

# MPSEZ UTILITIES LIMITED

Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421

## SUMMARY OF PETITION NO. 2036 / 2021 FOR (i) TRUE UP OF FY 2020-21 AND (ii) AGGREGATE REVENUE REQUIREMENT & TARIFF DETERMINATION FOR FY 2022-23

### Background Information:

- **MPSEZ Utilities Limited (MUL)** [Formerly known as MPSEZ Utilities Private Limited (MUPL)] is a company incorporated in 2008 under the provisions of the Companies Act, 1956. It has started its commercial operation on 28.08.2010 and is in the process to establish power distribution network to various entities in Mundra SEZ.
- MUL is engaged in distribution of electricity in Mundra SEZ as a distribution licensee. MUL has filed the Petition before the Hon'ble Gujarat Electricity Regulatory Commission for (i) True up of FY 2020-21 and (ii) Aggregate Revenue Requirement & Tariff Determination for FY 2022-23 in view of GERC (MYT) Regulations, 2016 and Suo-Motu order dated 24.09.2021.

### True Up for FY 2020-21

- The Petitioner in its Multi Year Tariff Petition had submitted projections for the control period from FY 2016-17 to FY 2020-21 and accordingly, ARR for FY 2020-21 was approved by the Hon'ble Commission vide its MYT order dated 31.03.2017.
- The Petitioner in its MTR Petition had submitted revised projections for FY 2020-21 and accordingly, ARR for FY 2020-21 was approved by the Hon'ble Commission vide its order dated 30.07.2019.
- The Petitioner in this Petition has submitted details based on audited accounts for True-up of FY 2020-21.
- The Petitioner has trued up ARR and computed gains and losses on account of controllable and uncontrollable parameters in line with the provisions of the MYT Regulations, 2016, considering actual expenses vis-a-vis approved expenses.
- The Petitioner has sold 363.33 MUs in its license area for FY 2020-21. The distribution loss for FY 2020-21 was 3.25% against estimated loss of 4.00% and transmission loss for FY 2020-21 was 0.46% against estimated loss of 1.20%. Accordingly, the energy balance for FY 2020-21 has been furnished based on actual sales and actual T&D losses.
- The summary of trued up ARR for FY 2020-21 to be recovered by MUL after incorporation of sharing of gains / losses is as below.

**Table 1: Trued up ARR for FY 2020-21**

(Rs Cr.)

Particulars		Actual for FY 2020-21
ARR approved in the MTR order for FY 2020-21	(a)	182.73
Less : Gains / (losses) on account of Controllable factor to be passed on to the consumers (1/3rd)	(b)	0.00
Less : Gains / (losses) on account of Uncontrollable factor to be passed on to the consumers	(c)	(9.47)
ARR trued up for FY 2020-21	d=a-(b+c)	192.20

- The trued up ARR is Rs. 192.20 Cr. after sharing of gains / losses for FY 2020-21. Whereas, the revenue from sales of power for FY 2020-21 is Rs. 199.93 Cr. Thus, there is a revenue surplus of Rs. 7.73 Cr. for FY 2020-21.
- The consolidated revenue Gap / (surplus) for FY 2020-21 including approved Gap of previous years along with carrying cost is as below:

**Table 2: Consolidated Revenue Gap / (Surplus) for FY 2020-21**

(Rs Cr.)

Particulars	Actual
Net Revenue Gap / (Surplus) for FY 2020-21	(7.73)
Add: Approved Consolidated Revenue Gap / (Surplus) of FY 2018-19	9.69
Add: Approved Carrying Cost for 2016-17	1.15
Add: Carrying Cost on Revenue Gap of FY 2018-19 for FY 2019-20 & FY 2020-21	1.63
<b>Consolidated Revenue Gap / (Surplus) of FY 2020-21</b>	<b>4.74</b>

### Aggregate Revenue Requirement (ARR) for FY 2022-23

- The Aggregate Revenue Requirement for license area of the Petitioner has been computed based on guidelines laid by the Hon'ble Commission in GERC MYT Regulations, 2016, in view of Suo-Motu order dated 24.09.2021. The Petitioner has submitted ARR for FY 2022-23 as below:

**Table 3: ARR for FY 2022-23**

(Rs Cr.)

Parameter	FY 2022-23
Power Purchase Expenses	265.20
O&M Expenses	11.41
Depreciation	4.96
Interest & Finance Charges	3.56
Interest on Security Deposits	0.09
Interest on Working Capital	2.40
Provision for Bad debts	-
Contingency Reserve	-
<b>Revenue Expenditure</b>	<b>287.62</b>

Return on Equity Capital	4.18
Income Tax	4.25
<b>Total Revenue Expenditure</b>	<b>296.05</b>
Less: Non-Tariff Income	-
<b>Aggregate Revenue Requirement</b>	<b>296.05</b>

### Revenue Gap / (Surplus)

- The projected revenue for FY 2022-23 at existing tariff works out to be Rs. 296.98 Cr. against projected ARR of Rs. 296.05 Cr.
- The Petitioner has considered consolidated revenue Gap of FY 2020-21 along with carrying cost on consolidated Gap of FY 2020-21 for FY 2021-22 and FY 2022-23 to determine projected revenue Gap / (surplus) for FY 2022-23. Thus, projected revenue Gap for FY 2022-23 would be Rs. 4.10 Cr. as below:

**Table 4: Revenue Gap / (surplus) with existing tariff for FY 2022-23**

(Rs Cr.)	
Particulars	FY 2022-23
Estimated ARR for FY 2022-23	296.05
Add: Consolidated Revenue Gap for FY 2020-21	1.96
Add: Consolidated Carrying Cost up to FY 2020-21	2.78
Add: Carrying Cost on Consolidated Gap of FY 2020-21 for FY 2021-22 & FY 2022-23	0.28
Estimated Revenue from existing tariff for FY 2022-23	296.98
Revenue Gap / (Surplus) in FY 2022-23	4.10

### Tariff Proposal for FY 2022-23

- The Projected Revenue Gap of FY 2022-23 on existing tariff for projected sale of 561.69 MUs would be Rs. 4.10 Cr.
- The Petitioner therefore, proposes not to hike the tariff and to continue with existing tariff.

