

MPSEZ UTILITIES LIMITED

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

SUMMARY OF PETITION NO. 2589 / 2025 FOR (i) TRUE UP OF FY 2024-25 AND (ii) APPROVAL OF REVISED AGGREGATE REVENUE REQUIREMENT FOR FY2026-27 & DETERMINATION OF TARIFF FOR FY 2026-27

Background Information:

- **MPSEZ Utilities Limited (MUL)** is a company incorporated in 2008 under the provisions of the Companies Act, 1956. MUL is engaged in distribution of electricity in Mundra as a distribution licensee.
- MUL has filed the Petition before the Hon'ble Gujarat Electricity Regulatory Commission for (i) True up of FY 2024-25 as per GERC (MYT) Regulations, 2016 and (ii) Approval of Revised Aggregate Revenue Requirement for FY2026-27 & Determination of Tariff for FY 2026-27 as per GERC (MYT) Regulations, 2024.

True Up for FY 2024-25

- The Petitioner in its Tariff Petition vide case no. 2589 / 2025 had submitted projections for FY 2024-25 and accordingly, ARR for FY 2024-25 was approved by the Hon'ble Commission vide its order dated 01.06.2024.
- The Petitioner in this Petition has submitted details based on audited accounts for the purpose of True-up of FY 2024-25.
- 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 945.48 MUs in its license area for FY 2024-25. The actual distribution loss for FY 2024-25 was 2.32% against estimated loss of 2.94% and transmission loss for FY 2024-25 was 0.50% against estimated loss of 1.28%. Accordingly, the energy balance for FY 2024-25 has been furnished based on actual sales and actual T&D losses.
- The summary of trued up ARR for FY 2024-25 to be recovered by MUL after incorporation of sharing of gains / losses is as below.

Table 1: Trued up ARR for FY 2024-25

(Rs Cr.)

Particulars		Actual
ARR approved in the MTR order for FY 2024-25	(a)	1,236.84
Less : Gains / (losses) on account of Controllable factor to be passed on to the consumers (1/3rd)	(b)	-

Less : Gains / (losses) on account of Uncontrollable factor to be passed on to the consumers	(c)	721.88
ARR trued up for FY 2024-25	d=a-(b+c)	514.95

- The trued up ARR is Rs. 514.95 Cr. after sharing gains / losses for FY 2024-25 and the revenue from sales of power for FY 2024-25 is Rs. 548.50 Cr. Thus, there is a revenue surplus of Rs. 33.55 Cr. for FY 2024-25.
- The Hon'ble Commission in its Tariff Order dated 01.06.2024 has approved consolidated revenue surplus of Rs. 20.90 Cr. and holding cost of Rs. (-)3.26 Cr. Accordingly, the same has been considered by the Petitioner.
- The consolidated revenue Gap / (surplus) for FY 2024-25 including approved Gap of previous years along with carrying cost is as below:

Table 2: Consolidated Revenue Gap / (Surplus) for FY 2024-25

(Rs Cr.)

Particulars	Actual
Net Revenue Gap / (Surplus) for FY 2024-25	(33.55)
Add: Approved Consolidated Revenue Gap / (Surplus) for FY 2022-23	(20.90)
Add: Carrying / (Holding) Cost on Revenue Gap of FY 2022-23 for FY 2023-24 & FY 2024-25	(3.26)
Consolidated Revenue Gap / (Surplus) of FY 2024-25	(57.71)

Revised Aggregate Revenue Requirement (ARR) for FY 2026-27

- The revised 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, 2024. The Petitioner has submitted revised ARR for FY 2026-27 is tabulated as below:

Table 3: Revised ARR for FY 2026-27

(Rs Cr.)

Parameter	Approved FY 2026-27	Revised FY 2026-27
Power Purchase Expenses	3,812.31	3,150.80
O&M Expenses	25.29	25.29
Depreciation	35.23	34.04
Interest & Finance Charges	2.56	1.36
Interest on Security Deposits	0.72	0.66
Interest on Working Capital	35.00	26.84
Provision for Bad debts	-	-

Contingency Reserve	-	-
Return on Equity Capital	5.94	4.47
Return on Capital Employed	57.61	63.84
Less: Non-Tariff Income	-	-
Less: Income from Wheeling Charges	39.82	42.92
Aggregate Revenue Requirement	3,934.83	3,264.38

Revenue Gap / (Surplus)

- The projected revenue for FY 2026-27 at existing tariff works out to be Rs. 2,920.09 Cr. against projected ARR of Rs. 3,264.38 Cr.
- The Petitioner has considered consolidated revenue surplus of FY 2024-25 along with consolidated holding cost up to FY 2024-25 to determine projected revenue Gap / (surplus) for FY 2026-27. Thus, the projected revenue gap for FY 2026-27 would be Rs. 286.58 Cr. as below:

Table 4: Revenue Gap / (surplus) with existing tariff for FY 2026-27

(Rs Cr.)

