

BEFORE THE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,

MUMBAI

Filing No. _____

Case No. _____

IN THE MATTER OF:

Petition of Distribution Business of The Tata Power Company Limited under Sections 61, 62 and 64 of the Electricity Act, 2003 read with Regulation 5, 105 and 106 of the MERC (Multi Year Tariff) Regulations, 2019 and directions of the Hon'ble Commission vide order dated 31.03.2023 in Case No. 225 of 2022 seeking approval of the revised tariff for FY 2024-25.

AND

AND IN THE MATTER OF:

The Tata Power Company Limited

...Petitioner

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**WORLD TRADE CENTRE, CENTRE NO.1,
13th FLOOR, CUFFE PARADE, MUMBAI 400005**

Case No.:

AND

The Tata Power Company Limited

Bombay House

24, Homi Mody Street,

Fort, Mumbai 400001

...(Petitioner)

SUMMARY:

The Hon'ble Commission in its MTR Tariff Order for Tata Power-D in Case No 225 of 2022 dated 31st March, 2023 has granted liberty that Tata Power-D may file a revised petition for the 5th year i.e for FY 2024-25. The extract of the Order is as given below:

8.2 TARIFF FILING PETITION OPTION

The Commission notes that the present tariff determination for FY 2023-24 and FY 2024-25 is done after taking into consideration embedded generation on account of transmission constraints and prevailing high power purchase rates in the market. The Commission is of the view that if there is any substantial improvement/reduction in the costs considered by the Commission in the present Order, the Licensee may file revised tariff Petition for the 5th year of the Control Period, i.e., FY 2024-25, in accordance with the Regulation 5 of the MYT Regulations, 2019.

In line with the liberty granted, the Petitioner, under Sections 61, 62 and 64 Of The Electricity Act, 2003 and under the Maharashtra Electricity Regulatory Commission (Transaction Of Business And Fees And Charges) Regulations, 2022, Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 is filing the present Petition seeking approval of this Hon'ble Commission of (i) Truing Up of FY 2022-23, (iv) Provisional Truing-Up of FY 2023-24, (iv) Projections For The Aggregate Revenue Requirement for FY 2024-25 and (v) Proposed Category Wise Tariff for FY 2024-25 for the Distribution Business of The Tata Power Company Limited.

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LIST OF ABBREVIATIONS

| Abbreviation | Description |
|--------------|---|
| A&G | Administrative and General |
| ABR | Average Billing Rate |
| ABT | Availability Based Tariff |
| AEML-D | Adani Electricity Mumbai Limited (erstwhile R-Infra-D) |
| AMR | Automatic Meter Reading |
| APM | Administered Price Mechanism |
| APR | Annual Performance Review |
| ARR | Aggregate Revenue Requirement |
| ATE | Appellate Tribunal for Electricity |
| BEST | Brihanmumbai Electricity Supply & Transport Undertaking |
| BPL | Below Poverty Line |
| CA | Civil Appeal |
| CAGR | Compounded Annual Growth Rate |
| Capex | Capital Expenditure |
| CPD | Coincident Peak Demand |
| CPI | Consumer Price Index |
| CR | Contingency Reserve |
| Crs | Crores |
| CS | Cross Subsidy |
| CSD | Consumer Security Deposit |
| CSR | Corporate Social Responsibility |
| CSS | Cross Subsidy Surcharge |
| CSS | Consumer Sub-station |
| CUF | Capacity Utilisation Factor |

| Abbreviation | Description |
|--------------|--|
| D.L. | Distribution Loss |
| DEEP | Discovery of Efficient Electricity Price |
| DPC | Delayed Payment Charge |
| DPR | Detailed Project Report |
| DSM | Demand Side Management |
| DSM | Deviation Settlement Mechanism |
| EA-2003 | The Electricity Act 2003 |
| EC | Energy Charge |
| ECS | Electronic Clearing System |
| EHT | Extra High Tension |
| FAC | Fuel Adjustment Charge |
| FBSM | Final Balancing and Settlement Mechanism |
| FY | Financial Year |
| G<>T | Generation-Transmission Interface |
| GEC | Gross Energy Consumption |
| GFA | Gross Fixed Assets |
| GoM | Government of Maharashtra |
| H1 | First Half of Financial Year (Period between April to September) |
| H2 | Second Half of Financial Year (Period between October to March) |
| Hon'ble | Honourable |
| HO | Head Office |
| HOSS | Head Office and Support Services |
| HT | High Tension |
| IEX | Indian Energy Exchange |
| InSTS | Intra State Transmission System |
| IoWC | Interest on Working Capital |

| Abbreviation | Description |
|--------------|--|
| kV | kilo Volt |
| kVA | kilo Volt Ampere |
| kVAh | kilo Volt Ampere hours |
| kW | kilo Watt |
| kWh | kilo Watt Hours |
| LA | Licence Area |
| LFI | Load Factor Incentive |
| LT | Low Tension |
| MA | Miscellaneous Application |
| MAT | Minimum Alternate Tax |
| MCGM | Municipal Corporation of Greater Mumbai |
| MCLR | Marginal Cost of Funds based Lending Rate |
| MD | Maximum Demand |
| MERC | Maharashtra Electricity Regulatory Commission |
| MMRCL | Mumbai Metro Rail Corporation Limited |
| MMRDA | Mumbai Metropolitan Region Development Authority Limited. |
| MNRE | Ministry of New and Renewable Energy |
| MoP | Ministry of Power |
| MSEDCL | Maharashtra State Electricity Distribution Company Limited |
| MSPGCL | Maharashtra State Power Generation Company Limited |
| MSETCL | Maharashtra State Electricity Transmission Company Limited |
| MSLDC | Maharashtra State Load Despatch Centre |
| MTR | Mid Term Review |
| MU | Million Units |
| MVA | Mega Volt Ampere |
| MW | Mega Watt |

| Abbreviation | Description |
|--------------|---|
| MYT | Multi Year Tariff |
| NCPD | Non-Coincident Peak Demand |
| NOC | No Objection Certificate |
| O&M | Operation and Maintenance |
| OA | Open Access |
| OLA | Outside Licence Area |
| PF | Power Factor |
| PFI | Power Factor Incentive |
| PLF | Plant Load Factor |
| PLR | Prime Lending Rate |
| PPA | Power Purchase Agreement |
| PSCC | Power System Control Centre (erstwhile LCC) |
| PWW | Public Water Works |
| R&M | Repairs and Maintenance |
| R-Infra | Reliance Infrastructure |
| RAC | Regulatory Asset Charge |
| RE | Renewable Energy |
| REC | Renewable Energy Certificate |
| RLNG | Regassified Liquid Natural Gas |
| RoE | Return on Equity |
| RPO | Renewable Purchase Obligation |
| Rs. | Rupees |
| RTC | Round the clock |
| SAIDI | System Average Interruption Duration Index |
| SBI | State Bank of India |
| SoC | Schedule of Charges |

| Abbreviation | Description |
|----------------|---|
| SRA | Slum Rehabilitation Authority |
| SS | Support Services |
| STU | State Transmission Utility |
| T<>D | Transmission-Distribution Interface |
| T.L. | Transmission Loss |
| T.O. | Tariff Order |
| ToD | Time of Day |
| Tata Power | The Tata Power Company Limited |
| Tata Power – D | Distribution Business of The Tata Power Company Limited |
| Tata Power – G | Generation Business of The Tata Power Company Limited |
| WPI | Wholesale Price Index |

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1 INTRODUCTION AND APPROACH TO THE PRESENT PETITION

1.1 Historical Perspective

1. The Tata Power Company Limited (herein after referred to as “Tata Power”) is a Company established in 1919. On 1st April, 2000, The Tata Hydro-Electric Power Supply Company Limited (established in 1910) and The Andhra Valley Power Supply Company Limited (established in 1916) were merged into Tata Power, to form one unified entity. Consequent to the merger, the licences of the above mentioned companies were also merged and Tata Power was granted a licence by the Government of Maharashtra (GoM). Further, the Government of Maharashtra vide its Notification No. LTT 6789/C.R.-1459 (iv)/ NRG-2 dated 14th June, 1991, extended the validity period of the above licensees up to 15th August, 2014.
2. Thereafter, the Hon’ble Commission on 20th August 2008, issued “Specific Conditions for Licence to the Distribution Business of Tata Power (hereinafter referred to as “Tata Power – D”), which inter-alia specify that the term of the licence would be till 15th August, 2014.
3. The Hon’ble Commission, based on the application of Tata Power-D for the grant of Distribution Licence in Mumbai City, Part of Mumbai Suburban Area and Mira Bhayandar Municipal Corporation, in Case No. 90 of 2014 granted a Distribution Licence to Tata Power (**Distribution Licence No. 1 of 2014**) for a period of 25 years. The extract of the Order is given below:

7.1.7 The Commission, therefore, in exercise of the power vested in the Commission under Section 14 of the 2003 Act, grants Distribution Licence to TPC to supply electricity in the proposed area of supply for a period of 25 years from August 16, 2014.
4. Further, the Hon’ble Commission issued Distribution Licence No. 1 of 2014 to Tata Power-D on 14th August, 2014. The salient features of the Licence are reproduced below:

This Licence may be called the Distribution Licence for The Tata Power Company Ltd. (Distribution Licence No. 1 of 2014)

...

3.1 The Licence authorises the Distribution Licensee to distribute electricity in the entire Mumbai District, part of Mumbai Suburban District and entire Mira Bhayandar Municipal Corporation.

...

4.1 The Licence shall come into force from the 16th day of August, 2014 and unless revoked earlier by the Commission in accordance with the provisions of the Electricity Act, 2003, shall remain in force upto 15th August, 2039, i.e. for the period specified under sub-section 8 of Section 15 of the Electricity Act, 2003.

5. In view of the above, Tata Power-D continues to operate as a Distribution Licensee during the Period under consideration in this Petition .

1.1 Distribution Business in Mumbai Area

6. Tata Power-D provides power supply to consumers in its Licence Area (LA) under various categories of industrial, commercial, residential including Slum Rehabilitation Authority (SRA) schemes and other categories as approved by Hon'ble Commission through their Tariff Orders.
7. Further, there are certain features associated with the Distribution Business of Tata Power which are listed below:
8. The Distribution Licence area of Tata Power-D is common with two other Distribution Licensees in Mumbai: (i) Tata Power-D and Brihanmumbai Electricity Supply and Transport Undertaking (BEST) have Distribution Licence in Mumbai City Area and (ii) Tata Power-D and Adani Electricity Mumbai Limited (AEML – erstwhile R-Infra-D) have Distribution Licence in Mumbai Suburban Area and area under Mira Bhayander Municipal Corporation.

9. Basis the various Orders/Judgments in the past, Tata Power-D has two types of consumers:
- Direct Consumers:** Consumers who are supplied using Tata Power-D's network i.e. Tata Power is both the "Wheeling Licensee" and the "Supply Licensee" to these consumers
 - Changeover Consumers:** Consumers who are supplied using network of other Distribution Licensee, i.e. Tata Power-D is only the "Supply Licensee" to these consumers

1.2 Tariff related Petitions of the Past

10. Pursuant to the enactment of the Electricity Act, 2003 (EA-2003), Tata Power-D is required to submit its Aggregate Revenue Requirement (ARR) and Tariff Petitions as per procedures outlined in Sections 61, 62 and 64, of EA-2003, and the governing Regulations thereof. A summary of the various filings over the years has been provided in the Table below:

Table 1-1: Details of Various Filings as per Tariff / MYT Regulations

| Sr. No. | Brief Details of Filing | Case No. | Date of Order |
|---------|--|-------------|---|
| 1 | MYT Tariff Petition for FY 2007-08 to FY 2009-10 Clarificatory Order in Case No. 70 of 2006 | 70 of 2006 | 30th April, 2007 7th September, 2007 |
| 2 | Annual Performance Review for FY 2007-08 and Petition for Tariff Determination for FY 2008-09 Errata and Corrigendum | 69 of 2007 | 4th June, 2008 |
| 3 | APR for FY 2008-09 Clarificatory Order in Case No. 113 of 2008 | 113 of 2008 | 15th June, 2009 22nd July, 2009 |
| 4 | APR for FY 2009-10 | 98 of 2009 | 12th September, 2010 |
| 5 | APR for FY 2010-11 | 104 of 2011 | 15th February, 2012 |
| 6 | Business Plan | 165 of 2011 | 26th August, 2012 |
| 7 | MYT Petition for Second Control Period | 179 of 2011 | 28th June, 2013 |
| 8 | MTR Petition for Second Control Period | 18 of 2015 | 26 th June, 2015 |
| 9 | MYT Petition for Third Control Period | 47 of 2016 | 21 st October, 2016 |
| 10 | MTR Petition for Third Control Period | 69 of 2018 | 12 th September, 2018 |
| 11 | MYT Petition for Fourth Control Period and Corrigendum | 326 of 2019 | 30 th March, 2020 |

11. Further, certain Review Petitions / Appeals have been filed against the ARR Orders of the Distribution Business listed above. The summary of the Review Petitions / Appeals filed and their status is provided in the Table below:

Table 1-2: Details of Review Petitions / Appeals against Tariff Orders in the past

| Sr. No. | Brief Details of Filing | Case No. | Date of Order |
|---------|--|--------------|----------------------------------|
| 1 | MYT Tariff Petition for FY 2007-08 to FY 2009-10 | 70 of 2006 | 30th April, 2006 |
| | Clarificatory Order in Case No. 70 of 2006 | | 7th September, 2007 |
| | Appeal in ATE | 51 of 2007 | 7th April, 2008 |
| 2 | APR for FY 2007-08 | 69 of 2007 | 4th June, 2008 |
| | Appeal in ATE | 139 of 2008 | 15th July, 2009 |
| 3 | APR for FY 2008-09 | 113 of 2008 | 15th June, 2009 |
| | Clarificatory Order in Case No. 113 of 2008 | | 22nd July, 2009 |
| | Appeal in ATE | 175 of 2009 | 14th February, 2011 |
| 4 | APR for FY 2009-10 | 98 of 2009 | 12th September, 2010 |
| | Appeal in ATE | 19 of 2011 | 31st August, 2012 |
| 5 | APR for FY 2010-11 | 104 of 2011 | 15th February, 2012 |
| | Appeal in ATE | 104 of 2012 | 28th November, 2013 |
| 6 | Business Plan | 165 of 2011 | 26th August, 2012 |
| | Appeal in ATE | 183 of 2012 | 28th November, 2013 |
| 7 | MYT Petition for Second Control Period | 179 of 2011 | 28th June, 2013 |
| | Review Petition | 99 of 2013 | 16th June, 2014 |
| | Review Petition | 157 of 2014 | 23rd December, 2014 |
| | Appeal in ATE | 244 of 2013 | 28th November, 2014 |
| 8 | MTR Petition for Second Control Period | 18 of 2015 | 26 th June, 2015 |
| | Appeal in ATE | 245 of 2015 | 5 th April 2019 |
| | Civil Appeal | 5732 of 2019 | Hearings in progress |
| 9 | MYT Petition for Third Control Period | 47 of 2016 | 21 st October, 2016 |
| | Review Petition | 165 of 2016 | 22nd November, 2017 |
| | Appeal in ATE | 58 of 2018 | 20 th October 2020 |
| | Miscellaneous Application | 5 of 2021 | 26 th April 2021 |
| 10 | MTR Petition for Third Control Period | 69 of 2018 | 12 th September, 2018 |
| | Review Petition | 319 of 2018 | 3 rd December 2018 |
| | Appeal in ATE | 281 of 2019 | Hearings in progress |
| 11 | MYT Petition for Forth Control Period | 326 of 2019 | 30th March, 2020 |
| | Review Petition | 96 of 2020 | 1 st July, 2020 |
| | Appeal in ATE | 134 of 2021 | Hearings in progress |
| 12 | MTR petition for Fourth Control Period | 225 of 2022 | 31 st March 2023 |
| | Review Petition | 76 of 2023 | Petition withdrawn |
| | Appeal in ATE | 369 of 2023 | Hearings in progress |

1.3 History of the relevant Petitions

1. Mid-Term Performance Review for the MYT Second Control Period (FY 2011-12 to FY 2015-16)

12. As per the MYT Regulations, 2011, Tata Power –D was required to file a Mid Term Review (MTR) for Truing up of FY 2012-13 and FY 2013-14, performance review of FY 2014-15 and projections FY 2015-16. In the said petition, the performance was reviewed in comparison with the approved parameters by the Hon'ble Commission in Case No. 179 of 2011.
13. The Hon'ble Commission passed an Order regarding the MTR Petition for the MYT Second Control Period from FY 2011-12 to FY 2015-16 on 26th June, 2015 in Case No. 18 of 2015. In the said order, in addition to the Truing Up of FY 2012-13 and FY 2013-

14, the Hon'ble Commission approved the impact of various judgments of the Hon'ble ATE i.e. impact of the judgment in Appeal No. 104 of 2012 dated 28th November, 2013, judgment in Appeal No. 244 of 2013 dated 28th November, 2014, judgment in Appeal No. 183 of 2012 dated 28th November, 2013, judgment in Appeal Nos. 246 and 229 of 2012 dated 28th November, 2014 and judgment in Appeal No. 331 of 2013 dated 26th November, 2014. Further, the Hon'ble Commission had approved the net ARR for FY 2015-16 after considering the Truing-up of ARR for FY 2012-13, FY 2013-14 and Provisional Truing-up of FY 2014-15 and revised projections for FY 2015-16.

14. In view of the above MTR Order in Case No. 18 of 2015, Tata Power-D had filed an Appeal No. 245 of 2015 with the Hon'ble ATE against certain disallowances. The Hon'ble ATE passed a judgment in this matter on 5th April, 2019.
15. Aggrieved by this judgment of the Hon'ble ATE, Tata Power-D has filed a Civil Appeal (CA) with the Hon'ble Supreme Court of India in CA No. 5732 of 2019. The matter is in progress and the next date of hearing is 22.11.2022. Tata Power-D will accordingly include/consider the impact of the outcome of the said CA in subsequent submissions.

2. MYT Petition for the Third Control Period (FY 2016-17 to FY 2019-20)

16. The Hon'ble Commission had issued MERC (Multi-Year Tariff Regulations), 2015 dated 8th December, 2015 (hereinafter called "MYT Regulations, 2015") for the Third Control Period starting from April 1st, 2016 to March 31st, 2020 (FY 2016-17 to FY 2019-20).
17. As per the MYT Regulations, 2015, Tata Power –D was required to file a Petition for Truing-up of FY 2014-15, performance review of FY 2015-16 and Approval of ARR and Tariff determination for the Third MYT Control Period FY 2016-17 to FY 2019-20. In the said petition, the performance was reviewed in comparison with the approved parameters by the Hon'ble Commission in its MTR Tariff Order in Case No. 18 of 2015 dated 26th June 2015.
18. The Hon'ble Commission had passed an Order for the above mentioned petition on 21st October, 2016 in Case No. 47 of 2016 which included the Truing Up of FY 2014-15 and Provisional Truing Up of FY 2015-16 as per MYT Regulations, 2011.

19. Tata Power-D had filed a Review petition in Case No. 165 of 2016 on certain issues not considered by the Hon'ble Commission in the above mentioned Tariff Order. The Hon'ble Commission issued their Order in this matter on 22nd November, 2017. The impact of this Order was considered in the subsequent MTR petition in Case No. 69 of 2018.
20. Tata Power-D had further, filed an Appeal with the Hon'ble ATE against certain issues not considered by the Hon'ble Commission in the Order in Review Petition in Appeal No. 58 of 2018. The Hon'ble ATE has issued the judgement on 20th October, 2020 in the said appeal and set aside the Impugned Order to the extent of disallowance of appropriate depreciation rates for retail supply business for FY 2014-15 and remanded the matter to the Commission for passing consequential Order within 3 months. The Hon'ble APTEL had directed the Hon'ble Commission to undertake fresh computation of depreciation amount based on requisite data and details to be furnished by Tata Power-D.
21. In view of above, Tata Power-D had filed the MA 5 of 2021 with requisite data. After due analysis, the Hon'ble Commission has issued the order on 26th April, 2021 and allowed MA No. 5 of 2021 and directed the Tata Power-D to claim the impact of the order along with the carrying cost at the time of Mid Term Review Petition. The same had been considered in the Mid Term Review Petition in Case No. 225 of 2022..
3. **Mid Term Review Petition for the Third Control Period (FY 2016-17 to FY 2019-20)**
22. In line with the MYT Regulations, 2015, Tata Power-D had filed MTR Petition for (i) Truing-up of FY 2015-16 as per MYT Regulations, 2011, (ii) Truing Up for FY 2016-17 under MYT Regulations, 2015 and its first amendment notified on 29th November, 2017, (iii) Provisional truing up for FY 2017-18 as per MYT Regulations, 2015 and its first amendment as mentioned above. (iv) Revised projections for ARR for the period FY 2018-19 to FY 2019-20 under the MYT Regulations, 2015 and its first amendment, (iv) Revenue from the Sale of Power at existing Tariffs and charges and projected Revenue (Gap)/Surplus for each year of the Control Period and (v) Proposed Category-wise revised Tariffs for FY 2018-19 and FY 2019-20.

23. The Hon'ble Commission had passed their Order in the above mentioned matter on 12th September, 2018 in Case No. 69 of 2018 which included Truing Up of FY 2015-16, Truing Up of FY 2016-17, Provisional Truing Up of FY 2017-18 and revised projections of ARR for FY 2018-19 and FY 2019-20.
24. Tata Power-D had filed a Review petition in Case No. 319 of 2018 on certain issues (elaborated in subsequent paragraphs) not considered by the Hon'ble Commission in the above mentioned Tariff Order. The Hon'ble Commission issued their Order in this matter on 3rd December, 2018.
25. Tata Power-D has further, filed an Appeal with the Hon'ble ATE against certain issues (elaborated in subsequent paragraphs) not considered in the MTR Order / Review Petition Order by the Hon'ble Commission in Appeal No. 282 of 2019. The said Appeal is sub-judice and Tata Power-D will consider the impact of the outcome of this judgment in the next Tariff filings.
26. Further, Tata Power-D had filed a Review Petition in Case No. 94 of 2019 on a certain issue (elaborated in subsequent paragraphs) not considered by the Hon'ble Commission in the MTR Order in Case No. 69 of 2018. The Hon'ble Commission issued their Order in this matter on 23rd July, 2019. There is no financial impact of this Order. The CSS (Rs./kWh) of some categories got revised, which we implemented in the billing and the same is reflected in the revenue collected.

