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MAHATI HYDRO POWER VEER PROJECT PVT. LTD.Regd. Office : 32/33, Shankar Sheth Road, Ghorpade Peth, Swargate, Pune - 411037, Maharashtra
Website : www.mahati.com**PUBLIC NOTICE****[Case No. 63 of 2021]**

Suggestions/ Objections on Mahati Hydro Power Veer Project Private Limited's (MHPVPPL) Petition for determination of Project Specific Tariff for Veer Hydro Electric Project (2x4.5MW) under Renovation and Modernisation as per the provisions of Section 62(1)(a) and 86(1)(e) of the Electricity Act, 2003 and Regulation 9.1, 10.2, 74 and 77 of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019.

1. Mahati Hydro Power Veer Project Private Limited (MHPVPPL) has filed a Petition for determination of Project Specific Tariff for Veer Hydro Electric Project of capacity of (2X4.5) MW located at Veer dam, Dist. Satara, under Renovation and Modernisation as per Regulation 9.1, 10.2, 74 and 77 of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019 and Section 62(1)(a) and 86(1)(e) of the Electricity Act, 2003.

2. The Commission has admitted the Petition on 28 May 2021 and directed MHPVPPL to publish a Public Notice under Section 64(2) of the Electricity Act, 2003 inviting Suggestions/Objections from the Public.

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

Table 1 : Capital Cost Break-up for proposed (2X4.5) MW Small Hydro Project at Veer Dam Dist. Satara (Rs. Lakh)

S. No.	Project Cost	Amount*
1.	Turbine & Auxiliaries	715.91
2.	Generator & Auxiliaries	652.25
3.	Transformers	168.15
4.	Station Auxiliaries	138.36
5.	Control and Instrumentation & Automation, 132 kV Switchyard Metering etc.	601.99
6.	Online Monitoring System	94.4
7.	Civil Works	187.43
8.	Hydro Mechanical Components.	123.9
9.	Dismantling, Erection, Testing and Commissioning	189.68
10.	Pre-Operative Expenses	325.91
11.	Financial Charges Including IDC	102.46
12.	Threshold Premium (residual cost of existing infrastructure) payable to GOMWRD as per Clause 4.1) of the Lease Agreement read with definition of the Threshold Premium in Section D of Article -I of the Lease Agreement	1168.2
13.	Grand Total	4,468.63

Note : The estimated Capital Cost excluding Threshold Premium is Rs 3300.43 Lakh.

* Amount includes GST and other taxes and duties

Table 2 : Parameter Assumptions

S. No.	Assumption Head	Sub-Head	Sub-Head (2)	Unit	Assumptions	
1	Power Generation	Capacity	Installed Power Generation Capacity	MW	9	
			Capacity Utilization Factor	%	26%	
			Auxiliary Consumption	%	1%	
			Useful Life	Years	25	
2	Project Cost	Capital Cost/MW	Power Plant Cost	Rs. Lacs/MW	496.51	
3	Financial Assumptions	Debt: Equity	Tariff Period	Years	25	
			Debt	%	70%	
			Equity	%	30%	
			Total Debt Amount	Rs. Lacs	3,128	
			Total Equity Amount	Rs. Lacs	1,341	
		Debt Amount	Loan Amount	Rs. Lacs	3,128	
			Repayment Period (incl'd Moratorium)	years	12	
			Interest Rate	%	9.07%	
		Equity Amount	Equity amount	Rs Lacs	1,341	
			Return on Equity	% p.a	14%	
Corporate Tax Rate	% p.a.		25.17%			
ROE Period	Year		25			
Weighted average of ROE	% p.a.		18.71%			
Return on Equity (grossed up)	Rs Lacs		250.8			
Depreciation	Discount Rate	%	8.95%			
	Depreciation Rate for first 12 years	%	5.83%			
	Depreciation Rate 13th year onwards	%	2.31%			
4	Operation & Maintenance	Power Plant - Base Year		Rs Lakh/MW	125.12	
		Escalation Factor		%	3.28%	
5	Working Capital	For Fixed Charges				
		O&M Charges		Months	1	
		Maintenance Spare	(% of O&M expenses)			15%
		Receivables for Debtors		Months	2	
		Interest On Working Capital		%		8.57%