Particulars	FY 2026-27
Estimated ARR for FY 2026-27	3,264.38
Add: Consolidated Revenue Gap / (Surplus) for FY 2024-25	(54.45)
Add: Consolidated Carrying / (Holding) Cost up to FY 2024-25	(3.26)
Estimated Revenue from existing tariff for FY 2026-27	2,920.09
Revenue Gap / (Surplus) in FY 2026-27	286.58

Tariff Proposal for FY 2026-27

- The Projected Revenue gap of FY 2026-27 at existing tariff for projected sales of 4,695 MUs would be Rs. 286.58 Cr. However, the Licence area of the Petitioner is currently under the development stage, wherein several industrial consumers have commenced the construction of their respective units. The Petitioner, in coordination with the developer of the Zone, is continuously engaging with these upcoming units and monitoring their anticipated commissioning of the unit. Accordingly, the Petitioner aligning their infrastructure development. Hence, the revised ARR and anticipated revenue for FY 2026-27 are contingent upon the pace of establishment and operationalization of these consumers.
- In view of the above, the Petitioner proposes to continue with the existing tariff for all categories of consumers. Any Gap or Surplus shall be worked out at the time of Truing up and appropriately adjusted in subsequent years, once load demand of major consumers stabilizes.

Tariff Schedule of FY 2026-27

- The Petitioner has proposed tariff w.e.f. 1st April, 2026 as below:

Table 5: Tariff schedule for MUL's license area

Sr No	Category	Fixed Charge	Energy charge	
1	Residential	Fixed charge	First 250 units	420 Paise/unit
		Single phase supply Rs. 30 per month per installation	Remaining units	470 Paise/unit
		Three phase supply Rs. 45 per month per installation		
		For BPL household consumers Rs. 5 per month per installation	First 50 units	250 paise/unit
			Remaining units	As per Residential
2	Commercial Non demand (Connected load up to 6 kVA)	Single Phase supply Rs. 100 per month per installation	First 150 units	470 Paise/unit
			Remaining units	495 Paise/unit
3	Commercial demand (Connected load of 6 kVA & above)	Billing demand up to and including the contract demand (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 In excess of contract demand 125 Paise / unit	Entire consumption	370 Paise/unit
4	Industrial Non demand (Connected load up to 6 kVA)	Single phase supply Rs. 100 per month per installation	First 150 units	445 Paise/unit
			Remaining units	470 Paise/unit
5	Industrial demand (Connected load of 6 kVA & above)	Billing demand up to and including the contract demand (Computed on 85 % of contract demand	Entire consumption	370 Paise/unit

		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 In excess of contract demand 125 Paise / unit		
6	Street Lights		Entire consumption	420 Paise/ unit
7	Temporary demand	Billing demand up to and including the contract demand (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 In excess of contract demand 125 Paise / unit	Entire consumption	445 Paise/ unit
8	LT – Electric Vehicle (EV) Charging Station	Rs. 25 per month per installation	Entire consumption	415 Paise/ unit
9	HTMD - I	A) For the billing demand of customer having <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)	Contract demand up to 500 kVA	410 Paise/ unit
			Contract demand above 500 kVA	450 Paise/ unit

		110 Paise /unit B) In excess of contract demand <u>1) Contract demand up to 500 kVA</u> 125 Paise / unit <u>2) Contract demand above 500 kVA</u> 150 Paise / unit		
10	HTMD – II	Billing demand up to and including the contract demand (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 In excess of contract demand 150 Paise / unit	Entire consumption	545 Paise/unit
11	HTMD-III	Billing demand up to and including the contract demand (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 In excess of contract demand 125 Paise / unit	Entire consumption	370 Paise/unit
12	HTMD-IV	Billing demand up to and including the contract demand (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 In excess of contract demand 125 Paise / unit	Entire consumption	370 Paise/unit
13	HT - Electric Vehicle (EV) Charging Stations	Billing demand up to and including the contract demand Rs. 25 per KVA per month In excess of contract demand Rs. 50 per KVA per month	Entire consumption	410 Paise/unit
14	RAILWAY TRACTION	Billing demand up to and including the contract demand Rs. 180 per kVA per month In excess of contract demand Rs. 425 per KVA per month	Entire consumption	590 Paise/unit

Notes:

- 1 Power factor adjustment charges - applicable to commercial demand based, Industrial demand based, HTMD-I, HTMD-II, HTMD-III, HTMD-IV and Railway Traction
Rebate is provided for each 1 % improvement in the power factor.
Power factor 90% to 95 % - 0.15 Paise/unit
Power factor over 95 % - 0.27 Paise/unit
Penalty is levied for each 1 % decrease in the power factor.
Power factor below 90 % - 3.00 Paise / unit
- 2 FPPAS charges - As applicable
- 3 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, applicable rebates shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate authority / Courts.

15	GREEN TARIFF	<ul style="list-style-type: none"> Green Tariff of Rs. 0.90/kWh, which is over and above the normal tariff of the respective category as per Tariff Order, be levied to the consumers opting for meeting their demand of green energy. All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff. This option can be exercised by consumer giving billing cycle notice to the Distribution Licensee in writing before commencement of billing period.
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