4. MYT Petition for the Fourth Control Period (FY 2020-21 to FY 2024-25)

27. The Hon'ble Commission had issued MERC (Multi-Year Tariff Regulations), 2019 dated 1st August, 2019 (herein after referred to as "MYT Regulations, 2019") for the fourth MYT Control Period from FY 2020-21 to FY 2024-25.
28. As per the Regulation 5.1 of the MYT Regulations 2019, Tata Power-D was required to file a petition for (i) Truing-up for FY 2017-18 (ii) Truing-up for FY 2018-19 (iii) Provisional Truing-up for FY 2019-20 under the MYT Regulations, 2015 and (iv) ARR and Tariff Proposal for each year of the Fourth Control Period i.e. the period from FY 2020-21 to FY 2024-25 under the MYT Regulations, 2019. Accordingly, Tata Power-D

filed a petition before this Hon'ble Commission, i.e., Case No. 326 of 2019. In the said petition, Tata Power-D performance was reviewed in comparison with the approved parameters issued by the Hon'ble Commission in its MTR Tariff Order in Case No. 69 of 2018 dated 12th September 2018.

29. The Hon'ble Commission thereafter passed its Order dated 30th March, 2020 in Case No. 326 of 2019.
30. Further, Tata Power-D had filed a Review petition in Case No. 96 of 2020 on certain issues (elaborated in subsequent paragraphs). The Hon'ble Commission issued its Order in the said Review Petition on 1st July, 2020. It is submitted that the impact of the said Order had been considered in the Mid Term Review Petition in Case No. 225 of 2022..
31. Tata Power-D had further, filed an Appeal bearing No. 134 of 2021 with the Hon'ble ATE against certain issues not considered by the Hon'ble Commission in the Order dated 30.03.2020 as well as in the Review Petition. The said Appeal is in progress. Tata Power-D will consider the impact of the outcome of this judgment in the next Tariff filings.

5. MTR Petition for the Fourth Control Period (FY 2020-21 to FY 2024-25)

32. In line with the MYT Regulations, 2019, Tata Power-D had filed MTR Petition for (i) Truing-up of FY 2019-20 as per MYT Regulations, 2015, (ii) Truing Up for FY 2020-21 and FY 2021-22 under MYT Regulations, 2019 (iii) Provisional truing up for FY 2022-23 as per MYT Regulations, 2019 (iv) Revised projections for ARR for the period FY 2023-24 & FY 2024-25 under the MYT Regulations, 2019, (iv) Revenue from the Sale of Power at existing Tariffs and charges and projected Revenue (Gap) / Surplus for FY 2023-24 & FY 2024-25 and (v) Proposed Category-wise revised Tariffs for FY 2023-24 & FY 2024-25. The said Petition was numbered as Case No. 225 of 2022
33. This Hon'ble Commission had passed their Order in the above mentioned matter on 31st March, 2023 in Case No. 225 of 2022.

34. Tata Power-D has filed a Review petition being, Case No. 76 of 2023 on certain issues. However, the same was subsequently withdrawn by Tata Power-D, before it was listed for hearing.
35. Tata Power-D has also filed an Appeal bearing No. 369 of 2023 before the Hon'ble ATE being aggrieved on certain issues which were not considered by this Hon'ble Commission in the Order dated 31.03.2023 in Case No. 225 of 2022. The said Appeal is pending consideration before the Hon'ble ATE. Tata Power-D will consider the impact of the outcome of the judgment in the said Appeal in the present proceedings or in its next Tariff filings.

6. Filing under Present MTR Petition

36. The Hon'ble Commission in the MTR order in Case No. 225 of 2022 has granted liberty that Tata Power-D may file a revised petition for the 5th year i.e., for FY 2024-25, in accordance with the Regulation 5 of the MYT Regulations, 2019.
37. Accordingly, the present petition is being filed with the detailed submission of the actual performance of FY 2022-23 in comparison with the approved parameters issued by this Hon'ble Commission in MTR order in Case No. 225 of 2022, dated 31st March, 2023. The said detailed have been presented in **Section 2** of the present Petition. Further, the detailed submissions for the Performance Review for FY 2023-24 in comparison with the approved parameters by this Hon'ble Commission in Case No. 225 of 2022, dated 31st March, 2023 have been presented in **Section 3**. The projections of ARR for FY 2024-25 have been presented in **Section 4**. The detailed submissions regarding recovery of past period and Tariff philosophy and proposal are presented in **Section 5**. The prayers before this Hon'ble Commission are set out in **Section 8**.
38. Tata Power-D has given comparison for FY 2022-23 figures with MTR Tariff Order dated 31st March, 2023 as true up till FY 2022-23 has not been interfered with the Hon'ble APTEL in its Order dated 5th January, 2024 in Appeal no 369 of 2023. Further, the comparison for FY 2023-24 has been shown with MYT Tariff Order dated 30th March, 2020 as tariff presently being levied is as per this Order. For FY 2024-25, the comparison is shown with MTR Tariff Order dated 31st March, 2023 pending

determination of the tariff for this year in present tariff proceedings. It is submitted that the comparisons are only for presentation purposes without prejudice to the rights of Tata Power-D available under any Law, Rules, Regulations or Orders in vogue.

Further, the Hon'ble Commission through its mail dated 21st December, 2023 has raised certain Data Gaps / deficiencies/ additional information required in regard to this Petition for approval of Tariff for FY 2024-25. Tata Power-D has attached detailed responses to these Data Gaps as **Annexure 9**.

1.4 Allocation of Assets and Costs:

39. We wish to submit that although Tata Power carries out various Businesses, the cost and the assets of all such Businesses are maintained separately in its Balance Sheet under separate Division codes and hence, the issue of allocation of such cost of the different Businesses to Mumbai Licence Area does not arise and is not carried out. Costs common to Mumbai Licence Area and Other Business Areas are given below.
40. There are, however, certain departments under the head "Head Office and Support Service" (HOSS) that require allocation between the various Businesses including the Business of Mumbai Licence Area. Such departments and the costs of HOSS have been divided into two parts viz., (i) cost centres that are dedicated to the Mumbai Licence Area called "LA Services" and (ii) cost centres ("HOSS") that are being used by both Mumbai Licence Area and Other Business Areas. The apportionment of costs of HOSS is in the ratio of the operating income of Mumbai Licence Area and Other Business Areas and other appropriate parameters as detailed below.
41. The various Departments in the "LA Services" and "HO Support Services" are shown in the Table below:

Table 1-3: Details of Cost Centres of LA Service and HOSS

| LA Services | | HO - Services | |
|-------------------------|--------------|-------------------------------|-------------|
| Allocation: 100% to LA | Cost Centres | Allocation: To all Businesses | Cost Centre |
| Medical | 1900012001 | Corp Account & MIS | 1900022001 |
| Regulation | 1900012002 | Corp Administration | 1900022002 |
| Corporate Relations | 1900012003 | Garage/Transp Dharavi | 1900022003 |
| Demand Side Management | 1900012005 | BE Group | 1900022004 |
| LA -HR & Admin | 1900012007 | MD's Office | 1900022005 |
| PSCC (LD) | 1900012009 | CFO's Office | 1900022006 |
| Corporate Affairs | 1900012010 | ED (O)'s Office | 1900022007 |
| Civil Construction - MO | 1900012011 | Corp - Taxation | 1900022008 |
| Central Constrn. – MO | 1900012012 | Secretarial / Legal | 1900022009 |
| | | Business Collab | 1900022010 |
| | | Environment | 1900022011 |
| | | Safety | 1900022012 |
| | | Regulations - Delhi | 1900022013 |
| | | Corp Communication | 1900022014 |
| | | Corp HR-Cadre Recrut | 1900022015 |
| | | Chief OM Office | 1900022016 |
| | | Corp Legal | 1900022017 |
| | | Corp Sustainability | 1900022018 |
| | | FCG | 1900022019 |
| | | Contract Management | 1900022021 |
| | | Corp Treasury - TPCL | 1900022022 |
| | | Corp Sourcing Group | 1900022024 |
| | | Estate - HO | 1900022025 |
| | | Corp HR | 1900022026 |
| | | PAYROLL | 1900022027 |
| | | Internal Audit | 1900022028 |
| | | Corp CSR | 1900022029 |
| | | D&IT # CDIO Office | 1900022031 |
| | | SAP Centre of Excell | 1900022033 |
| | | ICT e-Security | 1900022034 |
| | | IT Infra & Non-SAP | 1900022035 |
| | | Corp Commercial | 1900022036 |
| | | BE - Affirmative Act | 1900022037 |
| | | Corporate Security | 1900022038 |
| | | Finance - COE | 1900022040 |

1.5 Allocation of Costs to Basic Areas

42. The summation of the costs of LA Services and allocation of HO Services forms the costs of Head Office (HO) and Support Service (SS) functions (“Functional Areas”) for Mumbai Licence Area. In addition, the cost data is captured by Tata Power across Generation, Transmission, Distribution Wires and Retail Supply.

43. The basis of allocation of the assets and costs of Head Office and Support Services to Generation, Transmission and Distribution functions ("Basic Areas") is as explained below:

Assets and Capital Expenditure: Allocated based on the size of the Business of the Basic Areas as reflected by the Opening Gross Fixed Assets of each of these Basic Areas in each year.

Costs: As the costs vary in nature, relevant assumptions as detailed in the Table below are developed to ensure a fair allocation across the three basic functions:

Table 1-4: Allocation of LA Services and HOSS costs

| Items | Assumption with Rationale |
|-------------------------------------|--|
| Employee Costs | Allocated on the basis of number of employees of each Basic Area. |
| Repairs and Maintenance | Allocated to the Basic Areas on the basis of respective opening balance of Gross Fixed Assets. |
| Administration and General Expenses | Allocated on the basis of total direct A & G expenses of each Basic Area before allocation. |
| Interest and Finance Charges | Allocated based on the principles used for allocating the assets and capital expenditure stated above, i.e. on the basis of opening balance of Gross Fixed Assets. |
| Depreciation | Allocated to the Basic Areas on the basis of respective opening balance of Gross Fixed Assets. |
| Non Tariff Income | Non Tariff Income primarily consists of Income from Statutory Investments, rentals and sale of scrap etc. that are related to the asset base. |
| | As regards the Statutory Investments, the income is on account of the Investment of Contingency Reserves which have been apportioned between Transmission and Distribution Function in the ratio of the Statutory Reserves in the two functions (Not relevant to Generation) |
| | As regards the rest of the income, the same has been allocated on the basis of asset base of the Basic Areas. |

1.6 Interest Rates considered for Recovery of Arrears

44. For the FY 2022-23 to FY 2024-25, the following is the applicable interest rate as per the MYT Regulations, 2019:

"33 Carrying Cost or Holding Cost

The Commission shall allow Carrying Cost or Holding Cost, as the case may be, on the admissible amounts, with simple interest, at the weighted average Base Rate prevailing during the concerned Year, plus 150 basis points."

45. Considering Regulation 33 of the MYT Regulations, 2019, the applicable Interest Rate for FY 2022-23 is presented below:

Table 1-5: Interest Rates for FY 2022-23

| Financial | Date | | Days | Type of Rate | SBI MCLR |
|---|-----------------|-----------|------|--------------|----------|
| Year | From | To | | | % |
| FY 2022-23 | 01-Apr-22 | 14-Apr-22 | 14 | MCLR | 7.00% |
| | 15-Apr-22 | 14-May-22 | 30 | MCLR | 7.10% |
| | 15-May-22 | 14-Jun-22 | 31 | MCLR | 7.20% |
| | 15-Jun-22 | 14-Jul-22 | 30 | MCLR | 7.40% |
| | 15-Jul-22 | 14-Aug-22 | 31 | MCLR | 7.50% |
| | 15-Aug-22 | 14-Oct-22 | 61 | MCLR | 7.70% |
| | 15-Oct-22 | 14-Nov-22 | 31 | MCLR | 7.95% |
| | 15-11-2022 | 14-Dec-22 | 30 | MCLR | 8.05% |
| | 15-12-2022 | 14-Jan-23 | 31 | MCLR | 8.30% |
| | 15-01-2023 | 14-Feb-23 | 31 | MCLR | 8.40% |
| | 15-02-2023 | 31-Mar-23 | 45 | MCLR | 8.50% |
| Base Rate (One Year SBI MCLR) | | | 365 | | 7.80% |
| Add | 150 Basis Point | | | | 1.50% |
| Applicable Interest Rate for FY 2022-23 | | | | | 9.30% |

46. Further, in line with the Regulation 32.2 (b) of the MERC (MYT) Regulations 2019, for the purpose of all the relevant computations for FY 2023-24 & FY 2024-25, the interest rate as per SBI One Year MCLR @ 8.55% as on 30th November, 2023 plus 150 basis points i.e. 10.05% has been considered.
47. Tata Power-D has enclosed Annual Reports for FY 2022-23 as **Annexure 1** to this petition.

2 TRUING UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2022-23

48. This section discusses and presents the actual performance of FY 2022-23 for the Distribution Wires and Retail Supply Business of Tata Power-D taking into consideration the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2019 (“MYT Regulations, 2019”), Mid-term Review (MTR) Tariff Order for Tata Power-D dated 31st March, 2023 in Case No. 225 of 2022 and the principles laid down in various judgments.

2.1 ARR for Distribution Wires and Retail Supply Business

49. As per Regulation 73.1 of the MYT Regulations, 2019 the ARR of the Distribution Wires Business of a Distribution Licensee shall comprise of the following:

- Operation & Maintenance Expenditure
- Depreciation
- Interest on Loan Capital
- Interest on Working Capital
- Interest on deposits from consumers and Distribution System Users
- Provision for Bad and Doubtful Debts
- Contribution to Contingency Reserves
- Return on Equity Capital
- Income Tax

minus

- Non-Tariff Income
- Income from Other Business to the extent specified in MYT Regulations, 2019

50. Further, as per Regulation 81.1 of the MYT Regulations, 2019, the ARR of the Retail Supply Business of a Distribution Licensee shall comprise of the following:

- Cost of own power generation /power purchase expenses
- Inter-State Transmission Charges
- Intra-State Transmission Charges
- MSLDC Fees and Charges
- Operation and Maintenance expenses
- Depreciation
- Interest on Loan Capital
- Interest on Working Capital
- Interest on consumer security deposits
- Provision for Bad and doubtful debts
- Contribution to contingency reserves
- Return on Equity Capital

- Income Tax
- minus
- Non-Tariff income
- Income from Other Business, to the extent specified in MYT Regulations, 2019
- Receipts on account of Cross Subsidy Surcharge
- Receipts on account of Additional Surcharge

51. The ARR for the Period FY 2022-23 for the above-mentioned components for Distribution Wires and Retail Supply Business has been presented in detail in the following paragraphs.

2.2 Energy Requirement for FY 2022-23

2.2.1 Category-wise Sales

52. The actual category-wise sales for FY 2022-23 and a comparison with the approved energy sales for FY 2022-23 as per the MTR Order in Case 225 of 2022 is provided in the Table below:

Table 2-1: Category wise Sales for FY 2022-23

Mus

| Consumer Categories | Approved in the MTR T.O. | | | Actual For FY 2022-23 | | |
|--|--------------------------|-------------|----------|-----------------------|-------------|----------|
| | Direct | Change over | Total | Direct | Change over | Total |
| | | | | | | MU's |
| EHT I: -Industry | 550.00 | | 550.00 | 796.88 | | 796.88 |
| HT I – Industry | 946.61 | | 946.61 | 958.84 | | 958.84 |
| EHT II: - Commercial | 95.00 | | 95.00 | 102.42 | | 102.42 |
| HT II – Commercial | 387.76 | 0.23 | 387.99 | 363.24 | 0.21 | 363.45 |
| HT III: HT-Group Housing Society | 39.75 | | 39.75 | 38.89 | | 38.89 |
| HT IV - Railways Metros & Monorails | 106.67 | | 106.67 | 101.88 | | 101.88 |
| HT IV - Railways (22/33 Kv) | 90.35 | | 90.35 | 82.67 | | 82.67 |
| EHT IV - Railways (Metro/Monorail) | 16.32 | | 16.32 | 19.20 | | 19.20 |
| HT V - Public Services | 175.08 | | 175.08 | 158.86 | | 158.86 |
| HT V (A): Public Service - Government Hospitals & Educational Institutions | 25.00 | | 25.00 | 18.14 | | 18.14 |
| EHT V (B): Public Service - Others | 60.24 | | 60.24 | 59.22 | | 59.22 |
| HT V (B): Public Service - Others | 89.84 | | 89.84 | 81.50 | | 81.50 |
| HT VI: Electric Vehicle Charging Stations | 16.20 | | 16.20 | 15.98 | | 15.98 |
| Sub-total | 2,317.07 | 0.23 | 2,317.30 | 2,536.99 | 0.21 | 2,537.20 |
| LT Category | | | | | | |
| LT I - Residential (BPL) | - | - | - | - | - | - |
| LT I - Residential | 605.10 | 1,435.16 | 2,040.26 | 569.49 | 1,449.90 | 2,019.40 |
| 0-100 | 151.96 | 530.39 | 682.35 | 155.85 | 583.65 | 739.50 |
| 101-300 | 183.96 | 605.96 | 789.92 | 173.09 | 602.10 | 775.20 |
| 301-500 | 82.42 | 183.76 | 266.18 | 69.50 | 161.85 | 231.35 |
| 501 and above | 186.76 | 115.05 | 301.81 | 171.05 | 102.30 | 273.35 |
| LT II - Commercial | 543.33 | 102.79 | 646.12 | 480.91 | 103.78 | 584.69 |
| LT II(A) - Commercial upto 20 kW | 124.73 | 72.96 | 197.69 | 97.92 | 73.75 | 171.67 |
| LT II(B) - Commercial 20 to 50 kW | 81.33 | 13.09 | 94.42 | 72.36 | 13.56 | 85.92 |
| LT II(C) - Commercial > 50 kW | 337.27 | 16.74 | 354.01 | 310.63 | 16.47 | 327.10 |
| LT III (A) - Industrial upto 20 kW | 25.00 | 14.92 | 39.92 | 21.16 | 14.59 | 35.75 |
| LT III (B) - Industrial > 20 kW | 232.89 | 7.97 | 240.86 | 213.25 | 7.41 | 220.65 |
| LT IV- Public Services | 30.13 | 3.05 | 33.18 | 29.57 | 4.28 | 33.85 |
| LT IV (A) - Publ Serv Govt Hosp&Edu Inst | 5.68 | 1.46 | 7.14 | 4.66 | 1.82 | 6.48 |
| LT IV (B) - Public Services Others | 24.46 | 1.59 | 26.05 | 24.91 | 2.46 | 27.37 |
| LT VI: Electric Vehicle Charging Stations | 2.00 | - | 2.00 | 1.34 | 0.02 | 1.35 |
| Sub-total | 1,438.46 | 1,563.89 | 3,002.35 | 1,315.71 | 1,579.98 | 2,895.70 |
| | | | - | | | |
| 15 day | 8.31 | 3.63 | 11.94 | 10.86 | 3.17 | 14.03 |
| Total | 3,763.83 | 1,567.74 | 5,331.57 | 3,863.56 | 1,583.36 | 5,446.93 |

53. The total Sales for FY 2022-23 is **5446.93 MUs** which is higher than the approved sales in the MTR Order.

Tata Power-D requests the Hon'ble Commission to approve the Sales of 5446.93 MUs for FY 2022-23.

2.2.2 Open Access Consumption

54. The open access consumption in the Licence area of Tata Power-D for FY 2022-23 is presented in the Table below:

Table 2-2: Open Access Consumption for FY 2022-23

| MU's | | |
|-----------------------------------|----------------------|---------------|
| Consumer Category | Approved in MTR T.O. | Sale |
| HT Category | | |
| EHV – Industry | 7.00 | 0.00 |
| HT I – Industry | 150.00 | 173.63 |
| HT II – Commercial | 50.00 | 57.49 |
| HT VI(B) - Public Services Others | 0.37 | 1.20 |
| Sub-total | 207.37 | 232.32 |

Tata Power-D requests the Hon'ble Commission to approve the actual open access consumption of 232.32 MUs for FY 2022-23 in Tata Power-D Licence Area.

2.2.3 Distribution Loss

55. The actual Distribution Loss of the Distribution Network of Tata Power-D for FY 2022-23 considering the total input energy at T <> D interface excluding the sale at 110 kV works out to **1.13%**. The computation for the same is shown in the Table below:

Table 2-3: Distribution Loss for FY 2022-23

| MU | | | |
|---|--------------|----------------------|--------------|
| Particulars | Notation | Approved in MTR T.O. | FY 2022-23 |
| Input Energy at Distribution Level | a | 4004.62 | 4135.46 |
| Input Energy at 110 kV voltage | b | 728.56 | 977.10 |
| Net Input Energy at Distribution level Exclu. Sales at 110 kV | d=a-b | 3276.06 | 3158.36 |
| Energy Sales metered at Distribution level | e | 3971.20 | 4095.89 |
| Billed Energy at 110 kV Voltage | f | 728.56 | 977.72 |
| Solar Import metered Units | | | 63.58 |
| Solar Net billed units | | | 60.85 |
| AEML CHO Consumers on Tata Power Wires Consumption | | | 1.88 |
| Net Energy Sales metered at Distribution level excluding energy sales at 110 kV | g=e-f | 3242.64 | 3122.79 |
| Distribution loss (MU) | h=d-g | 33.42 | 35.57 |
| Distribution loss as % of net energy input | i=h/d | 1.02% | 1.13% |

56. The actual Distribution Loss of the Distribution Network of Tata Power-D for FY 2022-23 considering the total input energy at T <> D interface excluding the sale at 110 kV is higher than the normative approved distribution loss on account of addition of new LT network and new consumers in its license area. There is an increasing trend in the number of LT consumer in the Tata Power-D licence area, we request the Hon'ble Commission to approve the Distribution Loss of 1.13% for FY 2022-23 against the

approved loss in MTR petition of 1.02%. Further, considering the lower level of losses and the Mumbai network layout we request the Hon'ble Commission not to consider any Efficiency Gain/ (loss) due Distribution Loss.

