282	rantony@tatapower.com
Head Office	Mr. S A Desai, The Tata Power Company Limited, Corporate Finance & Accounts, 'B' Block, 5th Floor, Carnac Receiving Station, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009	Tel: (91 22) 6717 1540	sdesai@tatapower.com
Dharavi	Ms. A Dangi, The Tata Power Company Ltd., Near Shalimar Industrial Estate, Matunga (West), Mumbai 400 019.	Tel: (91 22) 6717 2728	aakanksha.dangi@tatapower.com
Borivali	Mr. Nilesh Kekane, The Tata Power Company Ltd., Borivali Receiving Station, Tata Power House Road, Borivali East Mumbai 4000 66.	Tel: (91 22) 6717 3524	nileshkekane@tatapower.com

The Commission has directed Tata Power-D to invite Suggestions/Objections from the Public on the above Petition through this Notice. Suggestion/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-400 005, or by Fax: [022 22163976] or by E-mail [mercindia@merc.gov.in] by 31 January, 2020 along with proof of service on Tata Power-D Shri Peyush Tandon (Chief Regulatory), The Tata Power Company Ltd., Backbay Receiving Station, 148 Lt. Gen J Bhonsale Marg, Nariman Point Mumbai 4000 21, email: peyush.tandon@tatapower.com, Tel: (91 22) 6717 2901 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 Centrum Hall, 1st Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai 400 005 on Tuesday, 4 February, 2020 at 10.00 Hours, for which no separate notice will be given.

Tata Power-D shall reply to each of the Suggestions/ Objections received within three days of the receipt of the same but not later than 3 February, 2020 for all the suggestions/objections received till 31 January, 2020. Rejoinders may be submitted by the stakeholders on replies provided by Tata Power-D either during the Public Hearing or latest by 7 February, 2020.

The detailed Petition document and the Executive Summary are available on Tata Power-D's website (<https://www.tatapower.com/corporate/regulatory/regulatory-mumbai.aspx>) and the Executive Summary is also available on the websites of the Commission www.merc.gov.in in downloadable format (free of cost).

Signature:

Name: Peyush Tandon

Designation: Chief Regulatory

The Tata Power Company Limited

Place: Mumbai

Date: 10 January, 2020