

MPSEZ UTILITIES LIMITED

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

SUMMARY OF PETITION NO. 2326 / 2024 FOR (i) TRUE UP OF FY 2022-23 AND (ii) AGGREGATE REVENUE REQUIREMENT & TARIFF DETERMINATION FOR FY 2024-25

Background Information:

- MPSEZ Utilities Limited (MUL) 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 its licence area in Mundra.
- 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 2022-23 and (ii) Aggregate Revenue Requirement & Tariff Determination for FY 2024-25 in view of GERC (MYT) Regulations, 2016 and Suo-Motu order dated 05.12.2023.

True Up for FY 2022-23

- The Petitioner in its Tariff Petition vide case no. 2036 / 2021 had submitted projections for FY 2022-23 and accordingly, ARR for FY 2022-23 was approved by the Hon'ble Commission vide its order dated 31.03.2022.
- The Petitioner in this Petition has submitted details based on audited accounts for the purpose of True-up of FY 2022-23.
- 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 388.67 MUs in its license area for FY 2022-23. The distribution loss for FY 2022-23 was 2.94% against estimated loss of 3.25% and transmission loss for FY 2022-23 was 0.08% against estimated loss of 1.96%. Accordingly, the energy balance for FY 2022-23 has been furnished based on actual sales and actual T&D losses.
- The summary of trued up ARR for FY 2022-23 to be recovered by MUL after incorporation of sharing of gains / losses is as below.

Table 1: Trued up ARR for FY 2022-23

Particulars		(Rs Cr.) Actual
ARR approved in the MTR order for FY 2022-23	(a)	287.80
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)	92.34
ARR trued up for FY 2022-23	d=a-(b+c)	195.46

- The trued up ARR is Rs. 195.46 Cr. after sharing gains / losses for FY 2022-23 and the revenue from sales of power for FY 2022-23 is Rs. 217.66 Cr. Thus, there is a revenue surplus of Rs. 22.20 Cr. for FY 2022-23.
- The consolidated revenue Gap / (surplus) for FY 2022-23 including approved Gap of previous years along with carrying cost is as below:

Table 2: Consolidated Revenue Gap / (Surplus) for FY 2022-23

Particulars	(Rs Cr.) Actual
Net Revenue Gap / (Surplus) for FY 2022-23	(22.20)
Add: Approved Consolidated Revenue Gap / (Surplus) for FY 2020-21	2.10
Add: Carrying Cost on Revenue Gap of FY 2020-21 for FY 2021-22 & FY 2022-23	(0.10)
Consolidated Revenue Gap / (Surplus) of FY 2022-23	(20.20)

Aggregate Revenue Requirement (ARR) for FY 2024-25

- 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 05.12.2023. The Petitioner has submitted ARR for FY 2024-25 as below:

Table 3: ARR for FY 2024-25

Parameter	(Rs Cr.) FY 2024-25
Power Purchase Expenses	1,205.95
O&M Expenses	25.38
Depreciation	8.89
Interest & Finance Charges	7.73
Interest on Security Deposits	0.52
Interest on Working Capital	10.94
Provision for Bad debts	-
Contingency Reserve	-
Revenue Expenditure	1,259.41
Return on Equity Capital	7.61
Income Tax	5.87
Total Revenue Expenditure	1,272.89

Less: Non-Tariff Income	10.93
Aggregate Revenue Requirement	1,261.97

Revenue Gap / (Surplus)

- The projected revenue for FY 2024-25 at existing tariff works out to be Rs. 1,231.49 Cr. against projected ARR of Rs. 1,261.97 Cr.
- The Petitioner has considered consolidated revenue surplus of FY 2022-23 along with consolidated carrying cost up to FY 2022-23 to determine projected revenue Gap / (surplus) for FY 2024-25. Thus, the projected revenue Gap for FY 2024-25 would be Rs. 10.28 Cr. as below:

Table 4: Revenue Gap / (surplus) with existing tariff for FY 2024-25

(Rs Cr.)

Particulars	FY 2024-25
Estimated ARR for FY 2024-25	1,261.97
Add: Consolidated Revenue Gap / (Surplus) for FY 2022-23	(20.10)
Add: Consolidated Carrying Cost up to FY 2022-23	(0.10)
Estimated Revenue from existing tariff for FY 2024-25	1,231.49
Revenue Gap / (Surplus) in FY 2024-25	10.28

Tariff Proposal for FY 2024-25

- The Projected Revenue Gap of FY 2024-25 on existing tariff for projected sale of 2,105.15 MUs would be Rs. 10.28 Cr.
- The Petitioner proposes to continue with the existing tariff for all categories of consumers.

Tariff Schedule of FY 2024-25

- The Petitioner has proposed tariff w.e.f. 1st April, 2024 as below:

Table 5: Tariff schedule for MUL's license area

Sr No	Category	Fixed Charge	Energy charge	
1	Residential	Fixed charge Single phase supply Rs. 30 per month per installation Three phase supply Rs. 45 per month per installation For BPL household consumers Rs. 5 per month per installation	First 250 units	420 Paise/ unit
			Remaining units	470 Paise/ unit
			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 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
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 1) Contract demand up to 500 kVA (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 2) Contract demand above 500 kVA (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) In excess of contract demand 1) Contract demand up to 500 kVA 125 Paise / unit 2) Contract demand above 500 kVA 150 Paise / unit	Contract demand up to 500 kVA	410 Paise/ unit
		B) In excess of contract demand 1) Contract demand up to 500 kVA 125 Paise / unit 2) Contract demand above 500 kVA 150 Paise / unit	Contract demand above 500 kVA	450 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		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:

- 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.

15	GREEN TARIFF	<ul style="list-style-type: none"> Green Tariff of Rs. 1.50/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.
----	---------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------