2.2.4 Energy Input Requirement

57. The Transmission Loss for FY 2022-23 have been worked out as **3.26%** based on the Grid Transmission Loss statement issued by MSLDC on a monthly basis. Tata Power-D, while considering the Changeover Sales for FY 2022-23 has considered reconciled sales upto May 2022 and Billed sales from June, 2022 to March, 2023 for the purpose of Energy Balance.
58. Tata Power-D has computed the requirement at InSTS excluding the credit given to OA Consumers. The working of the same is given below:

Table 2-4: Energy Balance for FY 2022-23

| | | | <i>MUs</i> |
|---|---------------------|----------------|----------------|
| Particulars | | Approved | FY 2022-23 |
| Tata Power D-Sales (Retail) with 15 days Adjustments | a | 3763.83 | 3863.56 |
| 110 KV Billed Units | b | 728.56 | 977.72 |
| Bill Credit given to OA consumers | c | 207.37 | 232.32 |
| Solar Import metered Units | i | | 63.58 |
| Solar Net billed units | ii | | 60.85 |
| Total Sale excluding 110 KV Sales | d=a-b+c+i-ii | 3242.64 | 3120.90 |
| Distribution Losses | e=(h-d)/h | 1.02% | 1.13% |
| ABT meter readings @ T <> D Interface | f | 3276.06 | 4135.46 |
| 110 KV Sales @ T<>D | g | | 977.10 |
| ABT meter readings without 110 kV sales | i=f-g+h | 3276.06 | 3158.36 |
| OA Wind Credit @ T <>D Interface | j | 209.51 | 209.78 |
| Energy Requirement for Tata Power consumers at T<>D interface | k=i-j | 3066.55 | 2948.58 |
| Sales to Changeover consumers For FBSM Adjustment | l | 1567.74 | 1577.36 |
| Bill Credit given to OA consumers | m | | 0.96 |
| Sales to Changeover consumers after adjusting for OA wind | n=l-m | 1567.74 | 1576.40 |
| Energy Sales at 110/132 kV level | o | 728.56 | 977.10 |
| Total Energy Requirement at T<>D | p=k+n+o | 5362.85 | 5502.08 |
| Transmission Loss | q | 3.18% | 3.26% |
| Total Energy Requirement at G<>T | r=p/(1-q) | 5538.19 | 5687.44 |
| Total Energy Requirement at G<>T as per energy balance settled by SLDC | | | 5605.73 |

59. As seen from the above T<>D data available with Tata Power-D and normative transmission losses for the State, the total requirement for FY 2022-23 works out to

5687.44 Mus. However, based on the DSM bills received from MSLDC the energy requirement for Tata Power-D is **5605.73 Mus**. Tata Power-D has considered the same for RPO purchase and for power purchase requirement.

Tata Power-D requests the Hon’ble Commission to approve the net energy requirement of 5605.73 MUs for FY 2022-23.

2.3 Power Purchase Quantum and Cost for FY 2022-23

60. In this section, Tata Power-D has presented the actual power purchase for FY 2022-23 based on the actual energy input requirement as shown above. The energy requirement of Tata Power-D is met through the following sources:

- (i) Power Purchase from Tata Power-G
- (ii) Power Purchase from Renewable Sources
- (iii) Power Purchase from short term bilateral sources including power exchanges

2.3.1 Power Purchase from Tata Power-G

61. The tie up of Tata Power-D with the various Generating capacities of Tata Power-G for FY 2022-23 has been presented in the Table below:

Table 2-5: Tie up between Tata Power-D and Tata Power-G for FY 2022-23

| Generation Unit | Capacity | Tata Power-D | |
|----------------------------------|-------------|--------------|------------|
| | MW | % | MW |
| Unit 5 | 500 | 48.83% | 244 |
| Unit 7 | 180 | 48.83% | 88 |
| Unit 8 | 250 | 60.00% | 150 |
| Total Thermal Capacity | 930 | | 482 |
| Bhira | 300 | 48.83% | 146 |
| Bhivpuri | 75 | 48.83% | 37 |
| Khopoli | 72 | 48.83% | 35 |
| Total Hydro Capacity | 447 | | 218 |
| Total Generation Capacity | 1377 | | 700 |

62. Based on the approved PPA, the total cost of power purchase from Tata Power-G for FY 2022-23 is provided in the Table below:

Table 2-6: Unit wise Power Purchase from Tata Power-G for FY 2022-23

| Unit | Generation | Variable Charge | Approved Variable Ch. In MTR T.O. | Actual Variable Charge | Approved Fixed Ch. In MTR T.O. | Actual Fixed Charge | Total | Per Unit Cost |
|-------------------|----------------|-----------------|-----------------------------------|------------------------|--------------------------------|---------------------|----------------|---------------|
| | Mus | Rs/kWh | Rs Crores | Rs Crores | Rs Crores | Rs Crores | Rs Crores | Rs/kWh |
| Unit 5 | 1228.35 | 9.31 | 1095.65 | 1143.66 | 189.12 | 189.12 | 1332.78 | 10.85 |
| Unit 7 | 301.36 | 5.73 | 202.83 | 172.60 | 70.76 | 70.76 | 243.36 | 8.08 |
| Unit 8 | 823.11 | 9.30 | 724.18 | 765.86 | 139.03 | 139.03 | 904.89 | 10.99 |
| Bhira | 456.94 | 0.81 | 26.57 | 37.19 | 28.30 | 28.82 | 66.01 | 1.44 |
| Bhivpuri | 162.29 | 1.63 | 17.10 | 26.52 | 18.22 | 18.22 | 44.75 | 2.76 |
| Khopoli | 140.82 | 2.45 | 26.32 | 34.52 | 28.04 | 27.52 | 62.04 | 4.41 |
| Aux power credit | | | | -2.74 | | | -2.74 | |
| Thermal Incentive | | | | | | | 0.00 | |
| Hydro Incentive | | | | | | 7.52 | 7.52 | |
| Total | 3112.87 | 7.00 | 2092.66 | 2177.61 | 473.47 | 481.00 | 2658.61 | 8.54 |

63. The total cost of power purchased from tied up capacity of Tata Power-G for FY 2022-23 is **Rs. 2658.61 Crores**.

Tata Power-D requests the Hon'ble Commission to approve the power purchase cost of Rs. 2658.61 Crores for power procurement from Tata Power-G for FY 2022-23.

2.3.2 Power Purchase from Renewable Energy Sources

64. As per the Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of REC framework) Regulations, 2019 notified on 26th December, 2019 ("RPO REC Regulations, 2019"), every Distribution Licensee is required procure electricity generated from eligible RE sources. Regulation 7.1 of "RPO REC Regulations, 2019" specifies the following with respect to the RPO targets to be met by obligated entities:

7.1 Every Obligated Entity shall procure electricity generated from eligible RE sources to the extent of the percentages, out of its total procurement of electricity from all sources excluding energy from Hydro power in a year, set out in the following Table :—

| Year | Quantum of purchase (in %) from Renewable Energy sources (in terms of energy equivalent in kWh) | | |
|-----------|--|----------------------|--------|
| | Solar | Non-Solar (other RE) | Total |
| | (a) | (b) | (c) |
| 2020-2021 | 4.50% | 11.50% | 16.00% |
| 2021-2022 | 6.00% | 11.50% | 17.50% |
| 2022-2023 | 8.00% | 11.50% | 19.50% |
| 2023-2024 | 10.50% | 11.50% | 22.00% |
| 2024-2025 | 13.50% | 11.50% | 25.00% |

65. Accordingly, the RE procurement by Tata Power-D during FY 2022-23 is provided below:

Table 2-7: Renewable Energy Purchase for FY 2022-23

| | | | | | | | | | Mus | |
|----------------------|--------|---------------------------------|---|-----------------------------------|---|-----------------------------|------------|-------------------------------------|------------------|----------------------|
| Renewable Source | | Total Energy Requirement at G<T | Hydro Power Purchased from Tata Power-G | Hydro Power Purchased through BPP | Energy Requirement @ InSTS to be considered for RPO | % Obligation for FY 2022-23 | Obligation | Previous year (Surplus)/ Short fall | Total RE for RPO | Shortfall/ (Surplus) |
| | | A | B | C | D=A-B-C | 1 | 2 =1 * D | 3 | 4 | 5 = 2+3-4 |
| Non Solar (Other RE) | a | | | | | 11.50% | 519.69 | 162.40 | 343.33 | 338.76 |
| Solar | b | | | | | 8.00% | 361.52 | 39.15 | 795.94 | -395.27 |
| Total | c =a+b | 5605.73 | 760.05 | 326.65 | 4519.02 | 19.50% | 881.21 | 201.55 | 1139.27 | -56.51 |

- Non-Solar RPO Obligation:**

66. As can be seen from the above Table, Tata power-D had purchased **343.33 MUs** from Non-Solar RE Sources. The source wise details of Non Solar Power purchase is as shown in the Table below:

Table 2-8: Source wise Non Solar Power Purchase for FY 2022-23

| Resources | FY 2022-23 | per unit rate | Total Cost |
|---|---------------|---------------|---------------|
| Non Solar Power Purchase | MUs | Rs./kWh | Rs.Crs |
| Visapur 6 MW | 10.49 | 2.75 | 2.88 |
| Visapur 4 MW | 5.09 | 5.45 | 2.77 |
| Visapur (GSW) 24 MW | 30.02 | 5.81 | 17.44 |
| Visapur (GSW) 8 MW | 9.98 | 5.67 | 5.66 |
| Agaswadi | 97.10 | 4.56 | 44.28 |
| RE Bilateral | 39.98 | 3.16 | 12.65 |
| LT Hybrid Wind | 148.25 | 2.59 | 38.40 |
| Biomass (RE Non-Solar) | 0.28 | 9.92 | 0.28 |
| Deemed purchase upto 10% of the actual total generation | 1.36 | 2.65 | 0.36 |
| Unutilised OA banked energy | 0.68 | | 0.00 |
| Units of 2% Banking Charges | 0.087 | | 0.00 |
| Total | 343.33 | | 124.72 |

67. Further, considering the cumulative shortfall of Non-solar power of **162.40 MUs** of previous years and total energy requirement for FY 2022-23 excluding energy from Hydro Power, Tata Power-D has a cumulative shortfall of Non-solar RPO of **338.76 MUs** at the end of FY 2022-23. The cumulative status of fulfilment of Non-solar power till FY 2022-23 is as shown in the table below:

Table 2-9: Cumulative Non-Solar Power Purchase and Shortfall / (Surplus) vis a vis targets

| | | Mus | | | |
|---|---------|--------|--------|--------|---------|
| Particulars (Mus) | | FY 20 | FY 21 | FY 22 | FY 23 |
| Opening | a | -27.44 | -39.02 | 16.31 | 162.40 |
| Non-Solar RPO Target | b | 543.40 | 415.77 | 471.77 | 519.69 |
| Non-Solar RPO met | c | 554.98 | 360.44 | 325.68 | 343.33 |
| Standalone Shortfall/(Surplus) | d=b-c | -11.58 | 55.33 | 146.09 | 176.36 |
| Cumulative Shortfall/(Surplus) | e=a+b-c | -39.02 | 16.31 | 162.40 | 338.76 |
| Surplus Solar available which can be offset against Non-Solar Shortfall | | | | | -395.27 |
| Cumulative Shortfall/(Surplus) after offseting | | | | | -56.51 |

68. With respect to the fulfilment of cumulative RPO compliance, Regulation 12.3 of Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019 states as follows –

“12.3 Any shortfall in meeting the minimum percentage of RE as specified in Regulation 7 may be carried forward from FY 2020-21 and FY 2021-22 to FY 2022-23 and from FY 2023-24 to FY 2024-25 and Obligated Entity shall meet such shortfall on cumulative basis by 31 March 2023 and 31 March 2025, respectively;”

69. It can be seen from the table 2-7 that Tata Power-D has fulfilled the cumulative Solar RPO compliance with surplus of 395.27 Mus. Further, Regulation 7.3 of the aforementioned regulation allows to use surplus Solar Energy upto 15% of total RPO target to meet shortfall in Non-solar RPO target. The relevant regulation is stated as follows:–

7.3 Obligated Entity can use surplus Solar energy upto 15% of total RPO target to meet short fall in non-Solar RPO target and vice-versa ;

Provided that Obligated Entity by providing detailed justification may seek prior approval of the Commission for adjusting more than 15% surplus energy from one category against short fall in other RPO category.

In view of above, we request the Hon’ble Commission to allow Tata Power-D to use surplus solar energy more than 15% to meet cumulative non solar RPO target. So that there will be no shortfall of in Non-Solar RPO target for Tata Power-D. We request the Hon’ble Commission to consider the the same.

- **Solar Power RPO**

70. Tata Power-D has procured **795.94 MUs** through Solar Generation during FY 2022-23 as against the requirement of **400.67 MUs** (cumulative including previous years obligation). Thus, there is a surplus of **395.27 MUs** for FY 2022-23. The source wise details of Solar Power purchase is as shown in the Table below:

Table 2-10: Source wise Solar Power Purchase during FY 2022-23

| Solar Power Purchase | MUs | Rs./kWh | Rs.Crs |
|---|---------------|---------|---------------|
| Mulshi Solar | 3.67 | 17.91 | 6.56 |
| Solar Rooftop | 0.02 | 18.41 | 0.04 |
| Palaswadi Solar | 41.52 | 8.98 | 37.28 |
| LT Hybrid Solar | 343.20 | 2.59 | 88.89 |
| Chhayan Solar | 392.97 | 2.83 | 115.30 |
| RE Bilateral (Solar) | 9.36 | 13.19 | 12.34 |
| Net Metering | 11.91 | 0.00 | 0.00 |
| Deemed purchase upto 10% of the actual total generation | 0.42 | 2.75 | 0.12 |
| Net Metering Solar - Unadjusted Credit at end of Yr | 0.64 | 3.67 | 0.23 |
| Unutilised OA Banked energy | 0.07 | 0.00 | 0.00 |
| Units of 2% Banking Charges | 0.28 | 0.00 | 0.00 |
| RE sold (Solar) | -8.11 | | |
| Total | 795.94 | | 260.77 |

71. Further, the cumulative status of fulfilment of solar power RPO till FY 2022-23 is as shown in the table below:

Table 2-11: Cumulative Solar Power Purchase and Shortfall / (Surplus) vis a vis targets

| | | Mus | | | |
|--|---------|------------|------------|------------|------------|
| Particulars | | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
| Opening | a | -6.84 | 109.02 | 158.15 | 39.15 |
| Solar Target | b | 165.38 | 162.69 | 246.14 | 361.52 |
| Solar RPO met | c | 49.52 | 113.57 | 365.14 | 795.94 |
| Standalone Shortfall/(Surplus) | d=b-c | 115.86 | 49.12 | -119.00 | -434.42 |
| Cumulative Shortfall/(Surplus) | e=a+b-c | 109.02 | 158.15 | 39.15 | -395.27 |
| Cumulative Shortfall of Non Solar RPO | | | | | 338.76 |
| Cumulative Shortfall/(Surplus) after offseting | | | | | -56.51 |

72. Considering the above, the details of the total Power Purchase cost through Renewable Energy Sources by Tata Power-D during the year FY 2022-23 is given in the Table below:

Table 2-12: Total Cost of RE Purchase for FY 2022-23

| Resources | FY 2022-23 | per unit rate | Total Cost |
|---|----------------|---------------|---------------|
| Non Solar Power Purchase | MUs | Rs./kWh | Rs.Crs |
| Visapur 6 MW | 10.49 | 2.75 | 2.88 |
| Visapur 4 MW | 5.09 | 5.45 | 2.77 |
| Visapur (GSW) 24 MW | 30.02 | 5.81 | 17.44 |
| Visapur (GSW) 8 MW | 9.98 | 5.67 | 5.66 |
| Agaswadi | 97.10 | 4.56 | 44.28 |
| RE Bilateral | 39.98 | 3.16 | 12.65 |
| LT Hybrid Wind | 148.25 | 2.59 | 38.40 |
| Biomass (RE Non-Solar) | 0.28 | 9.92 | 0.28 |
| Deemed purchase upto 10% of the actual total generation | 1.36 | 2.65 | 0.36 |
| Unutilised OA banked energy | 0.68 | | 0.00 |
| Units of 2% Banking Charges | 0.087 | | 0.00 |
| Total | 343.33 | | 124.72 |
| Solar Power Purchase | MUs | Rs./kWh | Rs.Crs |
| Mulshi Solar | 3.67 | 17.91 | 6.56 |
| Solar Rooftop | 0.02 | 18.41 | 0.04 |
| Palaswadi Solar | 41.52 | 8.98 | 37.28 |
| LT Hybrid Solar | 343.20 | 2.59 | 88.89 |
| Chhayan Solar | 392.97 | 2.83 | 115.30 |
| RE Bilateral (Solar) | 9.36 | 13.19 | 12.34 |
| Net Metering | 11.91 | 0.00 | 0.00 |
| Deemed purchase upto 10% of the actual total generation | 0.42 | 2.75 | 0.12 |
| Net Metering Solar - Unadjusted Credit at end of Yr | 0.64 | 3.67 | 0.23 |
| Unutilised OA Banked energy | 0.07 | 0.00 | 0.00 |
| Units of 2% Banking Charges | 0.28 | 0.00 | 0.00 |
| RE sold (Solar) | -8.11 | | |
| Total | 795.94 | | 260.77 |
| Total Renewable Power Purchase | 1139.27 | | 385.49 |

Tata Power-D requests the Hon'ble Commission to approve the power purchase cost of Rs. 385.49 Crores for power procurement from RE sources for FY 2022-23.

2.3.3 Power Purchase from Bilateral Sources, Standby and Imbalance Pool

73. Tata Power-D has met the balance power requirement through bilateral power purchase and purchase from Imbalance pool under the FBSM mechanism. In addition, certain energy was procured through the standby arrangement with MSEDCL.

74. Tata Power-D has purchased **1363.11 MUs** power through bilateral arrangements at an average rate of **Rs. 5.67 per kWh** for the year FY 2022-23. In addition, Tata Power-D has purchased **1.25 MUs** at **Rs. 11.09 per kWh** through the Standby arrangement with MSEDCL.
75. Further, Tata Power-D has considered purchase of **28.93 MUs** at an average rate of **Rs. 5.43 per kWh** to the tune of Rs 15.70 Crores from the Imbalance Pool in FY 2022-23 on provisional basis and will consider the impact, if any, on the basis of FBSM Bills issued by MSLDC for FY 2022-23.
76. The breakup of Bilateral Power Purchase, Standby Power Purchase and purchase from imbalance pool is shown in the Table below:

Table 2-13: Power Purchase from External Sources during FY 2022-23

| Particulars | MUS | Rs/kWh | Rs Cr |
|---------------------------------------|----------------|-------------|---------------|
| Bilateral Power Purchase | 1363.11 | 5.67 | 772.95 |
| Power Purchase through imbalance pool | 28.93 | 5.43 | 15.70 |
| Standby Power Purchase | 1.25 | 11.09 | 1.39 |
| Total | 1393.29 | 5.67 | 790.04 |

77. It is submitted that Tata Power-D has procured bilateral power through the DEEP Portal, Power Exchanges and short term power purchase linked to day ahead IEX rates. The Bills of month wise short term power purchase by Tata Power – D is attached as **Annexure 2** to this submission.

Tata Power-D requests the Hon'ble Commission to approve the power purchase cost of Rs. 790.04 Crores for power procurement from bilateral sources, standby and imbalance pool for FY 2022-23.

2.3.4 Sale Outside Licence Area

78. Tata Power-D has sold surplus energy of **34.78 MUs** during FY 2022-23. The revenue earned from sale of surplus power to Outside Licence Area has been utilized to reduce

the total cost of power purchase. The month wise sale details are provided in the Table below:

Table 2-14: Sale Outside Licence Area for FY 2022-23

| Month | Mus | Rs/kWh | Rs Crores |
|--------------|--------------|-------------|--------------|
| Apr-22 | 1.70 | 10.31 | 1.76 |
| May-22 | 0.24 | 9.78 | 0.24 |
| Jun-22 | 0.43 | 11.27 | 0.48 |
| Jul-22 | 0.42 | 7.60 | 0.32 |
| Aug-22 | 1.33 | 9.80 | 1.30 |
| Sep-22 | 1.59 | 7.25 | 1.15 |
| Oct-22 | 2.60 | 3.39 | 0.88 |
| Nov-22 | 1.00 | 4.12 | 0.41 |
| Dec-22 | 4.02 | 7.91 | 3.18 |
| Jan-23 | 13.27 | 9.87 | 13.10 |
| Feb-23 | 6.20 | 9.07 | 5.62 |
| Mar-23 | 1.99 | 6.03 | 1.20 |
| Total | 34.78 | 8.52 | 29.64 |

79. As seen from the above, the total sale outside Licence Area for FY 2022-23 is **34.78 MUs** at an average rate of **Rs. 8.52/kWh** amounting to **Rs. 29.64 Crores**.

Tata Power-D requests the Hon'ble Commission to approve the sale of 34.78 MUs outside Licence Area at an average rate of Rs. 8.52 per kWh for FY 2022-23.

2.3.5 Other Charges for Power Purchase

(i) Transmission and MSLDC Charges

80. Tata Power-D has paid the Transmission Charges of **Rs. 260.02 Crores** and **Rs. 1.27 Crores** towards MSLDC charges during FY 2022-23 as per Order in Case No. 225 of 2022 dated 31st March, 2023.

Table 2-15: Transmission Charges and MSLDC Charges paid during FY 2022-23

Rs Crores

| Particulars | Approved Rs.Crs | Tata Power-D Rs.Crs |
|----------------------------------|--------------------|------------------------|
| Transmission Charges | 259.13 | 260.02 |
| MSLDC Charges | 1.28 | 1.27 |
| Total Power Purchase cost | 260.41 | 261.29 |

(ii) Standby Charges

81. Tata Power-D has paid **Rs. 99.46 Crores** towards Standby Charges for FY 2022-23.

(iii) Wheeling Charges and CSS payable to AEML-D

82. Tata Power-D has paid **Rs. 212.68 Crores** towards Wheeling Charges and **Rs. 144.72 Crores** towards CSS to AEML-D during the year FY 2022-23 for changeover consumers.

The Charges paid to AEML-D are shown in the Table below:

Table 2-16: Various Charges paid to AEML-D during FY 2022-23

| Charges payable to AEML-D | Rs Crores |
|------------------------------|---------------|
| Wheeling Charges | 212.68 |
| CSS Charges | 144.72 |
| Total Charges payable | 357.40 |

83. For the purpose of computation of ARR, the above charges have not been considered by Tata Power –D, as these are collected and paid to AEML-D.