### Tariff Schedule of FY 2022-23

- The Petitioner has not proposed any increase in tariff w.e.f. 1<sup>st</sup> April, 2022. The proposed tariff schedule is as below:

**Table 5: Tariff schedule for MUL's license area**

Sr No	Category	Fixed Charge	Energy charge	
1	Residential	<b>Fixed charge</b> <b>Single phase supply</b> Rs. 30 per month per installation	First 250 units	330 Paise/ unit
		<b>Three phase supply</b> Rs. 45 per month per installation	Remaining units	380 Paise/ unit
2	Commercial Non demand (Connected load up to 6 kVA)	<b>Single Phase supply</b> Rs. 100 per month per installation	First 150 units	380 Paise/ unit
			Remaining units	405 Paise/ unit
3	Commercial demand (Connected load of 6 kVA & Above)	<b>Billing demand up to and including the contract demand</b> (Computed on 85 % of contract demand at u.p.f and 100 % load factor or actual maximum demand at monthly average power factor or six KVA whichever is higher on monthly basis) 75 Paise / unit <b>In excess of contract demand</b> 125 Paise / unit	Entire consumption	280 Paise/ unit
4	Industrial Non demand (Connected load up to 6 kVA)	<b>Single phase supply</b> Rs. 100 per month per installation	First 150 units	355 Paise/ unit
			Remaining units	380 Paise/ unit
5	Industrial demand (Connected load of 6 kVA & Above)	<b>Billing demand up to and including the contract demand</b> (Computed on 85 % of contract demand at u.p.f. and 100 % load factor or actual maximum demand at monthly average power factor or six KVA whichever is higher on monthly basis) 75 Paise / unit <b>In excess of contract demand</b> 125 Paise / unit	Entire consumption	280 Paise/ unit
6	Street Lights		Entire consumption	330 Paise/ unit
7	Temporary demand	<b>Billing demand up to and including the contract demand</b> (Computed on 85 % of contract demand at u.p.f. and 100 % load factor or actual max demand at monthly average power factor whichever is higher on monthly basis) 75 Paise /unit <b>In excess of contract demand</b> 125 Paise / unit	Entire consumption	355 Paise/ unit

8	LT - Electric Vehicle (EV) Charging Station	Rs. 25 per month per installation	Entire consumption	315 Paise/ unit
9	HTMD - I	<b>A) For the billing demand of customer having</b> <u>1) Contract demand up to 500 kVA</u> (Computed on 85 % of contract demand at u.p.f and 100 % load factor or actual maximum demand at monthly average power factor whichever is higher on monthly basis or one hundred KVA) 75 Paise /unit <u>2) Contract demand above 500 kVA</u> (Computed on 85 % of contract demand at u.p.f and 100 % load factor or actual maximum demand at monthly average power factor whichever is higher on monthly basis) 110 Paise /unit <b>B) In excess of contract demand</b> <u>1) Contract demand up to 500 kVA</u> 125 Paise / unit <u>2) Contract demand above 500 kVA</u> 150 Paise / unit	Contract demand up to 500 kVA           Contract demand above 500 kVA	320 Paise/ unit           360 Paise/ unit
10	HTMD - II	<b>Billing demand up to and including the contract demand</b> (Computed on 85 % of contract demand at u.p.f or actual maximum demand at monthly average power factor whichever is higher on monthly basis or one hundred KVA) 100 Paise /unit <b>In excess of contract demand</b> 150 Paise / unit	Entire consumption	455 Paise/ unit
11	HTMD-III	<b>Billing demand up to and including the contract demand</b> (Computed on 85 % of contract demand at u.p.f and 100 % load factor or actual maximum demand at monthly average power factor whichever is higher on monthly basis or one hundred KVA) 75 Paise /unit <b>In excess of contract demand</b> 125 Paise / unit	Entire consumption	280 Paise/ unit
12	HTMD-IV		Entire consumption	280 Paise/ unit
13	HT - Electric Vehicle (EV) Charging Stations	<b>Billing demand up to and including the contract demand</b> Rs. 25 per KVA per month <b>In excess of contract demand</b> Rs. 50 per KVA per month	Entire consumption	310 Paise/ unit
14	RAILWAY TRACTION	<b>Billing demand up to and including the contract demand</b> Rs. 180 per kVA per month <b>In excess of contract demand</b> Rs. 425 per KVA per month	Entire consumption	500 Paise/ unit

**Notes:**

- Power factor adjustment charges - applicable to commercial demand based, Industrial demand based, HTMD-I, HTMD-II, HTMD-III, HTMD-IV and Railway Traction  
The rebate is provided for each 1 % improvement in power factor.  
 Power factor 90% to 95 % - 0.15 Paise/unit  
 Power factor over 95 % - 0.27 Paise/unit  
The penalty is levied for each 1 % decrease in power factor.  
 Power factor below 90 % - 3.00 Paise / unit
- FPPPA charges - As applicable
- Rebate for supply at EHV for category of HTMD-I, HTMD-II, HTMD-III, HTMD-IV & Railway Traction is as below:

	On Energy Charges	Rebate @
1	If supply is availed at 11 kV	0.0 %
2	If supply is availed at 33 kV	1.0 %
3	If supply is availed at 66 kV and above	2.0 %

**Note:** The above rebate will be applicable only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebates shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate authority / Courts.