Table 3 : Determination of Tariff component

Year	Unit	1	2	3	4	5	6	7	8	9	10	11	12	13
Net Energy Sold	MU	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25
Costs														
O&M	Rs. Lakhs	125	129	133	138	142	147	152	157	162	167	173	178	184
Depreciation	Rs. Lakhs	261	261	261	261	261	261	261	261	261	261	261	261	103
Interest on Term Loan	Rs. Lakhs	280	258	235	211	188	164	140	117	93	69	46	22	9
Interest on Working Capital	Rs. Lakhs	14	14	14	14	14	14	14	14	15	15	15	15	15
Return on Equity	Rs. Lakhs	251	251	251	251	251	251	251	251	251	251	251	251	251
Maintenance Charges of Intake	Rs. Lakhs	10	10	11	11	12	12	12	13	13	14	14	14	15
Total Cost	Rs. Lakhs	940	924	905	886	867	849	830	812	794	776	759	741	577
Net Tariff	Rs./kWh	4.64	4.56	4.47	4.36	4.28	4.19	4.10	4.00	3.92	3.83	3.75	3.65	2.85

Year	Unit	14	15	16	17	18	19	20	21	22	23	24	25
Net Energy Sold	MU	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25	20.25
Costs													
O&M	Rs. Lakhs	190	197	203	210	217	224	231	239	246	254	263	271
Depreciation	Rs. Lakhs	103	103	103	103	103	103	103	103	103	103	103	103
Interest on Term Loan	Rs. Lakhs	9	9	9	9	9	9	9	9	9	9	9	9
Interest on Working Capital	Rs. Lakhs	15	15	15	15	16	16	16	16	16	16	17	17
Return on Equity	Rs. Lakhs	251	251	251	251	251	251	251	251	251	251	251	251
Maintenance Charges of Intake	Rs. Lakhs	15	16	16	17	18	18	19	19	20	21	21	22
Total Cost	Rs. Lakhs	583	590	597	605	612	620	628	636	645	654	663	673
Net Tariff	Rs./kWh	2.88	2.91	2.94	2.99	3.02	3.06	3.09	3.14	3.19	3.23	3.27	3.32

Table 4 : Levelised Tariff

Levelised Tariff for 25 years (Rs/kWh)	3.91
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5. The Commission has directed MHPVPPL to invite Suggestions / Objections from the Public on its Petition through this Notice. In response to the Public Notice published, every person who intends to file suggestions/ objections can submit the same in English or Marathi language in writing through electronic means / Email: ehearing@merc.gov.in / secretary@merc.gov.in addressed to **The Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai - 400 005 on or before 5.00 P.M. on 24 June 2021** along with proof of service on Shri. Sujay Shah, Director, MHPVPPL (e-mail: regulatory.hydro@mahati.com). Suggestions and/or objections received after the specified date shall not be considered. MHPVPPL shall reply to each of the objections /comments received within three days of the receipt of the same but not later than **28 June, 2021** for all the objections/comments received till **25 June, 2021**. Stakeholders can submit their rejoinders on replies provided by MHPVPPL either during the public hearing or latest by **2 July, 2021**.

6. If the sender/objector who has submitted his comments/suggestions as per para 5 above and wants to be heard in person in e-Public Hearing, then he should specifically mention the same at the time of filing of suggestions /objections. In such cases, submission of valid

3. MHPVPPL has prayed as under:

- To admit the Petition, seeking approval for Project Specific Tariff for Veer Hydro Electric Project under Renovation and Modernisation with capacity of 9 MW located at Veer dam, near Shirwal, Dist. Satara;
- To invoke its power under Regulation 74- Power to relax and Regulation 77- Power to remove difficulties and to allow the deviations from MERC RE Tariff Regulations, 2019, wherever sought in this Petition;
- To approve Project Specific Tariff of Rs 3.91/kWh for Veer Hydro Electric Project;
- To allow the recovery of land lease rent, water royalty charges, charges for 13% of Gross Generation to be paid to Government of Maharashtra on actual basis during tariff period;
- To allow additions/alterations/modifications/changes to the Petition as may be required at a future date;
- To allow any other relief, order, or direction, which the Hon'ble Commission deems fit to be issued;
- To condone any error/ omission and to give opportunity to rectify the same;

email ID and Mobile Number would be mandatory. The Commission at its sole discretion, may permit such sender/objector to be heard in the e-Public Hearing. All participants attending the e-Public Hearing shall follow the provisions of the Commission's Guidelines for attending Public Hearing Through Video Conference notified on 17 September, 2020.

- The detailed Petition document and the Executive Summary are available on MHPVPPL's website www.mahati.com and the Executive Summary is also available on the website of the Commission www.merc.gov.in in downloadable format (free of cost).
- Hearing to be held through video conference on **29 June 2021 at 10:30 A.M.**, when MHPVPPL's application for tariff determination will be considered. No separate notice will be issued for the purpose.

Place : Mumbai
Date : 4th June 2021

Sd/-
Sujay Shah
Director
Mahati Hydro Power Veer Project Private Limited