2.3.6 Total Power Purchase Cost of Tata Power-D

84. The summary of the actual Power Purchase Cost for Tata Power-D for FY 2022-23 is given in the Table below:

Table 2-17: Power Purchase Cost for FY 2022-23

| Power Purchase for FY 2022-23 | Approved in the MTR Tariff Order | | | Tata Power-D Actual | | |
|----------------------------------|----------------------------------|-------------|----------------|---------------------|-------------|----------------|
| Source | Mus | Rs/kWh | Rs Cr | Mus | Rs/kWh | Rs Cr |
| Power Purchase from Tata Power-G | 3162.10 | 8.12 | 2566.13 | 3112.87 | 8.54 | 2658.61 |
| RE Purchase | 1135.19 | 3.35 | 380.65 | 1134.35 | 3.40 | 385.49 |
| Bilateral & UI Purchase | 1246.55 | 6.06 | 755.74 | 1392.04 | 5.67 | 788.65 |
| OLA Sale | -5.71 | 9.19 | -5.24 | -34.78 | 8.52 | -29.64 |
| MSLDC Charges | - | - | 1.28 | | | 1.27 |
| Standby Charges | 0.86 | - | 100.40 | 1.25 | | 100.85 |
| Transmission Charges | - | - | 259.13 | | | 260.02 |
| Total Power Purchase cost | 5539.16 | 7.33 | 4058.09 | 5605.73 | 7.43 | 4165.25 |

85. The total Power Purchase Cost for FY 2022-23 for Tata Power-D is **Rs. 4165.25 Crores** against the approved cost of **Rs. 4058.09 Crores** in the MTR Order. Tata Power-D considers the Revenue from outside licence area and UI power sale as reduction in the power purchase cost but in audited accounting statement the same is considered as a part of revenue. To show this Tata Power-D has submitted Allocation Statement, P & L statement and its Reconciliation for the same as **Annexure 3 to Annexure 5**.

Tata Power-D requests the Hon'ble Commission to approve the power purchase cost of Rs. 4165.25 Crores for FY 2022-23.

2.4 Operation and Maintenance Expenditure

2.4.1 Normative O&M expenses for FY 2022-23

86. Tata Power-D has computed the normative O&M expenses based on the MYT Regulations, 2019. The relevant extract of the MYT Regulation is reproduced below:

75.3

Provided that, in the Truing-up of the O&M expenses for any particular year of the Control Period, an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years (including the year of Truing-up) and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers (all-India) of the respective past five financial years (including the year of Truing-up), as reduced by an

efficiency factor of 1% or as may be stipulated by the Commission from time to time, shall be applied to arrive at the permissible Operation and Maintenance Expenses for that year:

Provided further that the efficiency factor shall be considered as zero, in case there is an increase in the number of consumers including Open Access consumers connected to the Distribution Wires of at least 2 percent annually over the last 3 years:

Provided also that in case such increase in the number of consumers is lower than 2 percent annually over the last 3 years, then the reduction in efficiency factor shall be considered in proportion to the percentage growth in the number of consumers.

87. Considering the above, the annual increase in the number of consumers connected to the Distribution Wires of Tata Power-D is as shown in the Table below:

Table 2-18: Increase in number of Consumers on Distribution Wires of Tata Power-D

| Particulars | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | Increase in the number of consumers (CAGR of last 3 Years) | Efficiency Factor |
|------------------|------------|------------|------------|------------|--|-------------------|
| No. of Consumers | 138182 | 152884 | 163203 | 179291 | | |
| % Increase | | 10.64% | 6.75% | 9.86% | 9.07% | 0.00% |

88. As can be seen from the above Table, the increase in number of consumers for the Distribution Wires Business of Tata Power-D is more than 2%. Hence, the efficiency Factor applicable while arriving at revised Normative O&M expenditure for Distribution Wires Business of Tata Power-D for FY 2022-23 is zero.
89. Similarly, the relevant regulation related to Efficiency Factor for Retail Supply Business is as follows:

84.3

...

Provided further that the efficiency factor shall be considered as zero, in case there is an increase in the number of consumers including Open Access consumers of at least 2 percent annually over the last 3 years:

Provided also that in case such increase in the number of consumers is lower than 2 percent annually over the last 3 years, then the reduction in efficiency factor shall be considered in proportion to the percentage growth in the number of consumers.

90. Considering the above, the annual increase in the number of consumers in the Retail Supply Business of Tata Power-D is as shown in the Table below:

Table 2-19: Increase in number of Consumers in Retail Supply Business of Tata Power-D

| Particulars | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | Increase in the number of consumers (CAGR of last 3 Years) | Efficiency Factor |
|------------------|------------|------------|------------|------------|--|-------------------|
| No. of Consumers | 700990 | 719998 | 729328 | 742098 | | |
| % Increase | | 2.71% | 1.30% | 1.75% | 1.92% | 4.11% |

91. As can be seen from the above Table, the year-on-year increase in number of consumers for the Retail Supply Business of Tata Power-D is less than 2% from the year FY 2020-21 onwards. In this regard Tata Power-D wish to submit that in case of Supply Business of Tata Power-D consist of i) Direct Consumers ii) Changeover Consumers. The intent of introduction of efficiency factor is to recognise the performance of the distribution utility in increasing the consumer base of its Distribution business. However, it is pertinent to note that the addition of changeover consumers is totally depends on the external factors and tariff approved by the Hon'ble Commission for two parallel distribution Licensees. The same can be visible by comparing two consumer base separately as shown in the table below.

Table 2-20: Increase in number of Changeover Consumers of Tata Power-D

| Particulars | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | Increase in the number of consumers (CAGR of last 3 Years) | Efficiency Factor |
|------------------------------|------------|------------|------------|------------|--|-------------------|
| No. of Change over Consumers | 562808 | 567114 | 566125 | 562807 | | |
| % Increase | | 0.77% | -0.17% | -0.59% | -0.0001% | 0.00% |

Table 2-21: Increase in number of Direct Consumers of Tata Power-D

| Particulars | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | Increase in the number of consumers (CAGR of last 3 Years) | Efficiency Factor |
|------------------|------------|------------|------------|------------|--|-------------------|
| No. of Consumers | 138182 | 152884 | 163203 | 179291 | | |
| % Increase | | 10.64% | 6.75% | 9.86% | 9.07% | 0.00% |

92. As can be seen from the above the year-on-year growth in case of changeover consumers is in the range of -0.17% to 0.77% while growth in case of direct consumers is in the range of 6.75% to 10.64%.

93. In view of the above, we request the Hon'ble Commission to consider the consumer growth of 9.07% of direct consumers only for determining efficiency factor applicable while arriving at revised Normative O&M expenditure for Retail Supply Business of Tata Power-D. Based on the same efficiency factor for FY 2022-23 is 0%.

94. Further, the inflation factor applicable for FY 2022-23 considering the last five year WPI and CPI index is presented in the Table below:

Table 2-22: Inflation Factor for FY 2022-23

| New Escalation Rate Calculation for 3rd Control Period - (5 year Average) | | | | | | | | | |
|---|---------------|----------------------|----------------------------|---------------|-----------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| CPI | Average Index | Annual Inflation (%) | 5 yr Average Inflation (%) | Weightage (%) | Escalation Factor (%) | Efficiency Factor (%) | Net Escalation Rate (%) | Efficiency Factor (%) | Net Escalation Rate (%) |
| | | | | | | | | | |
| FY 2018-19 | 300 | 5.45% | 5.84% | 70% | 5.87% | 0% | 5.87% | 0.00% | 5.87% |
| FY 2019-20 | 323 | 7.53% | | | | | | | |
| FY 2020-21 | 339 | 5.02% | | | | | | | |
| FY 2021-22 | 356 | 5.13% | | | | | | | |
| FY 2022-23 | 378 | 6.06% | | | | | | | |
| WPI | Average Index | Annual Inflation (%) | 5 yr Average Inflation (%) | Weightage (%) | Escalation Factor (%) | Efficiency Factor (%) | Net Escalation Rate (%) | Efficiency Factor (%) | Net Escalation Rate (%) |
| | | | | | | | | | |
| FY 2018-19 | 119.8 | 4.28% | 5.93% | 30% | 5.87% | 0% | 5.87% | 0.00% | 5.87% |
| FY 2019-20 | 121.8 | 1.68% | | | | | | | |
| FY 2020-21 | 123.4 | 1.29% | | | | | | | |
| FY 2021-22 | 139.4 | 13.00% | | | | | | | |
| FY 2022-23 | 152.5 | 9.41% | | | | | | | |

95. The Normative O&M expenditure for Distribution Wires and Retail Supply Business for FY 2022-23 considering the Base O&M Expenditure as normative O & M expense

approved for FY 2021-22 and the Inflation Factor arrived at in the Table above is computed as shown in the Tables below:

Table 2-23: Normative O&M Expenditure for FY 2022-23

| Particulars | Rs.Crs | |
|---|--------|--------|
| | Wire | Retail |
| Approved Normative O & M for FY 2021-22 | 121.72 | 111.95 |
| Inflation Index for FY23 | 5.87% | 5.87% |
| Normative O & M for FY 2022-23 | 128.86 | 118.51 |

96. As can be seen from the above Table, the Normative O&M expenditure for FY 2022-23 for Distribution Wires and Retail Supply Business works out to **Rs. 128.86 Crores** and **Rs. 118.51 Crores** respectively.

2.4.2 Actual O&M expenses for FY 2022-23

97. Based on the Truing Up Orders of the previous Financial Years and the methodology adopted by the Hon'ble Commission therein, the total O&M expenditure of Tata Power-D for FY 2022-23 is as shown in the table below:

Table 2-24: Actual O&M Expenditure for FY 2022-23

| Particulars | Rs Crore | | |
|---|--------------------|---------------|---------------|
| | Distribution Wires | Retail Supply | Total |
| Actual FY 2022-23 | | | |
| Employee Expenses | 47.82 | 69.24 | 117.06 |
| Administration & General Expenses (Excl Brand Equity, Bad Debt & DSM Exp.) | 35.19 | 59.84 | 95.03 |
| Repairs and Maintenance | 43.03 | 5.39 | 48.42 |
| Total | 126.04 | 134.47 | 260.51 |
| Approved O & M expenditure in MTR T.O. | 127.87 | 117.61 | 245.48 |

98. As seen from the above Table, the O&M expenditure for the Distribution Wires Business is **Rs 126.04 Crores** while that for the Retail Supply Business is **Rs. 134.47 Crores**.

- **Brand Equity Expenditure**

99. The Hon'ble Commission has disallowed the expense towards brand equity in MYT Order in Case No. 326 of 2019. Hence, the actual Brand Equity expenses amount booked in the accounts is deducted from the actual O&M expenditure as per the principle adopted by the Hon'ble Commission. An appeal, bearing No. 134 of 2021 has been filed on this issue with the Hon'ble ATE and Tata Power-D seeks liberty of this Hon'ble Commission to move an appropriate Petition on the basis of the outcome of the said Appeal.

Without prejudice to the rights and contentions of Tata Power-D and subject to the outcome of the Appeal bearing No. 134 of 2021 pending before the Hon'ble ATE, Tata Power-D requests this Hon'ble Commission to approve the actual O&M expenditure of Rs. 126.04 Crores for Distribution Wires Business and Rs. 134.47 Crores for Retail Supply Business for FY 2022-23.

2.5 Capital Expenditure and Capitalisation for FY 2022-23

100. The Hon'ble Commission, in its MTR Order in Case No. 225 of 2022 dated 31st March, 2022 had approved a capitalisation of Rs. 156.07 Crores for Distribution Wires Business and Rs. 34.73 Crores for Retail Supply Business for FY 2022-23. Against this, the actual capitalisation for FY 2022-23 is **Rs. 170.51 Crores** for Distribution Wires Business and **Rs. 22.29 Crores** for Retail Supply Business. The actual capital expenditure and capitalisation for FY 2022-23 for Tata Power-D is presented in the Table below:

Table 2-25: Capitalisation for FY 2022-23

Rs Crores

| Particulars | Distribution Wires Business | | Retail Supply | |
|----------------------------------|-----------------------------|----------------|---------------------|----------------|
| | Capital Expenditure | Capitalisation | Capital Expenditure | Capitalisation |
| Approved in the MTR Tariff Order | | 156.07 | | 34.73 |
| Non-DPR Schemes | 7.37 | 16.83 | 1.77 | 1.44 |
| DPR Cases | 137.67 | 153.68 | 22.79 | 20.85 |
| NDPR/DPR Ratio | | 11% | | 7% |
| Total | 145.04 | 170.51 | 24.56 | 22.29 |

101. As can be seen from the above Table, the ratio of Non-DPR to DPR for the Distribution Wires Business works out to **11%** and **7%** for Retail Supply Business which is well within the ceiling limit of 20% ratio of Non-DPR to DPR. The detailed scheme wise breakup of the actual capitalisation is given in the **Form 4.2**. The GFA certificate is enclosed as **Annexure 6**.

Tata Power-D requests the Hon'ble Commission to approve capitalisation of Rs. 170.51 Crores for the Distribution Wires Business and Rs. 22.29 Crores for the Retail Supply Business for FY 2022-23.

2.6 Depreciation

102. Tata Power - D has computed the Depreciation by applying the rates specified under the MYT Regulations, 2019.

103. Accordingly, the Depreciation for the Distribution Wires Business for FY 2022-23 works out to **Rs. 138.85 Crores** and that for the Retail Supply Business works out to **Rs. 20.09 Crores**. The average depreciation rate based on the opening GFA and closing of GFA for FY 2022-23 works out to **4.64%** for the Distribution Wires Business and 8.18% for the Retail Supply Business. The Depreciation working is presented below:

Table 2-26: Depreciation during the Period FY 2022-23

| <i>RS Crores</i> | | | | |
|---|----------------------------|---------------|----------------------------|--------------|
| | Wire Business | | Supply Business | |
| Particulars | As per MTR Tariff Order | Tata Power-D | As per MTR Tariff Order | Tata Power-D |
| Opening GFA | 2907.68 | 2907.68 | 240.60 | 240.60 |
| Addition | 156.07 | 170.51 | 34.73 | 22.29 |
| Retirement | 0.00 | -4.92 | 0.00 | -12.33 |
| Closing | 3063.75 | 3073.27 | 275.33 | 250.56 |
| Depreciation | 139.01 | 138.85 | 21.37 | 20.09 |
| % Depreciation on average of opening and Closing GFA | 4.66% | 4.64% | 8.28% | 8.18% |

104. The rate of depreciation computed for FY 2022-23 is lower as compared to the rate of depreciation approved by the Hon'ble Commission in the MTR Order for the Wire as well as Retail Supply Business of Tata Power-D.

105. The detailed asset wise breakup of Depreciation is provided in Form F5 as prescribed by the Hon'ble Commission.

Tata Power-D requests the Hon'ble Commission to approve the Depreciation of Rs. 138.85 Crores for the Distribution Wires Business and Rs. 20.09 Crores for the Retail Supply Business for FY 2022-23.

2.7 Interest on Loan and Finance Charges

106. The Interest costs have been categorised under the following three heads:

- Interest on Long Term Loans
- Other Finance Charges
- Interest on Working Capital

2.7.1 Interest on Long Term Loans

107. Tata Power, in the past, has taken various long-term loans to finance the capital expenditure nature projects in line with the Debt: Equity structure of 70% : 30%. Tata Power sources Long Term loan at a company level together for its Generation, Transmission and Distribution Businesses to have negotiation advantage to avail better terms & conditions of loans.

108. With respect to the applicable interest rate for the purpose of Truing Up of FY 2022-23, the first proviso to the Regulation 30.5 of MYT Regulations, 2019 states as follows:

“Provided that at the time of Truing-up, the weighted average rate of interest computed on the basis of the actual loan portfolio during the concerned year shall be considered as the rate of interest...”

109. The actual long-term loan portfolio of Tata Power during FY 2022-23 is as follows:

Table 2-27: Actual Long-Term Loan Portfolio – FY 2022-23

| Sr. No | Amt (Rs Crs) | Bank | Opening Balance FY 2022-23 | Closing Balance FY 2022-23 | Interest Paid FY 2022-23 | FY 2022-23 Interest Rate |
|--------|-----------------|-----------------|----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| | Rs.Crs | | Rs.Crs | Rs.Crs | Rs.Crs | % |
| 1 | 300.00 | Kotak-300 | 153.75 | 131.25 | 11.21 | 7.87% |
| 2 | 250.00 | Kotak -250 | 36.29 | 32.79 | 2.76 | 7.99% |
| 3 | 250.00 | Kotak - 296 | 132.46 | 119.70 | 10.06 | 7.98% |
| 4 | 250.00 | Kotak - 250 (2) | 164.77 | 142.05 | 12.24 | 7.98% |
| 5 | 2000.00 | SBI | 1078.05 | 1002.25 | 81.03 | 7.79% |
| 6 | 300.00 | HDFC -300 | 153.75 | 131.25 | 11.45 | 8.04% |
| 7 | 350.00 | HDFC-350 | 199.06 | 172.81 | 15.14 | 8.14% |
| 8 | 250.00 | HDFC-250 | 185.00 | 168.75 | 14.15 | 8.00% |
| 9 | 250.00 | HDFC-250 | 221.87 | 203.13 | 17.16 | 8.08% |
| 10 | 750.00 | HDFC-750 | 693.75 | 637.50 | 53.89 | 8.10% |
| 11 | 375.00 | HDFC-375 | 355.44 | 325.19 | 27.09 | 7.96% |
| 12 | 283.00 | HDFC-283 | 0.00 | 277.11 | 10.71 | 7.73% |
| 13 | 283.00 | Bajaj Finance | 0.00 | 283.00 | 10.70 | 7.56% |
| 14 | 440.00 | Axis - 440 | 290.00 | 230.00 | 20.34 | 7.82% |
| 16 | 60.00 | Canara-60 | 18.39 | 0.00 | 0.48 | 5.22% |
| | | Total | 3682.58 | 3856.78 | 298.41 | 7.92% |

110. Considering the above actual loan draws, interest rates and the interest paid, the weighted average interest rate for FY 2022-23 works out to **7.92%**. The statements received from Banks certifying the Opening Balance, Closing Balance, Interest paid, and the applicable rate of interest has been attached as **Annexure 7** to this Petition.
111. Based on the loan draws, closing loan balance as approved by the Hon'ble Commission in the MTR order for FY 2021-22 which is opening balance for FY 2022-23, weighted average interest rate and considering loan repayment equal to the depreciation amount, the computation of the Interest for Distribution Wires and Retail Supply Business of Tata Power-D has been presented in the Table below:

Table 2-28: Interest on Long Term Loans for FY 2022-23*Rs Crores*

| Particulars | Wire Business FY 2022-23 | | Supply Business FY 2022-23 | |
|--------------------------------|----------------------------|--------------|----------------------------|--------------|
| | As per MTR Tariff Order | Tata Power-D | As per MTR Tariff Order | Tata Power-D |
| Opening Balance of Loan | 841.44 | 841.44 | 61.20 | 61.20 |
| Drawals during the year | 109.25 | 119.36 | 24.31 | 15.60 |
| Loan Repayment during the year | 139.01 | 138.85 | 21.37 | 20.09 |
| Closing Balance of Loan | 811.68 | 821.94 | 64.14 | 56.71 |
| Interest Rate | 7.43% | 7.92% | 7.43% | 7.92% |
| Interest Expenses | 61.39 | 65.84 | 4.66 | 4.67 |

Tata Power-D requests the Hon'ble Commission to approve the interest on loan term loans of Rs. 65.84 Crores for the Distribution Wires Business and Rs. 4.67 Crores for the Retail Supply Business of Tata Power-D for FY 2022-23.

- Other Finance Charges**

112. Other finance are to the tune of Rs 0.07 Crores during the year FY 2022-23, Tata Power-D has considered the same in wire ARR.

2.7.2 Interest on Working Capital

113. The **Interest** on Working Capital has been computed based on the elements specified in Regulations 32.3 and 32.4 of the MYT Regulations, 2019 for the Distribution Wires and the Retail Supply Businesses.

114. In accordance with the Regulation, the power purchase from Tata Power-G (including those from RE generators) has not been considered to arrive at the normative working capital requirement.

115. Further, based on the MYT Regulations, 2019, interest on working capital shall be allowed at a rate equal to the weighted average Base Rate prevailing during the concerned Year plus 150 basis points, which works out to **9.30%**. Accordingly, the

Normative Interest on Working Capital for FY 2022-23 for the Distribution Wires and Retail Supply Businesses is given in the Table below:

Table 2-29: Interest on Working Capital for FY 2022-23

| Particulars | Rs. Crore | | |
|--|---------------------|----------------------|---------------|
| | FY 2022-23 Wires | FY 2022-23 Supply | Total |
| Approved by the Hon'ble Commision | 9.14 | | 9.14 |
| O&M Expenses for one month | 10.71 | 10.42 | 21.13 |
| Maintenance spares at 1% of Opening GFA | 29.08 | 2.41 | 31.48 |
| One and half months of the expected Revenue from Distribution Business | 53.74 | 428.43 | 482.17 |
| Less: | | | |
| Amount of Security Deposit | - | 272.42 | 272.42 |
| One Month Equivalent of cost of power (excl Tata Power-G cost) | - | 125.55 | 125.55 |
| Total Working Capital | 93.53 | 43.29 | 136.82 |
| Computation of working capital interest | | | - |
| Rate of Interest (% p.a.) | 9.30% | 9.30% | 9.30% |
| Normative Interest on Working Capital | 8.70 | 4.03 | 12.72 |

Tata Power-D requests the Hon'ble Commission to approve the normative Interest on Working Capital of Rs. 8.70 Crores for the Distribution Wires Business and Rs. 4.03 Crores for the Retail Supply Business of Tata Power-D.

2.8 Interest on Security Deposit

116. The Interest on Security Deposits from Retail / Commercial consumers is considered on the basis of actual interest during the year. Accordingly, the total Interest on Security Deposit is considered at **Rs. 10.75 Crores** for FY 2022-23 as against **Rs.15.51 Crores** approved by the Hon'ble Commission in the MTR Order.

Tata Power-D requests the Hon'ble Commission to approve Rs. 10.75 Crores towards Interest on Consumer Security Deposit for FY 2022-23.

2.9 Provision for Bad and Doubtful Debt

117. A provision of **Rs. (4.08) Crores** has been made towards bad and doubtful debts for the Distribution Wires Business and **Rs. 0.46 Crores** for the Retail Supply Business for FY 2022-23 amounting to a total of **Rs. (3.62) Crores** for the Distribution Business.

2.10 DSM Expenditure

118. It is submitted that the expenditure towards DSM activities carried out by the Tata Power-D during FY 2020-21 is of **Rs. 0.42 Crores**. We request the Hon'ble Commission to approve the same.

Table 2-30: DSM Expenditure for FY 2022-23

| <i>Rs Crores</i> | | |
|-------------------|---------------------------------|--------------|
| Particulars | Approved in MTR Tariff Order | Tata Power-D |
| Total scheme cost | 0.52 | 0.42 |

2.11 Contribution to Contingency Reserve

119. The Contribution to Contingency Reserves for the Distribution Wires Business and Retail Supply Business has been worked out considering the provisions of Regulation 35 of the MYT Regulations, 2019.
120. It is to be noted that during MYT Petition in Case No. 326 of 2019 and MTR petition in Case No. 225 of 2022, Tata Power-D had proposed nil Contribution to Contingency Reserve for the Control Period to reduce the cost burden on consumers. The Hon'ble Commission had approved zero Contribution to Contingency Reserve for Distribution Wires Business of the Tata Power-D. Accordingly, for truing up of FY 2022-23, the Contingency Reserve for Distribution Wires Business is zero.
121. The Contribution to Contingency Reserve for the Retail Supply Business has been considered as per the MYT Regulations, 2019 and as shown in the Table below:

Table 2-31: Contingency Reserve for Distribution Wires & Retail Supply for FY 2022-23

| | Rs. Crore | |
|---|-------------|-------------|
| | Wire | Supply |
| Approved by the Hon'ble Commission | 0.00 | 0.60 |
| Opening GFA | 2907.68 | 240.60 |
| % Contingency Reserve | 0.25% | 0.25% |
| Opening Balance of CR | 58.16 | 4.17 |
| Maximum Permissible Reserves | 145.38 | 12.03 |
| Contingency Reserve | 0.00 | 0.60 |
| Closing Balance till 31st March, 2023 | 58.16 | 4.77 |

122. As seen from the above table the contribution to Contingency Reserve for FY 2022-23 is **Zero** for Distribution Wires Business while **Rs 0.60 Crores** for Retail Supply Business.

Tata Power-D requests the Hon'ble Commission to approve nil contribution to Contingency Reserve for Distribution Wires Business and Rs 0.60 Crores for Retail Supply Business for FY 2022-23.

2.12 Return on Equity

123. The RoE for the Distribution Wires Business and the Retail Supply Business has been computed taking into consideration the provisions of Regulation 29.1 and 29.2 of the MYT Regulations, 2019. Further, Regulation 34.2 of the MYT Regulations, 2019 states the following with respect to additional rate of Return on Equity,

“34.2 The rate of Return on Equity, including additional rate of Return on Equity as allowed by the Commission under Regulation 29 of these Regulations shall be grossed up with the effective tax rate of respective financial year.”

124. With respect to the applicable rate of Income Tax for Tata Power-D during FY 2022-23, we wish to submit that the Section 115BAA was introduced by Taxation Laws (Amendment) Act 2019 w.e.f. 1st April 2020. As per this newly inserted provision, a choice was given to a domestic company to shift to new simplified tax regime with effect from financial year 2019-2020. However, under the new tax regime benefits of MAT credit and other exemption are not allowed.

125. On our analysis it is observed that it will not be beneficial to shift to new tax regime where the business is not eligible for deduction under Section 80IA and MAT credit is not available. Accordingly, in the interest of consumers, Tata Power-D decided to continue under old regime of tax for Distribution as MAT credit is available which will result in lower tax outgo for the business and ultimately be beneficial for the consumers.
126. Further as per MERC (MYT) Regulations 2019, it is required that Generating Company or Licensee or MSLDC would calculate the effective tax rate without considering the impact of the actual tax paid on income from any other regulated or unregulated Business or Other Business of the entity. Hence, it is necessary to compute the effective tax rate for Tata Power-D strictly on a standalone basis considering Tata Power-D and other business of Tata Power as an independent legal entity.
127. Accordingly, the detailed computation of effective tax rate of the Company has been provided in the table below by considering the Normal Tax rate under Old Tax regime and revised MAT rate of 17.47% as applicable for Tata Power-D:

Table 2-32: Effective Tax Rate for Distribution Wires & Retail Supply Business for FY 2022-

23

| Particulars | FY23 |
|--|---------------|
| | TPC-D |
| A) RoE (as per books) | 155.72 |
| i) Normal Tax Calculation | |
| B) PBT (ROE Grossed up at Normal tax rate) | 239.36 |
| Add: | |
| Depreciation as per books | 171.02 |
| Less: | |
| Depreciation as per income tax | 188.35 |
| C) Total Taxable Income | 222.03 |
| D) Normal Tax Rate | 34.94% |
| E) Normal Tax (C*D) | 77.59 |
| ii) MAT Calculation | |
| F) MAT Rate | 17.47% |
| G) PBT (ROE Grossed up at MAT rate) | 188.69 |
| H) Mat Tax (F*G) | 32.97 |
| I) Applicable Tax (Higher of E or H) | 77.60 |
| J) Less: MAT Credit utilisation | 44.60 |
| K) Effective tax paid | 33.00 |
| L) Effective tax rate (K/G) | 17.47% |

128. Further, regulation 29.8 of MYT Regulations, 2019 provides an additional rate of return for Distribution Wires Business. The relevant regulation is reproduced below for reference:

29.8 In case of Distribution Wires Business, an additional rate of Return on Equity shall be allowed on Wires Availability at the time of true-up as per the following schedule:

- a) The target Wires Availability for recovery of base rate of return on equity shall be 95 percent for MSEDCL and 98% for other Distribution Licensees;*
- b) For every 0.50% over-achievement in Wires Availability, rate of return shall be increased by 0.50%, subject to ceiling of additional rate of Return on Equity of 1.50%;*
- c) Wires Availability shall be computed in accordance with the following formula:*

$$\text{Wires Availability} = (1 - (\text{SAIDI} / 8760)) \times 100:$$

129. Accordingly, the Wires Availability and the corresponding additional RoE for FY 2022-23 is as shown in the table below:

Table 2-33: Additional Rate of RoE for Distribution Wires Business for FY 2022-23

| Year | SAIDI | Wires Availability | Additional RoE |
|------------|-------|--|----------------|
| | | $(1 - (\text{SAIDI} / 8760)) \times 100$ | |
| FY 2022-23 | 6.17 | 99.93% | 1.50% |

130. Similarly, Regulation 29.9 of MYT Regulations, 2019, provides for an additional Rate of RoE for Retail Supply Business. The relevant regulation is reproduced below for reference:

29.9 In case of Retail Supply Business, an additional rate of Return on Equity shall be allowed at the time of true-up, as per the following schedule:

- a) If the percentage of assessed bills is less than 1.5% of the total number of bills issued during the year, then rate of return shall be increased by 1%;*
- b) If the percentage of assessed bills is more than 1.5% of the total number of bills issued during the year, for every 0.5% reduction in the percentage of assessed billing, rate of return shall be increased by 0.25%, subject to ceiling of additional rate of Return on Equity of 1.00%.*
- c) If overall collection efficiency for the year is above 99 %, then rate of return shall be increased by 1%;*
- d) If overall collection efficiency for the year is below 99 %, for every 0.5% improvement in the overall collection efficiency, rate of return shall be increased by 0.25%, subject to ceiling of additional rate of Return on Equity of 1.00%.*

131. Accordingly, the number of bills assessed in the FY 2022-23 is as shown below:

Table 2-34: Additional Rate of RoE for Retail Supply Business on account of % of assessed bills

| Sr. No | Total number of bills issued during the year (A) | Total number of Assessed bills issued during the year (B) | Percentage of assessed bills | Additional RoE |
|-----------|--|---|------------------------------|----------------|
| | | | C= B/A | |
| FY2022-23 | 91,01,579 | 20,658 | 0.23% | 1.00% |

132. It is clear from the above Table, the % of assessed bills were less than 1.5% in FY 2022-23. In view of above, we request the Hon'ble Commission to allow the additional Rate of RoE of 1% for the Retail Supply Business towards the % of assessed bills for FY 2022-23.

133. Further as stated above, Regulation 29.9 (c and d) allow for an additional Rate of RoE for Retail Supply Business based on overall Collection Efficiency for the FY. Accordingly, the overall Collection Efficiency for FY 2022-23 and the applicable Additional Rate of RoE is presented in the Table below:

Table 2-35: Overall Collection Efficiency for FY 2022-23

| Year | Collection efficiency | Additional RoE |
|------------|-----------------------|----------------|
| FY 2022-23 | 100.31% | 1% |

134. Based on the above, the rate of pre-tax equity considering the additional rate of equity for the Distribution Wires Business and the Retail Supply Business for FY 2022-23 is as shown in the table below –

Table 2-36: Rate of pre-tax Return on Equity for FY 2022-23

| Additional ROE | | Distribution Wire | Distribution Supply |
|---|------------------|-------------------|---------------------|
| Wire availability > 98% | | 1.50% | 0 |
| Collection efficiency > 99% | | | 1.00% |
| Percentage of assessed bills < 1.5% | | | 1.00% |
| Total Additional RoE | a | 1.50% | 2.00% |
| Base RoE | b | 14% | 15.50% |
| Total RoE | c=a+b | 15.50% | 17.50% |
| Effective Tax Rate | d | 17.472% | 17.472% |
| Rate of pre-tax Return on Equity | e=c/(1-d) | 18.78% | 21.20% |

135. Considering the Base Rate of RoE as per the MYT Regulations, 2019, Additional Rate of RoE as explained above, grossed up by the Effective Tax Rate, RoE for Distribution Wires Business and Retail Supply Business of Tata Power-D for FY 2022-23 is computed as shown in the Table below:

Table 2-37: Return on Equity for FY 2022-23 grossed up by the Effective Tax Rate

| Particulars | Approved in the MTR Tarff Order- Wire | Tata Power-D Wires | Rs. Crore | |
|--|---|-----------------------|---|------------------------|
| | | | Approved in the MTR Tarff Order- Supply | Tata Power-D Supply |
| Regulatory Equity at the beginning of the year | 877.34 | 877.34 | 72.37 | 72.37 |
| Capitalised Assets during the year | 156.07 | 170.51 | 34.73 | 22.29 |
| Equity portion of expenditure on Capitalized Assets | 46.82 | 51.15 | 10.42 | 6.69 |
| Reduction in Equity Capital on account of retirement / replacement of assets | | -1.48 | | -3.70 |
| Regulatory Equity at the end of the year | 924.16 | 927.02 | 82.79 | 75.36 |
| Return Computation | | | | |
| Rate of ROE | 14.00% | 18.78% | 15.50% | 21.20% |
| Return on Regulatory Equity at the beginning of the year | 122.83 | 164.78 | 11.22 | 15.35 |
| Return on Equity portion of capitalisation during the year | 3.28 | 4.66 | 0.81 | 0.32 |
| Total Return on Regulatory Equity | 126.11 | 169.44 | 12.02 | 15.66 |

136. However, in the MTR order of Tata Power-D in Case No. 225 of 2022, the Hon'ble Commission has not approved the Income tax for FY 2020-21 and FY 2021-22 saying that the Company as a whole, the tax liability is zero for FY 2020-21 and FY 2021-22. The relevant abstract from the order is as follows –

“As per the provision of Regulations, the effective tax rate is to be considered on the basis of actual tax paid by the Company and while computing the effective tax rate, the actual tax paid on income from any other regulated or unregulated Business or Other Business is to be excluded for the calculation of effective tax rate. When the actual tax payable for Company as a whole works out to zero, the question of computing effective tax rate excluding the actual tax paid on income from any other regulated or unregulated Business or Other Business does not arise at all.

As the actual tax payable by TPC (Company as a whole) is zero, the effective rate as per the provisions of Regulations works out to '0'. Therefore, the Commission deems it prudent to consider effective tax rate of 0% for FY 2020-21 and FY 2021-22.”

137. Accordingly, Tata Power-D has considered the ROE without grossing it up by Effective Tax Rate, for FY 2022-23, to FY 2024-25 based on the methodology approved by the

Hon'ble Commission for FY 2020-21 & FY 2021-22 in the MTR Order in Case No. 225 of 2022. Further we wish to submit that, the principle adopted by the Hon'ble Commission in the MTR order for approving ROE for FY 2020-21 and FY 2021-22, without grossing it up with effective tax rate has been challenged by Tata Power-D in Appeal No 369 of 2023 before the Hon'ble ATE. Thus, the above submission on Return On Regulatory Equity is without prejudice to the rights and contentions of Tata Power-D in the said Appeal and its outcome. Tata Power-D will consider the impact of the outcome of the said judgment, if any, in the said Appeal in its next Tariff filings. The Same is as shown in the table below –

Table 2-38: Return on Equity for FY 2022-23 w/o grossed up by the Effective Tax Rate

| Particulars | Approved in the MTR Tariff Order- Wire | Tata Power-D Wires | | Rs. Crore | |
|--|--|-----------------------|---|--|------------------------|
| | | | | Approved in the MTR Tariff Order- Supply | Tata Power-D Supply |
| Regulatory Equity at the beginning of the year | 877.34 | 877.34 | ✓ | 72.37 | 72.37 |
| Capitalised Assets during the year | 156.07 | 170.51 | | 34.73 | 22.29 |
| Equity portion of expenditure on Capitalized Assets | 46.82 | 51.15 | ✓ | 10.42 | 6.69 |
| Reduction in Equity Capital on account of retirement / replacement of assets | | -1.48 | | | -3.70 |
| Regulatory Equity at the end of the year | 924.16 | 927.02 | ✓ | 82.79 | 75.36 |
| Return Computation | | | | | |
| Rate of ROE | 14.00% | 15.50% | | 15.50% | 17.50% |
| Return on Regulatory Equity at the beginning of the year | 122.83 | 135.99 | ✓ | 11.22 | 12.66 |
| Return on Equity portion of capitalisation during the year | 3.28 | 3.85 | ✓ | 0.81 | 0.26 |
| Total Return on Regulatory Equity | 126.11 | 139.84 | ✓ | 12.02 | 12.93 |

2.13 Non-Tariff Income

138. The total Non-Tariff Income of Tata Power-D for FY 2022-23 was **Rs. 11.86 Crores** which comprises of **Rs. 4.61 Crores** for the Distribution Wires Business and **Rs. 7.25 Crores** for the Retail Supply Business of Tata Power-D. The details of Non-Tariff Income are as shown in the Table below:

Table 2-39: Non-Tariff Income for FY 2022-23

| <i>Rs Crores</i> | | | |
|-------------------------------------|------|--------|-------|
| Particulars | Wire | Supply | Total |
| As approved in the MTR Tariff Order | 5.66 | 11.22 | 16.88 |
| Tata Power-D | 4.61 | 7.25 | 11.86 |

139. The details of the Non-Tariff income are presented in the F9 format submitted along with this petition.

Tata Power-D requests the Hon’ble Commission to approve the total Non-Tariff Income of Rs. 11.86 Crores for FY 2022-23 which comprises of Rs. 4.61 Crores Non-Tariff Income from Distribution Wires Business and Rs. 7.25 Crores from Retail Supply Business.

2.14 Sharing of Gains and Losses in FY 2022-23

140. Regulation 10 and 11 of the MYT Regulations, 2019 provides the methodology for sharing of Gains and Losses. Accordingly, the Gains and Losses on account of controllable factors has been computed and the sharing between the beneficiaries and Tata Power-D has been presented below for the approval of the Hon’ble Commission as part of Truing-up exercise of FY 2022-23.

2.14.1 Gain / (Loss) on account of variation in O&M Expenditure

141. Tata Power-D, in the earlier section, has presented the actual O&M expenditure under various heads of expenditure and the revised normative O&M expenditure for FY 2022-23.
142. With respect to Efficiency Gains/(Losses) and its sharing on account of O&M Expenses after truing up is governed by MYT Regulations, 2019, which specifies as under, for the Wires Business and Supply Business:

“75.6 In case the expenditure on Repairs & Maintenance falls below 20% of total O&M expenses allowed under these Regulations, then such savings in

Repairs & Maintenance shall not be set off against other heads of O&M expenses:...”

Tata Power-D has verified whether the R&M expenses of the Wires Business, Supply Business, and combined Wires Business and Supply Business is up to 20% of the total O&M expenses of the respective Businesses for FY 2022-23. It is observed that the R&M expenses in case of Wires Business is higher than 20% of O&M expenses, and is 34.14% of O & M expenses for FY 2022-23. In case of Supply Business, the R&M expenses is significantly lower than 20% of O&M expenses, and is 4.01% of O & M expenses for FY 2022-23. On a combined basis, the R&M expenses of Tata Power-D are 18.59% of total O & M expenses. The effective shortfall in R&M expenses for the combined Wires Business and Supply Business works out to Rs. 3.68 Crore.

The MYT Regulations, 2019 specify that the Licensee should not benefit from such savings in R&M expenses. Hence, the Tata Power-D has restated the actual R&M expenses of the Supply Business to make up the shortfall up to 20% of O&M expenses, as the R&M expenses of the Wires Business is in excess of 20% of O&M expenses. The computations are shown in the Table below:

Table 2-40: Restated O & M for supply business for FY 2022-23

| Particulars | FY 2022-23 |
|--|------------|
| R&M - Wires Business | 43.03 |
| O&M - Wires Business | 126.04 |
| R&M as % of O&M - Wires Business | 34.14% |
| R&M - Supply Business | 5.39 |
| O&M - Supply Business | 134.47 |
| R&M as % of O&M - Supply Business | 4.01% |
| R&M Combined Wires + Supply Business | 48.42 |
| O&M Combined Wires + Supply Business | 260.51 |
| R&M as % of O&M - Combined Wires + Supply Business | 18.59% |
| R&M Expenses @20% of O&M Expenses | 52.10 |
| Shortfall in R&M Expenses | 3.68 |
| Restated R&M Expenses of Supply Business | 9.07 |
| Restated Actual O&M Expenses of Supply Business | 138.15 |
| Gain/(Loss) in O&M Expenses | (19.63) |

143. The same has been considered while computing the net O & M entitlement.
144. Further, we additionally wish to submit that Municipal Corporation of Greater Mumbai has issued a circular regarding levy of access charges on various external utilities agencies, the relevant extract of which is reproduced below:

In this respect, it was proposed in MCGM B.E. 2013-14, to levy access charges on the utility agencies at Rs.100/RMT of the utility, per annum, to fetch revenue of about Rs.200/- Crores. It is now proposed to implement the said proposal for recovery of access charges from various utilities, as follows:

- 1) For various types of utilities, access charges to be levied shall be as under:
 - a) Power Cables – Rs.100/RMT per annum, for each cable.
 - b) Optic Fiber Cable – Rs.100/RMT for per annum, for each duct.
 - c) Gas Pipes – Rs.100/RM, per annum, for each pipe.

145. The MCGM has issued demand notices with respect to these charges to the tune of Rs. 4.72 Crs in FY 2022-23. The details of the same are enclosed herewith as **Annexure 8** to this Petition. As this is uncontrollable expenditure the claim would be over and above Normative expenditure. The same has been considered as per the provision in the MYT Regulation, 2019 while computing the Net entitlement.
146. Accordingly, Net entitlement of O&M Expenses after sharing of gains and losses for FY 2022-23 is shown in the table below:

Table 2-41: Gain / (Loss) on O&M Expenditure for FY 2022-23

| Particulars | Rs.Crs | | |
|--|--------------------|---------------|---------------|
| | Distribution Wires | Retail Supply | Total |
| Normative O & M Expenditure | 128.86 | 118.51 | 247.37 |
| Actual O & M Expenditure | 126.04 | 138.15 | 264.19 |
| Uncontrollable Expenditure- Access Charges | 4.74 | | |
| Net Gain/ (Loss) | 7.55 | -19.63 | -12.08 |
| Pass on to Consumer | 5.04 | -6.54 | -1.51 |
| O & M Ent. Including uncontrollable expenditure | 128.56 | 125.06 | 253.62 |

147. As can be seen from the above Table, there is net gain in O&M expenditure of **Rs. 7.55 Crores** in the Distribution Wires Business and loss of **Rs. 19.63 Crores** in the Retail

Supply Business. Accordingly, a net Efficiency Loss of **Rs. 12.08 Crores** is considered to be passed on to the consumers of the Distribution Business.

Tata Power-D requests the Hon'ble Commission to approve the net O&M entitlement of Rs. 128.56 Crores for the Distribution Wires Business and Rs. 125.06 Crores for the Retail Supply Business for FY 2022-23 after factoring the Gain / (Loss).

2.14.2 Gain / (Loss) on account of variation in Interest on Working Capital

148. Regulation 32.6 of the MYT Regulations, 2019 states that variation between the normative interest on working capital and actual interest on working capital would be shared between the Licensee and beneficiaries.

149. Tata Power-D has availed short term loans during FY 2022-23 for the purpose of funding the working capital requirement. Since the Working Capital is funded at a combined level for Distribution, the actual interest incurred on the short term loan has been bifurcated between Distribution Wires Business and Retail Supply Business in the ratio of its normative Working Capital requirement. Considering the same, Tata Power-D has computed the sharing of Gain / (Loss) on account of Interest on Working Capital as follows:

Table 2-42: Gain / (Loss) on Interest on Working Capital for FY 2022-23

| Particulars | Rs. Crore | | |
|--|---------------------|----------------------|--------------|
| | FY 2022-23 Wires | FY 2022-23 Supply | Total |
| Normative Interest on Working Capital | 8.70 | 4.03 | 12.72 |
| Particulars | | | |
| Actual Interest on Working Capital | 8.10 | 3.75 | 11.85 |
| Eff. Gains /(Losses) | 0.60 | 0.28 | 0.87 |
| Efficiency Gains/(losses) to be passed on to the consumers | 0.40 | 0.18 | 0.58 |
| Net Entitlement of IoWC | 8.30 | 3.84 | 12.14 |

150. As seen from the above Table, net gain of **Rs. 0.58 Crores** in IoWC is required to be passed on to the consumers of the Distribution Business.

151. The copies of the short term loan documents along with the working of actual interest on working capital have been enclosed as **Annexure 9** as per requirements of MYT Regulations, 2019.

Tata Power-D requests the Hon'ble Commission to approve the net Interest on Working Capital entitlement of Rs. 8.30 Crores for the Distribution Wires Business and Rs. 3.84 Crores for the Retail Supply Business for FY 2022-23.

2.15 Aggregate Revenue Requirement for FY 2022-23

152. Based on the above submission, the ARR for the **Distribution Wires Business** of Tata Power-D works out as follows:

Table 2-43: ARR for Distribution Wires Business for FY 2022-23

| Particulars | Rs. Crore | |
|--|----------------------|---------------|
| | Approved in MTR T.O. | Tata Power-D |
| Operation and Maintenance | 127.87 | 128.56 |
| Depreciation | 139.01 | 138.85 |
| Interest on Long-term Loan Capital + finance charges | 61.39 | 65.91 |
| Interest on Working Capital | 9.14 | 8.30 |
| Provision for Bad & Doubtful Debt | -1.79 | -4.08 |
| Contribution to Contingency Reserves | 0.00 | 0.00 |
| Total Revenue Expenditure | 335.63 | 337.54 |
| Add: Return on Equity Capital | 126.11 | 139.84 |
| Aggregate Revenue Requirement | 461.74 | 477.37 |
| <i>Less: Non-Tariff Income</i> | 5.66 | 4.61 |
| Less: Income from OA consumers | 21.14 | 24.27 |
| Net Aggregate Revenue Requirement | 434.93 | 448.50 |

153. Similarly, based on the above submission, the ARR for the Retail Supply Business of Tata Power-D works out as follows:

Table 2-44: ARR for Retail Supply Business for FY 2022-23

| Particulars | Rs Crore | |
|---|----------------------------|----------------|
| | As per MTR Tariff Order | Tata Power-D |
| Power Purchase Expenses | 3698.22 | 3803.12 |
| Intra-State Transmission Charges | 259.13 | 260.02 |
| MSLDC Fees & Standby Charges | 100.74 | 102.12 |
| O&M Expenses | 117.61 | 125.06 |
| Depreciation | 21.37 | 20.09 |
| Interest on Loan Capital + Other Finance Charges | 4.65 | 4.67 |
| Interest on Working Capital | 0.00 | 3.84 |
| Interest on Security Deposit | 15.51 | 10.75 |
| Provision for bad and doubtful debt | 0.05 | 0.46 |
| Contribution to Contingency Reserve | 0.60 | 0.60 |
| DSM Expenses | 0.52 | 0.42 |
| Total Revenue Expenditure | 4218.40 | 4331.15 |
| Add: Return on Equity Capital | 12.02 | 12.93 |
| Aggregate Revenue Requirement | 4230.42 | 4344.08 |
| Less: Non-Tariff Income | 11.22 | 7.25 |
| Less: Income from OA consumers | 22.74 | 6.11 |
| Aggregate Revenue Requirement from Retail Supply | 4196.47 | 4330.72 |

154. Based on the above ARR for Distribution Wires and Retail Supply Business, the combined ARR for FY 2022-23 works out as given below:

Table 2-45: Combined ARR for Distribution Wires & Retail Supply Business for FY 2022-23

| Particulars | Rs Crores | |
|---|---------------------|----------------|
| | MTR Tariff Order | Tata Power-D |
| Power Purchase Expenses including Standby Charges | 3698.22 | 3803.12 |
| Intra-State Transmission Charges | 259.13 | 260.02 |
| MSLDC Fees & Charges | 100.74 | 102.12 |
| O&M Expenses | 245.48 | 253.62 |
| Depreciation | 160.38 | 158.95 |
| Interest on Loan Capital | 66.05 | 70.57 |
| Interest on Working Capital | 9.14 | 12.14 |
| Interest on CSD | 15.51 | 10.75 |
| Provision for bad and doubtful debts | -1.74 | -3.62 |
| Contribution to contingency reserves | 0.60 | 0.60 |
| Others (DSM) | 0.52 | 0.42 |
| Total Revenue Expenditure | 4554.03 | 4668.69 |
| Add: Return on Equity Capital | 138.13 | 152.76 |
| Aggregate Revenue Requirement | 4692.16 | 4821.45 |
| Less: Non-Tariff Income | 16.88 | 11.86 |
| Less: Income from OA consumers | 43.88 | 30.37 |
| Aggregate Revenue Requirement | 4631.40 | 4779.22 |

155. As seen from above Tables, the total Revenue Requirement for the year FY 2022-23 works out to **Rs. 4779.22 Crores**.

2.16 Revenue from Distribution Business of Tata Power-D for FY 2022-23

156. The total Revenue recovered by Tata Power-D during FY 2022-23 for Distribution Business is as presented below:

Table 2-46: Total Revenue for Distribution Wires & Retail Supply Business for FY 2022-23

| Revenue | Approved in MTR Order | Total | Sale | ABR |
|---------------------------|--------------------------|----------------|---------|---------|
| | Rs. Crs | Rs. Crs | MU's | Rs./kWh |
| Revenue Supply Business | 3531.70 | 3421.31 | 5446.93 | 6.28 |
| Revenue Wheeling Charges | 426.88 | 405.66 | 3863.56 | 1.05 |
| Revenue Wheeling Ch. (OA) | 21.14 | 24.27 | 232.33 | 1.04 |
| Revenue from OA | 22.74 | 6.11 | 232.33 | 0.26 |
| Total | 4002.46 | 3857.34 | | |

157. As can be seen from the above Table, Tata Power-D has recovered the Revenue of **Rs. 3421.31 Crores** for Retail Supply Business and **Rs. 405.66 Crores** from Wheeling Business during FY 2022-23 which we have used for determining Gap/(Surplus) of ARR of FY 2022-23. Tata Power-D has recovered a revenue of **Rs. 6.11 Crores** towards Cross Subsidy Surcharge (CSS) and **Rs. 24.27 Crores** towards wheeling charges from open access consumers. While computing the Gap/ (Surplus) the same has been considered as reduction in the total ARR.
158. In addition to the above, Tata Power-D has recovered Transmission charges to the tune of **Rs. 17.98 Crores** from OA consumers. However, based on the directions of the Hon'ble Commission, the charges have been remitted to STU and hence not considered while arriving at the Gap/ (Surplus).

2.17 Revenue Gap / (Surplus) for FY 2022-23

159. Based on the above submissions, the Revenue Gap / (Surplus) of Tata Power-D for FY 2022-23 for the Distribution Wires & Retail Supply Business is as shown in the Table below:

Table 2-47: Gap / (Surplus) for Distribution Wires Business for FY 2022-23

| Particulars | MTR Tariff Order | Tata Power-D |
|------------------------------|------------------|--------------|
| Net ARR | 434.93 | 448.50 |
| Revenue | 426.88 | 405.66 |
| Revenue Gap/(Surplus) | 8.06 | 42.84 |

Table 2-48: Gap / (Surplus) for Retail Supply Business for FY 2022-23

Rs Crores

| Particulars | MTR Tariff Order | Tata Power-D |
|------------------------------|------------------|---------------|
| Net ARR | 4196.47 | 4330.72 |
| Revenue | 3531.70 | 3421.31 |
| Revenue Gap/(Surplus) | 664.77 | 909.41 |

Table 2-49: Combined Gap / (Surplus) for Distribution Business for FY 2022-23

Rs Crores

| Particulars | MTR Tariff Order | Tata Power-D |
|---|------------------|---------------|
| Net Aggregate Revenue Requirement | 4631.40 | 4779.22 |
| Revenue from Distribution Wires+Retail Supply | 3958.58 | 3826.97 |
| Revenue Gap/(Surplus) | 672.82 | 952.25 |

160. As can be seen from the above Table, total Revenue Gap for Distribution Wires Business is **Rs. 42.84 Crores** & **Rs. 909.41 Crores** for Retail Supply Business and combine gap is **Rs. 952.25 Crores** in FY 2022-23.

3 PROVISIONAL TRUING UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2023-24

161. This section discusses and presents the provisional truing up of FY 2023-24 with respect to the Distribution Wires and Retail Supply Business of Tata Power-D. It is submitted that calculations presented in this section have been computed considering the MYT Regulations, 2019, MTR Order dated 31st March, 2022 passed in Case No. 225 of 2019 and principles laid down in various Judgements. Further, Tata Power-D has also considered the directions passed by Hon'ble ATE in Appeal No. 369 of 2023, which has been filed Tata power-D against the said MTR Order.
162. For provisional Truing-up of FY 2023-24, the actual values of power purchase and sales have been considered till September, 2023. Further, the revised provisional values have been compared with the expenditure considered by the Hon'ble Commission in its MTR Order.

3.1 ARR for Distribution Wires and Retail Supply Business

163. Regulation 73 of the MYT Regulations, 2019 describes the various heads under which the Distribution Wires Business of a Distribution Licensee can recover its Aggregate Revenue Requirement (ARR). Similarly, Regulation 81 of the MYT Regulations, 2019 describes the various heads under which the Retail Supply Business of a Distribution Licensee can recover its ARR. Accordingly, Tata Power-D has presented below the ARR computation for the period FY 2023-24 for the Distribution Wires Business and the Retail Supply Business.

3.2 Energy Requirement for FY 2023-24

3.2.1 Category-wise Sales

164. The Tata Power-D has projected direct sale for HT category as 2675.72 MU's and 1599.36 MU's for LT category for FY 2023-24. Further, Tata Power-D has projected the changeover sale as 1553.69 MU's for FY 2023-24. The specific methodology used for the projecting Tata Power-D's direct sale and changeover sale for FY 2023-24 is

explained in detailed in the **Chapter 4** for projections of FY 2024-25 of this petition. Based on the same sales projected for FY 2023-24 has been presented in the table below –

Table 3-1: Estimated Sale for FY 2023-24

Mus

| Consumer Categories | Approved in the MYT T.O. | | | Estimated For FY 2023-24 | | |
|---|--------------------------|----------------|----------------|--------------------------|----------------|----------------|
| | Direct | Change over | Total | Direct | Change over | Total |
| EHV - Industry | 214.59 | 0.00 | 214.59 | 863.92 | | 863.92 |
| HT I – Industry | 984.70 | 0.00 | 984.70 | 1028.86 | | 1028.86 |
| EHV- Commercial | 106.22 | 0.00 | 106.22 | 102.54 | | 102.54 |
| HT II – Commercial | 394.89 | 0.15 | 395.04 | 352.94 | 0.21 | 353.15 |
| HT III - Group Housing Society | 13.23 | 0.00 | 13.23 | 57.56 | | 57.56 |
| HT IV: HT - Mono/Metro/Railways | 71.50 | 0.00 | 71.50 | 110.05 | | 110.05 |
| HT IV - Railways (22/33 KV) | 71.38 | 0.00 | 71.38 | 86.53 | | 86.53 |
| HT IV - Railways (Metro & Monorail) | 0.12 | 0.00 | 0.12 | 23.52 | | 23.52 |
| HT V - Public Services | 238.85 | 0.00 | 238.85 | 138.39 | | 138.39 |
| HT V(A) - Publ Serv Govt Hosp&Edu Inst | 14.49 | 0.00 | 14.49 | 19.70 | | 19.70 |
| EHV - Public Services Others | 224.36 | 0.00 | 224.36 | 59.47 | | 59.47 |
| HT V(B) - Public Services Others | | 0.00 | 0.00 | 59.22 | | 59.22 |
| HT VI: Electric Vehicle Charging Stations | 0.00 | 0.00 | 0.00 | 21.45 | | 21.45 |
| Sub-total | 2023.98 | 0.16 | 2024.14 | 2675.72 | 0.21 | 2675.93 |
| LT Category | | | | | | |
| LT I - Residential (BPL) | | | | | | |
| LT I - Residential | 705.65 | 1417.75 | 2123.40 | 655.61 | 1417.22 | 2072.83 |
| 0-100 | 188.88 | 606.05 | 794.93 | 182.31 | 585.25 | 767.56 |
| 101-300 | 205.96 | 577.40 | 783.36 | 199.07 | 591.61 | 790.68 |
| 301-500 | 81.93 | 137.37 | 219.30 | 77.11 | 150.54 | 227.65 |
| 501 and above | 228.88 | 96.93 | 325.81 | 197.11 | 89.84 | 286.94 |
| LT II - Commercial | 660.14 | 162.09 | 822.23 | 622.64 | 108.60 | 731.25 |
| LT II(A) - Commercial upto 20 kW | 154.56 | 102.21 | 256.77 | 130.11 | 84.07 | 214.18 |
| LT II(B) - Commercial 20 to 50 kW | 156.54 | 24.72 | 181.26 | 92.02 | 11.53 | 103.55 |
| LT II(C) - Commercial > 50 kW | 349.04 | 35.16 | 384.20 | 400.51 | 13.00 | 413.51 |
| LT III (A) - Industrial upto 20 kW | 19.55 | 5.65 | 25.20 | 21.93 | 15.30 | 37.23 |
| LT III (B) - Industrial > 20 kW | 211.58 | 0.93 | 212.51 | 255.54 | 5.45 | 260.99 |
| LT IV – Public Services | 34.29 | 9.69 | 43.98 | 40.97 | 6.83 | 47.80 |
| LT IV (A) - Publ Serv Govt Hosp&Edu Inst | 33.76 | 0.00 | 33.76 | 3.59 | 3.28 | 6.87 |
| LT IV (B) - Public Services Others | 0.53 | 9.69 | 10.22 | 37.38 | 3.56 | 40.94 |
| LT VI: Electric Vehicle Charging Stations | 0.10 | 0.00 | 0.10 | 2.67 | 0.08 | 2.75 |
| Sub-total | 1631.31 | 1596.11 | 3227.42 | 1599.36 | 1553.48 | 3152.85 |
| 15 day | | | | 3.37 | 5.87 | 9.24 |
| Total | 3655.30 | 1596.27 | 5251.56 | 4278.46 | 1559.56 | 5838.02 |

165. As seen from the above Table, the estimated sales for FY 2023-24 is **5838.02 MUs** and the same has been considered for energy requirement of FY 2023-24.

3.2.2 Open Access Consumption

166. The estimated open access consumption in the Licence area of Tata Power-D for FY 2023-24 is presented in the Table below:

Table 3-2: Open Access Consumption for FY 2023-24

| Consumer Category | Total |
|-----------------------------------|---------------|
| | MU's |
| HT Category | |
| HT I – Industry | 170.00 |
| HT II – Commercial | 50.00 |
| HT VI(B) - Public Services Others | 7.91 |
| Sub-total | 227.91 |

3.2.3 Energy Input Requirement

167. The provisional energy requirement for Tata Power-D for FY 2023-24 has been determined considering the Distribution Loss of 1.02% and Transmission loss of 3.18% as approved by the Hon'ble Commission in its MTR Order in Case No. 225 of 2022. The energy requirement for FY 2023-24 is as shown in the Table below:

Table 3-3:Energy Input Requirement for FY 2023-24

| Particulars | FY 2023-24 | |
|---|----------------|----------------|
| | MYT order | Total |
| Direct Sales (Mus) | 3655.30 | 4278.46 |
| 110 kV Billed Units | 396.88 | 1049.45 |
| Bill Credit given to OA consumers | 495.90 | 227.91 |
| Total Sale excluding 110 KV Sales | 3754.32 | 3456.91 |
| Distribution Loss (%) | 1.02% | 1.13% |
| Energy requirement @ T<>D interface (Mus) | 3793.01 | 3496.29 |
| Credit to OA consumers @ T <>D Interface | 501.01 | 230.50 |
| Energy requirement for Change-over consumers (Mus) | 1596.27 | 1559.56 |
| Energy Sales at 110/132 kV level (Mus) | 396.88 | 1049.45 |
| Energy requirement at T<>D (Mus) | 5285.15 | 5874.81 |
| Transmission Loss (%) | 3.18% | 3.18% |
| Energy requirement at G<>T (Mus) | 5458.74 | 6067.76 |
| Energy requirement at InSTS (Mus) | 5458.74 | 6067.76 |
| Total Energy Requirement at G<>T as per energy balance settled by SLDC | | 5965.79 |

168. The estimated energy requirement for FY 2023-24 works out to **6067.76 MUs** for FY 2023-24 including the sale outside Licence Area. However, the total energy balance requirement as per the DSM Bills received are 5965.79 Mus.

3.2.4 Power Purchase Quantum and Cost for FY 2023-24

169. Tata Power-D has presented below the provisional power purchase requirement for FY 2023-24 considering the provisional energy input requirement arrived at in the previous section. The energy requirement of Tata Power-D for FY 2023-24 is being met from the following sources:

- **Power Purchase from Tata Power –G**
- **Purchase from Renewable Sources**
- **Short Term Bilateral Sources**

170. The provisional power purchase from all the above sources is explained in the following sections to determine the total provisional Power purchase for FY 2023-24. As explained above, Tata Power-D has considered the actual power purchase cost till September, 2023 and estimated cost for the period from October, 2023 to March, 2024.

3.2.5 Power Purchase from Tata Power-G

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171. The tie up of Tata Power-D with the various Generating capacities of Tata Power-G is same as presented in the Table 1-4 of the previous section which includes the tie up for FY 2023-24.

172. Tata Power-D has estimated the power purchased from Tata Power-G, based on the actual power purchase cost from April, 2023 to September, 2023. The projected power purchase for the second half of 2023-24 is calculated proportionally to the corresponding period in 2022-23, with cost estimates following the guidelines of the MYT Regulation 2019. The same is reproduced as below –

50.6

Provided that the landed cost of primary fuel and secondary fuel for tariff determination shall be based on actual weighted average cost of primary fuel and secondary fuel of the three preceding months,

173. Accordingly, Tata Power-D has considered the unit wise actual weighted average cost from August 2023 to October 2023 for projecting the variable fuel charges of Unit 5, Unit 7 and Unit 8 from October 2023 to March 2024. The total cost of power purchase from Tata Power-G is provided in the Table below:

Table 3-4: Actual Power Purchase from Tata Power-G till September, 2023

| Unit | Generation | Variable Charge | Variable Charge | Fixed Charge | Total | Per Unit Cost |
|-------------------|----------------|-----------------|-----------------|---------------|----------------|---------------|
| | Mus | Rs/kWh | Rs Crores | Rs Crores | Rs Crores | Rs/kWh |
| Unit 5 | 610.19 | 6.47 | 395.00 | 74.54 | 469.54 | 7.69 |
| Unit 7 | 234.83 | 5.06 | 118.79 | 39.68 | 158.47 | 6.75 |
| Unit 8 | 403.68 | 6.37 | 257.31 | 65.39 | 322.70 | 7.99 |
| Bhira | 292.95 | 0.92 | 26.80 | 16.46 | 43.27 | 1.48 |
| Bhivpuri | 54.59 | 2.15 | 11.76 | 10.04 | 21.80 | 3.99 |
| Khopoli | 74.75 | 3.69 | 27.58 | 15.55 | 43.13 | 5.77 |
| Thermal Incentive | | | | 0.00 | 0.00 | |
| Hydro Incentive | | | | 4.67 | 4.67 | |
| Total | 1670.99 | 5.01 | 837.24 | 226.34 | 1063.58 | 6.36 |

Table 3-5: Estimated Power Purchase from Tata Power-G October 2023 to March, 2024

| Unit | Generation | Variable Charge | Variable Charge | Fixed Charge | Total | Per Unit Cost |
|--------------|----------------|-----------------|-----------------|---------------|---------------|---------------|
| | Mus | Rs/kWh | Rs Crores | Rs Crores | Rs Crores | Rs/kWh |
| Unit 5 | 574.83 | 5.79 | 333.04 | 74.54 | 407.58 | 7.09 |
| Unit 7 | 153.58 | 5.04 | 77.40 | 39.68 | 117.08 | 7.62 |
| Unit 8 | 300.37 | 5.70 | 171.17 | 65.39 | 236.56 | 7.88 |
| Bhira | 183.25 | 0.92 | 16.86 | 16.46 | 33.32 | 1.82 |
| Bhivpuri | 97.91 | 2.15 | 21.05 | 10.04 | 31.09 | 3.18 |
| Khopoli | 64.45 | 3.69 | 23.78 | 15.55 | 39.33 | 6.10 |
| Total | 1374.39 | 4.68 | 643.30 | 221.67 | 864.96 | 6.29 |

Table 3-6:Provisional Power Purchase from Tata Power-G for FY 2023-24

| Unit | Generation | Variable Charge | Variable Charge | Fixed Charge | Total | Per Unit Cost |
|-------------------|----------------|-----------------|-----------------|---------------|----------------|---------------|
| | Mus | Rs/kWh | Rs Crores | Rs Crores | Rs Crores | Rs/kWh |
| Unit 5 | 1185.03 | 6.14 | 728.04 | 149.08 | 877.12 | 7.40 |
| Unit 7 | 388.41 | 5.05 | 196.18 | 79.36 | 275.54 | 7.09 |
| Unit 8 | 704.05 | 6.09 | 428.47 | 130.78 | 559.25 | 7.94 |
| Bhira | 476.20 | 0.92 | 43.66 | 32.93 | 76.59 | 1.61 |
| Bhivpuri | 152.50 | 2.15 | 32.81 | 20.08 | 52.89 | 3.47 |
| Khopoli | 139.20 | 3.69 | 51.36 | 31.10 | 82.46 | 5.92 |
| Thermal Incentive | 0.00 | | 0.00 | 0.00 | 0.00 | |
| Hydro Incentive | | | | 4.67 | 4.67 | |
| Total | 3045.38 | 4.86 | 1480.53 | 448.01 | 1928.54 | 6.33 |

174. Tata Power-D has considered the dynamic rate of procurement from various sources, therefore in adherence to the principle of Merit Order Despatch, Tata Power-D has tailored its procurement plan in manner which enabled it to procure more from other sources (during month of April to Mid-August) when the procurement cost was relatively lower as compared to Tata Power-G, and more from Tata Power-G (Mid-August till September) when Tata Power-G was comparatively cheaper.
175. Furthermore, Tata Power-D submits that it had on numerous occasions requested Maharashtra State Load Despatch Centre (“**MSLDC**”) for not making any procurement (zero scheduling) from TPC-G for the days/batch of days when market prices were lower or expected to be lower, as there were available cheaper sources. However, it is pertinent to note that in view of the N-1 contingency criteria MSLDC has not accepted the request of zero scheduling. Thus, in view of the afore stated reasons, Tata Power-Distribution has projected to procure the above said quantum from Tata Power-G.
176. Accordingly, Tata Power-D requests the Hon’ble Commission to consider the provisional power purchase cost of **Rs. 1928.54 Crores** towards procurement of power from Tata Power-G for provisional truing up for FY 2023-24.

3.2.6 Power Purchase from Renewable Energy Sources

177. In line with the RPO REC Regulations, 2019, Tata Power-D has to purchase the specified quantum of renewable power to meet its obligations. Regulation 7.1 of RPO REC Regulations, 2019 specifies the RPO targets of the obligated entities.
178. Further, Regulation 12.3 of the aforesaid regulation regarding fulfilment of the cumulative RPO by Obligated entities states as follows:
- 12.3 Any shortfall in meeting the minimum percentage of RE as specified in Regulation 7 may be carried forward from FY 2020-21 and FY 2021-22 to FY 2022-23 and from FY 2023-24 to FY 2024-25 and Obligated Entity shall meet such shortfall on cumulative basis by 31 March 2023 and 31 March 2025, respectively;*
179. In view of above, Tata Power-D has considered procurement of RE for meeting the cumulative shortfall in non-solar power till FY 2022-23 along with the RPO obligation of FY 2023-24.
180. The quantum of energy required to be purchased based on the energy input requirement, previous years shortfall/(surplus) and the % obligation for FY 2023-24 is given in the Table below:

Table 3-7: Renewable Energy Requirement for FY 2023-24 (Provisional)

| Renewable Source | | Total Energy Requirement at G>T | Hydro Power Purchased from Tata Power-G | Hydro Power Purchased through BPP | Requirement @ InSTS | % Obligation for FY 2023-24 | Obligation | Previous year (Surplus)/Short fall | Total RE for RPO | Shortfall/ (Surplus) <i>Mus</i> |
|------------------|---------------|---------------------------------|---|-----------------------------------|---------------------|-----------------------------|----------------|------------------------------------|------------------|---------------------------------|
| | | | | | 2 | 1 | 3 = 1 * 2 | 4 | 5 | 6 = 3+4-5 |
| Non Solar | a | | | | | 11.50% | 588.61 | 0.00 | 577.01 | 11.60 |
| Solar | b | | | | | 10.50% | 537.43 | -56.51 | 929.48 | -448.56 |
| Total | c =a+b | 5965.79 | 767.90 | 79.51 | 5118.38 | 22.00% | 1126.04 | -56.51 | 1506.49 | -436.96 |

181. As can be seen from the above Table, Tata Power-D is meeting the cumulative RPO requirement till FY 2023-24 on an overall basis. However, there is an estimated shortfall of 11.60 MUs in Non-Solar RPO and estimated surplus of 448.56 MUs in Solar RPO. In this regards, the RPO REC Regulations, 2019 specify the following:

7.3 Obligated Entity can use surplus Solar energy upto 15% of total RPO target to meet short fall in non-Solar RPO target and vice-versa;

Provided that Obligated Entity by providing detailed justification may seek prior approval of the Commission for adjusting more than 15% surplus energy from one category against short fall in other RPO category.

Considering the adjustment of 15% excess Solar with Non-Solar, Tata Power-D meets both Non-Solar and Solar RPO targets with excess in Solar by 448.56 Mus.

182. Tata Power-D while computing the power purchase cost from Renewable energy has considered the actual cost of power purchase from RE sources tied up from Wind and Solar energy for first half of FY 2023-24. The same has been as given in the table below:

Table 3-8: Estimated Power Purchase cost from RE sources for H1 of FY 2023-24

| Particular | MUS | Rs/kWh | Rs Cr |
|--------------------------|---------------|-------------|---------------|
| Wind energy Purchase | 391.88 | 3.60 | 141.20 |
| Solar Purchase | 499.72 | 3.04 | 151.92 |
| Total RE Purchase | 891.60 | 3.29 | 293.12 |

183. RE purchase cost for second half of FY 2023-24 has been estimated based on the projected quantum from the RE sources already tied up with Tata Power-D and estimated power purchase from short term sources. The estimated quantum and cost for H2 of FY 2023-24 is as given in the table below:

Table 3-9: Estimated Power Purchase cost from RE sources for FY 2023-24

| Particular | MUS | Rs/kWh | Rs Cr |
|--------------------------|---------------|-------------|---------------|
| Wind energy Purchase | 185.13 | 3.60 | 65.09 |
| Solar Purchase | 429.76 | 3.04 | 135.91 |
| Total RE Purchase | 614.89 | 3.27 | 201.00 |

184. Based on the above, the total estimated RE power purchase cost and quantum for FY 2023-24, is as shown in the table below.

Table 3-10: Estimated Power Purchase cost from RE sources for FY 2023-24

| Particular | MUS | | Rs/kWh | Rs Cr |
|--------------------------|----------------|---|-------------|---------------|
| Wind energy Purchase | 577.01 | ✓ | 3.58 | 206.29 |
| Solar Purchase | 929.48 | ✓ | 3.10 | 287.83 |
| Total RE Purchase | 1506.49 | ✓ | 3.28 | 494.12 |

185. As seen from the above Table, the provisional Cost of Power Purchase from RE sources is **Rs. 494.12 Crores** for FY 2023-24.

Tata Power-D requests the Hon'ble Commission to approve the provisional power purchase cost of Rs. 494.12 Crores for power procurement from RE sources for FY 2023-24.

3.2.7 Power Purchase from Bilateral Sources, Standby and Imbalance Pool

186. Based on the Generation Availability from Tata Power-G and the RE sources, the balance requirement of power for FY 2023-24 is being met through short term Bilateral Power Purchase. Tata Power-D had purchased bilateral power through the DEEP Portal, Power Exchanges and short-term power purchase linked to day ahead IEX rates.
187. In line with the MYT Regulations, the Deviation Charges adjusted / recovered from beneficiaries towards the difference in the scheduled drawl and actual drawl for the period April, 2023 to September, 2023 is **Rs. -4.68 Crores** for **-42.90 MUs**. It is pertinent to note that the quantum and amount is as per the bills issued by MSLDC for the said period.
188. For the balance period from October, 2023 to March, 2024, the quantum of Bilateral Power Purchase has been considered as a balancing quantum between total energy requirement and power purchase from contracted sources. The rate of bilateral power purchase has been considered the same as arrived from the power purchase for H1 of FY 2023-24 and for the purpose of provisional truing up, no Deviation charges have been considered. The estimated bilateral power purchase for FY 2023-24 has been tabulated as given below:

Table 3-11: Power Purchase from Bilateral for FY 2023-24

| FY 2023-24 H1 | MUS | Rs/kWh | Rs Cr |
|-------------------------------|---------------|---------------|---------------|
| Bilateral Power Purchase (H1) | 555.40 | 5.07 | 281.48 |
| UI Purchase | -42.90 | 1.09 | -4.68 |
| Total | 512.50 | 5.40 | 276.79 |

| FY 2023-24 H2 | MUS | Rs/kWh | Rs Cr |
|----------------------------------|----------------|---------------|---------------|
| Bilateral Power Purchase (H2) | 981.97 | 5.07 | 497.66 |
| FY 2023-24 (Total) | MUS | Rs/kWh | Rs Cr |
| Bilateral Power Purchase (H1+H2) | 1494.47 | 5.18 | 774.46 |
| Total | 1494.47 | 5.18 | 774.46 |

189. Further, Tata Power-D, during H1 of FY 2023-24, has procured standby energy of **0.85 MUS** worth **Rs. 0.85 Crores**. For H2, no standby procurement is considered.

Tata Power-D requests the Hon'ble Commission to approve the provisional power purchase cost of Rs. 774.46 Crores for power procurement from bilateral sources including deviation mechanism for FY 2023-24 and Rs 0.85 Crores from standby.

3.2.8 Sale outside Licence Area

190. Tata Power-D has sold surplus energy of **81.41 MUS** from April, 2023 to October, 2023. The month wise sale details are as given in the Table below:

Table 3-12: Sale Outside License Area during April 2023 to October 2023

| Month | Mus | Rs/kWh | Rs Crores |
|--------------|--------------|---------------|------------------|
| Apr-23 | 2.23 | 7.72 | 1.72 |
| May-23 | 3.67 | 8.47 | 3.11 |
| Jun-23 | 5.43 | 8.01 | 4.35 |
| Jul-23 | 10.12 | 6.66 | 6.74 |
| Aug-23 | 42.94 | 8.38 | 35.99 |
| Sep-23 | 11.81 | 7.23 | 8.54 |
| Oct-23 | 5.21 | 9.08 | 4.73 |
| Total | 81.41 | 8.01 | 65.18 |

191. As seen from the above the actual sale Outside Licence Area during April 2023 to October 2023, is **81.41 MUS** at an average rate of **Rs. 8.01/kWh** amounting to a

revenue of **Rs. 65.18 Crores**. We have not considered any sale outside Licence Area for rest of the duration of FY 2023-24.

Tata Power-D requests the Hon'ble Commission to approve the sale of 81.41 MUs outside Licence Area at an average rate of Rs. 65.18 per kWh provisionally for FY 2023-24.

3.2.9 Other Charges for Power Purchase

(i) Transmission Charges and MSLDC Charges

192. Tata Power-D has considered the Transmission Charges of **Rs. 277.00 Crores** and MSLDC Charges to the tune of **Rs. 1.02 Crores** for FY 2023-24 as approved by the Hon'ble Commission in the MTR Order in Case No. 225 of 2022 dated 31st March, 2023.
193. Further it is submitted that, GNA has been operationalised in the year FY 2023-24 . Tata Power-D will consider the amount paid towards the interstate transmission charges at the time of the truing up of FY 2023-24.

• Standby Charges

194. Tata power-D has considered Rs. 60.39 Crores towards Standby Charges from April 2023 to October 2023, as Tata Power-D has ceased the power purchase from standby arrangement. It is submitted that Tata Power-D has not purchased any power under standby arrangement from October 2023 onwards. The present submission is without prejudice to the rights and contentions of Tata Power-D available as per law and subject to outcome of Appeal No. 369 of 2023, wherein the continuance of the standby arrangement with MSEDCL has been challenged by Tata Power-D.

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(ii) Wheeling Charges, CSS and RAC payable to AEML-D

195. Tata Power-D, based on the rates approved by the Hon'ble Commission, has been collecting the Wheeling Charges and CSS from changeover consumers and paying to AEML-D. Since, these charges are only being collected from changeover consumers by

Tata Power-D and paid to AEML, the same are not part of the computation of ARR of Tata Power-D for FY 2023-24. The Charges paid to AEML-D from April, 2023 to September, 2023 are shown in the Table below:

Table 3-13: Various Charges paid to AEML-D for H1, FY 2023-24

| Charges payable to Rinfra-D | Rs Crores |
|------------------------------|---------------|
| Wheeling Charges | 171.81 |
| CSS Charges | 33.98 |
| Total Charges payable | 205.79 |

(iv) Transmission Charges collected from Open Access Consumers

196. Tata Power-D has recovered Transmission Charges to the tune of **Rs. 10.08 Crores** from OA consumers during H1 of FY 2023-24. However, based on the direction of the Hon'ble Commission, the same has been remitted to STU and have not been considered by Tata Power-D.

3.2.10 Total Cost of Power Purchase for FY 2023-24

197. Based on the above discussion, the provisional cost of Power Purchase for Tata Power-D for FY 2023-24 works out as given below:

Table 3-14: Provisional Power Purchase Cost for FY 2023-24

| Power Purchase for FY 2023-24 | Approved in the MYT Tariff Order | | | Tata Power-D Provisional Power Purchase Cost | | |
|----------------------------------|----------------------------------|-------------|----------------|--|-------------|----------------|
| Source | Mus | Rs/kWh | Rs Cr | Mus | Rs/kWh | Rs Cr |
| Power Purchase from Tata Power-G | 3788.23 | 4.66 | 1764.70 | 3045.38 | 6.33 | 1928.54 |
| Non Solar RPO+Solar+REC | 1044.71 | 3.46 | 361.88 | 1506.49 | 3.28 | 494.12 |
| Bilateral + UI Purchase | 625.80 | 3.56 | 222.69 | 1494.47 | 5.18 | 774.46 |
| OLA Sale | | | | -81.41 | 8.01 | -65.18 |
| MSLDC Charges | - | - | 1.37 | | | 1.02 |
| Standby Ch.for energy drawn | | | 0 | 0.85 | | 0.85 |
| Fixed Standby Charges | - | - | 99.19 | 0.00 | | 60.39 |
| Transmission Charges | - | - | 258.90 | | | 277.00 |
| Total Power Purchase cost | 5458.75 | 4.96 | 2708.73 | 5965.79 | 5.82 | 3471.20 |

198. As seen from the above Table, the provisional power purchase cost for FY 2023-24 works out to **Rs. 3471.20 Crores**.

Tata Power-D requests the Hon'ble Commission to approve the provisional power purchase cost of Rs. 3471.20 Crores for FY 2023-24.

3.3 Operation and Maintenance Expenditure

199. In this regard, Tata Power-D has considered the O&M expenses based on the MYT Regulations, 2019. Since, FY 2023-24 is yet to be over, for computation of normative O & M, the escalation rate has been considered same as that arrived for FY 2022-23 i.e. 5.87% for wire and supply business of Tata Power-D.
200. Considering the escalation rate same as that for FY 2022-23 and the normative O&M expenditure for FY 2022-23, the normative O&M expenditure for FY 2023-24 is as shown in the Table below:

Table 3-15: Normative O&M Expenditure for - FY 2023-24

| | | <i>Rs.Crs</i> | |
|--------------------------------|-------------|---------------|---------------|
| Particulars | | Wire | Retail |
| Normative O & M for FY 2022-23 | a | 128.86 | 118.51 |
| Inflation Index for FY 2023-24 | b | 5.87% | 5.87% |
| Normative O & M for FY 2023-24 | $c=a*(1+b)$ | 136.41 | 125.47 |

201. As seen from the above table, normative O&M expenditure for Distribution Wires Business works out to **Rs. 136.41 Crores** for Distribution Wires Business & **Rs. 125.47 Crores** for Retail Supply Business for FY 2023-24.

Tata Power-D requests the Hon'ble Commission to approve the revised Normative O&M expenditure of Rs. 136.41 Crores for Distribution Wires Business and Rs. 125.47 Crores for Retail Supply Business towards truing up of FY 2023-24.

3.4 Capital Expenditure and Capitalisation

202. The Hon'ble Commission, in its MTR Tariff Order in Case 225 of 2022 dated 31st March, 2022 had approved the capitalisation of Rs. 194.69 Crores for Distribution Wires Business and Rs. 9.07 Crores for Retail Supply Business. Against this, the provisional capitalisation for FY 2022-23 is estimated to be **Rs. 170.39 Crores** for Distribution

Wires Business and **Rs. 37.00 Crores** for Retail Supply Business. The estimated capital expenditure and capitalisation for FY 2023-24 for Tata Power-D is presented in the Table below:

Table 3-16: Estimated Capitalisation for FY 2023-24

| Particulars | Rs Crores | |
|----------------------------------|---------------|---------------|
| | Wire Business | Retail Supply |
| Approved in the MTR Tariff Order | 194.69 | 9.07 |
| Estimated capitalization | 170.39 | 37.00 |

203. The detailed scheme wise breakup of the capitalisation is given in the Form 4.2 of the MTR petition.

Tata Power-D requests the Hon'ble Commission to approve capitalisation of Rs. 170.39 Crores for the Distribution Wires Business and Rs. 37.00 Crores for the Retail Supply Business towards provisional truing up of FY 2023-24.

3.5 Depreciation

204. Tata Power-D has considered the % Depreciation Rate as that worked out for FY 2022-23 for arriving at the estimated Depreciation of FY 2023-24. Accordingly, the estimated Depreciation for FY 2023-24 is as given in the Table below:

Table 3-17: Estimated Depreciation for FY 2023-24

| Particulars | Wire Business | | Supply Business | |
|--|-------------------------|--------------|-------------------------|--------------|
| | As per MYT Tariff Order | Tata Power-D | As per MYT Tariff Order | Tata Power-D |
| Opening GFA | 2992.55 | 3073.27 | 259.94 | 250.56 |
| Addition | 87.96 | 170.39 | 14.02 | 37.00 |
| Retirement | 0.00 | 0.00 | 0.00 | 0.00 |
| Closing | 3080.51 | 3243.66 | 273.96 | 287.56 |
| % Depreciation on average of opening and Closing GFA | 4.61% | 4.64% | 4.61% | 8.18% |
| Depreciation | 140.06 | 146.65 | 12.31 | 22.01 |

Tata Power-D requests the Hon'ble Commission to approve the Depreciation of Rs. 146.65 Crores for the Distribution Wires Business and Rs. 22.01 Crores for the Retail Supply Business towards provisional truing up of FY 2023-24.

3.6 Interest on Long Term Loan

205. For arriving at the Interest on Long Term Loan for FY 2023-24 for Distribution Wires and Retail Supply Business, Tata Power-D has considered opening loan balance equal to the closing loan balance for FY 2022-23, repayment of loan equal to the estimated depreciation for the current year and the interest rate same as that for FY 2022-23 i.e. 7.92%. Accordingly, the Interest on Long Term Loan for FY 2023-24 has been worked out as given in the Table below:

Table 3-18: Estimated Interest on Loan - FY 2023-24

| Particulars | Wire Business FY 2023-24 | | Supply Business FY 2023-24 | |
|-------------------------|--------------------------|--------------|----------------------------|--------------|
| | As per MYT Tariff | Tata Power-D | As per MYT | Tata Power-D |
| Balance of Loan | 747.75 | 821.94 | 66.64 | 56.71 |
| during the year | 61.57 | 119.27 | 9.81 | 25.90 |
| Payment during the year | 140.06 | 146.65 | 12.31 | 22.01 |
| Balance of Loan | 669.26 | 794.56 | 64.14 | 60.59 |
| Rate | 8.42% | 7.92% | 8.42% | 7.92% |
| Expenses | 59.64 | 63.98 | 5.50 | 4.64 |

Tata Power-D requests the Hon'ble Commission to approve the interest on loan term loans of Rs. 63.98 Crores for the Distribution Wires Business and Rs. 4.64 Crores for the Retail Supply Business of Tata Power-D towards provisional truing up of FY 2023-24.

3.7 Other Finance Charges

206. No expenditure has been considered on account of Finance Charges, Commission and Brokerage Charges for provisional truing up of FY 2023-24.

3.8 Interest on Working Capital

207. The Interest on Working Capital has been computed based on the elements specified in Regulations 32.3 and 32.4 of the MYT Regulations, 2019 for the Distribution Wires Business and Retail Supply Business.
208. In accordance with the Regulation, the power purchase from Tata Power-G (including that from RE generator) has been subtracted to arrive at the normative working capital requirement.
209. Further, for the purpose of computing the Interest on Working Capital for FY 2023-24, an interest rate of **10.05%** in line with the MYT Regulations, 2019 has been considered. The Normative Interest on Working Capital for FY 2023-24 for the Distribution Wires and Retail Supply Businesses is computed in the Table below:

Table 3-19: Estimated Interest on Working Capital for FY 2023-24

| | | | <i>Rs. Crore</i> |
|--|---------------------|----------------------|------------------|
| Particulars | FY 2023-24 Wires | FY 2023-24 Supply | Total |
| Approved by the Hon'ble Commission | 9.65 | 11.72 | 21.37 |
| O&M Expenses for one month | 11.37 | 10.46 | 21.82 |
| Maintenance spares at 1% of Opening GFA | 30.73 | 2.51 | 33.24 |
| One and half months of the expected Revenue from Distribution Business | 57.35 | 461.75 | 519.10 |
| Less: | | | |
| Amount of Security Deposit | - | 285.12 | 285.12 |
| One Month Equivalent of cost of power (excl Tata Power-G cost) | - | 128.55 | 128.55 |
| Total Working Capital | 99.45 | 61.04 | 160.50 |
| Computation of working capital interest | | | - |
| Rate of Interest (% p.a.) | 10.05% | 10.05% | 10.05% |
| Interest on Working Capital | 10.00 | 6.13 | 16.13 |

Tata Power-D requests the Hon'ble Commission to approve the normative Interest on Working Capital of Rs. 10.00 Crores for the Distribution Wires Business and Rs. 6.13 Crores for the Retail Supply Business of Tata Power-D towards provisional truing up of FY 2023-24.

3.9 Interest on Security Deposit

210. Tata Power-D has estimated the security deposit for FY 2023-24 equal to the actual security deposit collected during H1 of the FY2023-24. The Interest on Security Deposits from consumers is considered by applying the applicable rate of 6.75%, which is the RBI bank rate at 1st April, 2023. Accordingly, the total Interest on Security Deposit is considered at **Rs. 9.56 Crores** for FY 2023-24.

Tata Power-D requests the Hon'ble Commission to approve Rs. 9.56 Crores towards Interest on Consumer Security Deposit towards provisional truing up of FY 2023-24.

3.10 Provision for Bad and Doubtful Debts

211. The Provision for Bad and Doubtful Debts has been considered **nil** for FY 2023-24.

3.11 Contribution to Contingency Reserves

212. The Contribution to Contingency Reserves for the Distribution Wires and Retail Supply Business has been worked out considering the provisions of Regulation 35, of MYT Regulations, 2019.
213. It is to be noted that during MTR petition in Case No. 225 of 2022, Tata Power-D had proposed nil Contribution to Contingency Reserve for the Control Period to reduce the cost burden on consumers. The Hon'ble Commission had approved zero Contribution to Contingency Reserve for Distribution Wires Business of the Tata Power-D. Tata Power-D proposes to continue the same approach for provisional truing up of FY 2023-24. Accordingly, the Contingency Reserve for Distribution Wires Business for FY 2023-24 is zero.
214. The Contribution to Contingency Reserve for the Retail Supply Business has been considered as per the MYT Regulations, 2019 and as shown in the Table below:

Table 3-20: Estimated Contribution to Contingency Reserve for FY 2023-24

| | Rs. Crore | |
|--|--------------|-------------|
| | Wire | Supply |
| Approved by the Hon'ble Commission | 0.00 | 0.65 |
| Opening GFA | 3073.27 | 250.56 |
| % Contingency Reserve | 0.25% | 0.25% |
| Opening Balance of CR | 58.16 | 4.77 |
| Maximum Permissible Resreves | 153.66 | 12.53 |
| Contingency Reserve | 0.00 | 0.63 |
| Closing Balance till 31st March, 2024 | 58.16 | 5.39 |

Tata Power-D requests the Hon'ble Commission to approve nil contribution to Contingency Reserve for Distribution Wires Business and Rs 0.63 Crores for Retail Supply Business towards provisional truing up of FY 2023-24.

3.12 Return on Equity Capital

215. The RoE for the Distribution Wires Business and Retail Supply Business for FY 2023-24 has been computed taking into consideration the provisions of Regulation 29.8 and 29.9 of the MYT Regulations, 2019. Accordingly, the RoE for FY 2023-24 works out as follows:

Table 3-21: Estimated RoE for the FY 2023-24

| | Rs. Crore | | | |
|--|--------------------------------------|--------------------|--|---------------------|
| Particulars | Approved in the MTR Tarff Order-Wire | Tata Power-D Wires | Approved in the MTR Tarff Order-Supply | Tata Power-D Supply |
| Regulatory Equity at the beginning of the year | 924.16 | 927.02 | 82.79 | 75.36 |
| Capitalised Assets during the year | 194.69 | 170.39 | 9.07 | 37.00 |
| Equity portion of expenditure on Capitalized Assets | 58.41 | 51.12 | 2.72 | 11.10 |
| Less: Equity portion of the asset decapitalized | 0.00 | 0.00 | 0.00 | 0.00 |
| Regulatory Equity at the end of the year | 982.57 | 978.13 | 85.51 | 86.46 |
| Return Computation | | | | |
| Rate of ROE | 14.00% | 14.00% | 15.50% | 15.50% |
| Return on Regulatory Equity at the beginning of the year | 129.38 | 129.78 | 12.83 | 11.68 |
| Return on Equity portion of capitalisation during the year | 4.09 | 3.58 | 0.21 | 0.86 |
| Total Return on Regulatory Equity | 133.47 | 133.36 | 13.04 | 12.54 |

216. It is submitted that as per the above table, the Regulated Equity at the beginning of FY 2023-24 has been considered equal to the Closing Equity of FY 2022-23 as arrived

in the previous section, and the rate of RoE has been considered equal to the base rate of return as per MYT Regulations, 2019. Accordingly, the RoE for Distribution Wires Business & Retail Supply Business works out as **Rs. 133.36 Crores & Rs. 12.54 Crores** respectively.

Tata Power-D requests the Hon'ble Commission to approve the Return on Equity of Rs. 133.36 Crores for Distribution Wires Business and Rs. 12.54 Crores for Retail Supply Business of Tata Power-D towards provisional truing up of FY 2023-24.

3.13 Non-Tariff Income

217. The Hon'ble Commission has approved the projection of Non-Tariff Income for the Distribution Wires Business and Retail Supply Business for FY 2023-24 in the MTR Order as Rs. 5.94 Crores and Rs. 12.34 Crores respectively. Tata Power-D has considered the same for the purpose of provisional Truing Up of FY 2023-24. The same is as shown in the table below:

Table 3-22: Estimated Non- Tariff Income for FY 2023-24

| Particulars | Rs Crores | |
|-------------------------------------|-----------|--------|
| | Wire | Supply |
| As approved in the MTR Tariff Order | 5.94 | 12.34 |
| Tata Power-D | 5.94 | 12.34 |

3.14 DSM Expenditure

218. The Hon'ble Commission in its MTR Order in Case No. 225 of 2022 has approved the DSM expenditure as Rs. 0.52 Crores towards scheme value. For provisional truing up of FY 2023-24, Tata Power-D has considered the same DSM expenditure for FY 2023-24, i.e. **Rs. 0.52 Crores**.

3.15 ARR for Distribution Business for FY 2023-24

219. Based on the above computation of the elements of ARR, the summary of the ARR and its comparison with that considered in the MTR Order is presented for the Distribution Wires and the Retail Supply Business in the Tables below:

Table 3-23: Provisional ARR for Distribution Wires Business for FY 2023-24

| Particulars | Rs. Crore | |
|--|----------------------------|---------------|
| | As per MYT Tariff Order | Tata Power-D |
| Operation and Maintenance | 128.52 | 136.41 |
| Depreciation | 140.06 | 146.65 |
| Interest on Long-term Loan Capital | 59.64 | 63.98 |
| Interest on Working Capital | 9.65 | 10.00 |
| Provision for Bad & Doubtful Debt | 0.00 | 0.00 |
| Contribution to Contingency Reserves | 0.00 | 0.00 |
| Total Revenue Expenditure | 337.88 | 357.05 |
| Add: Return on Equity Capital | 155.39 | 133.36 |
| Aggregate Revenue Requirement | 493.27 | 490.41 |
| <i>Less: Non-Tariff Income</i> | 5.37 | 5.94 |
| <i>Less: Revenue from OA</i> | 0.00 | 23.04 |
| Net Aggregate Revenue Requirement | 487.89 | 461.42 |

Table 3-24: Provisional ARR for Retail Supply Business for FY 2023-24

| Particulars | Rs Crore | |
|---|----------------------------|----------------|
| | As per MYT Tariff Order | Tata Power-D |
| Power Purchase Expenses | 2349.27 | 3132.79 |
| Intra-State Transmission Charges | 258.90 | 277.00 |
| MSLDC Fees & Charges | 1.37 | 1.02 |
| Standby Charges | 99.19 | 60.39 |
| O&M Expenses | 124.58 | 125.47 |
| Depreciation | 12.31 | 22.01 |
| Interest on Loan Capital + Other Finance Charges | 5.50 | 4.64 |
| Interest on Working Capital | 11.72 | 6.14 |
| Interest on Security Deposit | 9.72 | 9.56 |
| Provision for bad and doubtful debt | 0.00 | 0.00 |
| Contribution to Contingency Reserve | 0.65 | 0.63 |
| DSM Expenses | 0.68 | 0.52 |
| Share of earlier period Standby Charges | 0.00 | |
| Total Revenue Expenditure | 2873.90 | 3640.17 |
| Add: Return on Equity Capital | 15.08 | 12.54 |
| Aggregate Revenue Requirement | 2888.97 | 3652.72 |
| Less: Non-Tariff Income | 2.43 | 12.34 |
| Less: Income from OA consumers | 0.00 | 19.05 |
| Aggregate Revenue Requirement from Retail Supply | 2886.54 | 3621.32 |

220. As per the above Tables, the Distribution Wires ARR for FY 2023-24 works out to **Rs. 461.42 Crores** and that for the Retail Supply Business works out to **Rs. 3621.32 Crores**.
221. Further, the combined estimated ARR for Distribution Business for FY 2023-24 is as given in the Table below:

Table 3-25: Combined Provisional ARR for Distribution Business for FY 2023-24

| Particulars | Rs Crores | |
|---|------------------|----------------|
| | MTR Tariff Order | Tata Power-D |
| Power Purchase Expenses including Standby Charges | 2349.27 | 3132.79 |
| Intra-State Transmission Charges | 258.90 | 277.00 |
| MSLDC Fees & Charges | 1.37 | 1.02 |
| Standby Charges | 99.19 | 60.39 |
| O&M Expenses | 253.10 | 261.88 |
| Depreciation | 152.37 | 168.67 |
| Interest on Loan Capital | 65.15 | 68.62 |
| Interest on Working Capital | 21.38 | 16.14 |
| Interest on Security Deposit | 9.72 | 9.56 |
| Provision for bad and doubtful debts | 0.00 | 0.00 |
| Contribution to contingency reserves | 0.65 | 0.63 |
| Others (DSM) | 0.68 | 0.52 |
| Total Revenue Expenditure | 3211.78 | 3997.22 |
| Add: Return on Equity Capital | 170.47 | 145.90 |
| Aggregate Revenue Requirement | 3382.24 | 4143.12 |
| Less: Non-Tariff Income | 7.80 | 18.28 |
| Less: Income from OA consumers | 0.00 | 42.09 |
| Aggregate Revenue Requirement | 3374.44 | 4082.74 |

222. As seen from the above the combined ARR for Distribution Wires and Retail Supply Business for FY 2023-24 worked out as **Rs. 4082.74 Crores**.

3.16 Revenue for FY 2023-24

223. Tata Power-D has considered the actual Revenue recovered till September, 2023, in which the revenue collected from April 2023 to June 2023 is as per the tariff approved by the Hon'ble Commission in the Tata Power-D MTR order in Case No. 225 of 2022 dated 31st March 2022, and revenue from July 2023 to September 2023 is as per the tariff approved by the Hon'ble Commission in its order in the MYT Order in Case No.

326 of 2019 dated 30th March 2020. Further, the revenue for H2 of FY 2023-24 is estimated based on the Tariff approved by the Hon'ble Commission in its order in Case No. 326 of 2019 dated 30th March 2020. Based on the same, the total estimated revenue recovery during FY 2023-24 is as given in the Table below. In addition to the same Tata Power-D wish to submit that as per the Hon'ble APTEL Order dated 5th January, 2023 Tata Power-D has submitting the interim / final tariff for FY 2023-24. We request the Hon'ble Commission to consider the impact of the same if any for the provisional truing up.

Table 3-26: Estimated Revenue Recovered for Distribution Business for FY 2023-24

| <i>Rs Crores</i> | |
|--------------------------------|----------------|
| Revenue | Total |
| Revenue Supply Business | 3674.97 |
| Revenue Wheeling Charges | 435.78 |
| Revenue from OA (Wheeling Ch.) | 23.04 |
| Revenue from OA (CSS) | 19.05 |
| Total | 4152.84 |

224. As seen from the above the estimated total Revenue recovery will be **Rs. 4152.84 Crores** during for FY 2023-24.

3.17 Revenue Gap / (Surplus) for FY 2023-24

225. Considering the estimated Revenue for FY 2023-24, the Revenue Gap / (Surplus) for FY 2023-24 for the Distribution Wires Business and Retail Supply Business is as follows:

Table 3-27: Estimated Revenue Gap / (Surplus) for Distribution Wire Business for FY 2023-24

| <i>Rs Crores</i> | | |
|------------------------------|------------------|--------------|
| Particulars | MTR Tariff Order | Tata Power-D |
| Net ARR | 487.89 | 461.42 |
| Revenue | 0.00 | 435.78 |
| Revenue Gap/(Surplus) | 487.89 | 25.64 |

Table 3-28: Estimated Revenue Gap / (Surplus) for Distribution Supply Business for FY 2023-24

| <i>Rs Crores</i> | | |
|-----------------------|-------------------------|---------------------|
| Particulars | MTR Tariff Order | Tata Power-D |
| Net ARR | 2886.54 | 3621.32 |
| Revenue | 0.00 | 3674.97 |
| Revenue Gap/(Surplus) | 2886.54 | -53.65 |

226. As can be seen from the above Table, total Revenue gap for Distribution Wires Business works out as **Rs. 25.64 Crores** & surplus of **Rs. 53.65 Crores** for Retail Supply Business for FY 2023-24.

4 AGGREGATE REVENUE REQUIRED FOR THE PERIOD FY 2024-25

227. This section discusses and presents the estimated ARR for the Period FY 2024-25 with respect to the Distribution Wires and Retail Supply Business of Tata Power-D. It is submitted that the ARR is computed in this section considering the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 (“MYT Regulations, 2019”).

4.1 ARR for Distribution Wires and Retail Supply Business

228. Regulation 73.1 of the MYT Regulations, 2019 describes the various heads under which the Distribution Wires Business of a Distribution Licensee can recover its Aggregate Revenue Requirement (ARR). Similarly, Regulation 81.1 of the MYT Regulations, 2019 describes the various heads under which the Retail Supply Business of a Distribution Licensee can recover its ARR. Accordingly, Tata Power-D has presented below the ARR computation for FY 2024-25 for the Distribution Wires Business and the Retail Supply Business.

229. In the following Sections, Tata Power-D has presented its Sales Projections for FY 2024-25.

4.2 Sales Projection

230. Tata Power-D in its MTR Tariff Petition No 225 of 2022 has projected the following category wise sales for both HT and LT. The projected sales are as given below:

Table 4-1: HT Sales Projection for FY 2023-24 and FY 2024-25

| Consumer Categories | FY 24 | | FY 25 | |
|--|----------------|----------------|----------------|----------------|
| | MYT order | Tata Power-D | MYT order | Tata Power-D |
| | MYT order | TPC-D | MYT order | TPC-D |
| EHV - Industry | 214.59 | 566.49 | 214.59 | 572.16 |
| HT I – Industry | 984.66 | 1041.27 | 1042.16 | 1145.39 |
| EHV- Commercial | 106.22 | 95.95 | 106.22 | 96.91 |
| HT II – Commercial | 394.84 | 407.14 | 409.75 | 427.50 |
| HT III - Group Housing Society | 13.23 | 40.94 | 16.54 | 42.17 |
| HT V(A) - Railways | 71.50 | 126.00 | 72.42 | 128.11 |
| 22/33 KV | 71.38 | 111.00 | 72.35 | 112.11 |
| HT V(B) - Railways Metro & Monorail | 0.12 | 15.00 | 0.07 | 16.00 |
| HT VI - Public Services | 238.94 | 190.21 | 244.22 | 194.69 |
| HT VI(A) - Publ Serv Govt Hosp&Edu Inst | 14.49 | 28.09 | 14.95 | 28.93 |
| HT VI(B) - Public Services Others | 171.14 | 101.28 | 175.95 | 104.31 |
| EHV Public Services Others | 53.32 | 60.84 | 53.32 | 61.45 |
| HT VIII - Electric Vehicle Charging Stn. | 0.00 | 20.00 | 0.00 | 25.00 |
| HT Consumers Total | 2023.98 | 2488.00 | 2105.90 | 2631.94 |

Table 4-2: HT Changeover Sales Projection for FY 2023-24 and FY 2024-25

| Consumer Categories | FY 24 | | FY 25 | |
|--|-------------|--------------|-------------|--------------|
| | MYT order | Tata Power-D | MYT order | Tata Power-D |
| | MYT order | TPC-D | MYT order | TPC-D |
| HT CUSTOMERS | | | | |
| HT I - Industry | 0.00 | | 0.00 | 0.00 |
| HT II - Commercial | 0.15 | 0.20 | 0.07 | 0.20 |
| HT III - Group Housing Society | 0.00 | 0.00 | 0.00 | 0.00 |
| HT IV - PWW & Sewage Treatment Plants | | 0.00 | | 0.00 |
| HT V(A) - Railways | | 0.00 | | 0.00 |
| - 22/33 kV | 0.00 | 0.00 | 0.00 | 0.00 |
| - 100kV | | 0.00 | | 0.00 |
| HT V(B) - Railways Metro & Monorail | 0.00 | 0.00 | 0.00 | 0.00 |
| HT VI - Public Services | | 0.00 | | 0.00 |
| a) Govt. Edu. Inst. & Hospitals | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Others | 0.00 | 0.00 | 0.00 | 0.00 |
| HT IV - Temporary Supply | 0.00 | 0.00 | 0.00 | 0.00 |
| HT CUSTOMERS TOTAL MUs | 0.16 | 0.20 | 0.07 | 0.20 |

4.2.1 LT Sales Projection

Table 4-3: Sales Projection for LT Consumers for FY 2023-24 and FY 2024-25

| Consumer Categories | FY 24 | | FY 25 | |
|---|----------------|----------------|----------------|----------------|
| | MYT order | Tata Power-D | MYT order | Tata Power-D |
| | MYT order | TPC-D | MYT order | TPC-D |
| LT Category | | | | |
| LT I - Residential (BPL) | | | | |
| LT I - Residential | 705.65 | 695.87 | 809.87 | 800.25 |
| 0-100 | 188.88 | 174.75 | 216.78 | 200.96 |
| 101-300 | 205.96 | 211.56 | 236.37 | 243.29 |
| 301-500 | 81.93 | 94.79 | 94.03 | 109.00 |
| 501 and above | 228.88 | 214.77 | 262.68 | 246.99 |
| LT II - Commercial | 660.15 | 660.22 | 716.69 | 777.43 |
| LT II(A) - Commercial upto 20 kW | 154.56 | 187.20 | 177.69 | 192.93 |
| LT II(B) - Commercial 20 to 50 kW | 156.55 | 91.90 | 176.07 | 103.85 |
| LT II(C) - Commercial > 50 kW | 349.04 | 381.12 | 362.92 | 480.66 |
| LT III - Industrial upto 20 kW | 19.55 | 27.50 | 19.01 | 30.25 |
| LT IV - Industrial > 20 kW | 211.58 | 267.82 | 218.64 | 294.60 |
| LT IX(A) - Publ Serv Govt Hosp&Edu Inst | 33.76 | 6.66 | 38.16 | 7.33 |
| LT IX(B) - Public Services Others | 0.53 | 26.41 | 0.47 | 28.52 |
| LT XI: Electric Vehicle Charging Stations | 0.10 | 2.20 | 0.10 | 2.42 |
| LT CONSUMERS TOTAL MUS | 1631.32 | 1686.68 | 1802.93 | 1940.80 |

LT Changeover Sale

Table 4-4: Sales Projection for LT Changeover Consumers for FY 2023-24 and FY 2024-25

| Consumer Categories | FY 24 | | FY 25 | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | MYT order | Tata Power-D | MYT order | Tata Power-D |
| | MYT order | TPC-D | MYT order | TPC-D |
| LT I - Residential (BPL) | | 0.00 | 0.00 | 0.00 |
| LT I - Residential | 1417.76 | 1428.16 | 1417.77 | 1428.16 |
| - S1 (0-100 units) | 606.48 | 527.80 | 606.50 | 527.80 |
| - S2 (101-300 units) | 577.40 | 603.01 | 577.40 | 603.01 |
| - S3 (> 301-500 Units) | 137.37 | 182.86 | 137.37 | 182.86 |
| - S4 (Above 500 units (balance units) | 96.50 | 114.49 | 96.50 | 114.49 |
| LT II - Commercial | 162.09 | 95.79 | 162.09 | 95.79 |
| - Upto 20 kW | 102.21 | 65.96 | 102.21 | 65.96 |
| - > 20 kW & < 50kW | 24.72 | 13.09 | 24.72 | 13.09 |
| - > 50kW | 35.16 | 16.74 | 35.16 | 16.74 |
| LT III (A) - Industry < 20 kW | 5.65 | 14.92 | 4.43 | 14.92 |
| LT III (B)- Industry > 20kW | 0.93 | 7.97 | 0.56 | 7.97 |
| LT IX - Public Services | 9.69 | 3.05 | 12.12 | 3.05 |
| a) Govt. Edu. Inst. & Hospitals | 0.00 | 1.46 | 0.00 | 1.46 |
| b) Others | 9.69 | 1.59 | 12.12 | 1.59 |
| LT CONSUMERS TOTAL MUS | 1596.12 | 1549.88 | 1596.97 | 1549.88 |

4.2.2 OA Sales Projection

Table 4-5: Sales Projection for OA Consumers for FY 2023-24 and FY 2024-25

Mus

| Consumer Category | FY 2022-23 | FY 2023-24 | FY 2024-25 |
|--------------------------|------------|------------|------------|
| EHV Industry | 7 | 15 | 15 |
| HT Industry | 150 | 155 | 155 |
| HT commercia | 50 | 50 | 50 |
| HT public Service others | 0 | 0 | 0 |
| | 207 | 220 | 220 |

231. The Hon'ble Commission in its Order in Case No 225 of 2022 has approved the following sales projections for FY 2023-24 and FY 2024-25.

Table 5-5: Category-wise Direct Sales approved for FY 2023-24 and FY 2024-25 (MU)

| Consumer Category | FY 2023-24 | | | FY 2024-25 | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | MYT Order | TPC-D Petition | Approved | MYT Order | TPC-D Petition | Approved |
| HT Category | | | | | | |
| EHV - Industry | 214.59 | 566.49 | 605.00 | 214.59 | 572.16 | 665.50 |
| HT I – Industry | 984.66 | 1041.27 | 993.93 | 1042.16 | 1145.39 | 1043.63 |
| EHV- Commercial | 106.22 | 95.95 | 95.00 | 106.22 | 96.91 | 95.00 |
| HT II – Commercial | 394.84 | 407.14 | 407.14 | 409.75 | 427.50 | 427.50 |
| HT III - Group Housing Society | 13.23 | 40.94 | 43.72 | 16.54 | 42.17 | 48.09 |
| HT V(A) - Railways | | | | | | |
| 22/33 kV | 71.38 | 111.00 | 94.88 | 72.35 | 112.11 | 99.62 |
| 100 kV | | | | | | |
| EHV - Railways Metro & Monorail | 0.12 | 15.00 | 16.32 | 0.07 | 16.00 | 16.32 |
| HT VI - Public Services | | | | | | |
| HT VI(A) - Public Service Govt Hosp. & Edu. Inst. | 14.49 | 28.09 | 28.51 | 14.95 | 28.93 | 29.81 |
| EHV-Public Services | 53.32 | 60.84 | 60.24 | 53.32 | 61.45 | 60.24 |
| HT VI(B) - Public Services Others | 171.14 | 101.28 | 93.93 | 175.95 | 104.31 | 98.21 |
| HT VII - Temporary Supply | | | | | | |
| HT VIII - Electric Vehicle Charging Stn. | | 20.00 | 16.20 | | 25.00 | 16.20 |
| Sub-total HT Category | 2023.98 | 2488.00 | 2454.88 | 2105.90 | 2631.94 | 2600.12 |
| | | | | | | |
| LT Category | | | | | | |
| LT I - Residential (BPL) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LT I - Residential | 705.65 | 695.87 | 663.94 | 809.87 | 800.25 | 728.52 |
| 0-100 | 188.88 | 174.75 | 176.01 | 216.78 | 200.96 | 193.13 |
| 101-300 | 205.96 | 211.56 | 197.68 | 236.37 | 243.29 | 216.91 |
| 301-500 | 81.93 | 94.79 | 82.88 | 94.03 | 109.00 | 90.94 |

| Consumer Category | FY 2023-24 | | | FY 2024-25 | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | MYT Order | TPC-D Petition | Approved | MYT Order | TPC-D Petition | Approved |
| 501 and above | 228.88 | 214.77 | 207.36 | 262.68 | 246.99 | 227.53 |
| LT II - Commercial | 660.15 | 660.22 | 570.50 | 716.69 | 777.43 | 599.02 |
| LT II(A) - Commercial upto 20 kW | 154.56 | 187.20 | 130.97 | 177.69 | 192.93 | 137.52 |
| LT II(B) - Commercial 20 to 50 kW | 156.55 | 91.90 | 85.39 | 176.07 | 103.85 | 89.66 |
| LT II(C) - Commercial > 50 kW | 349.04 | 381.12 | 354.13 | 362.92 | 480.66 | 371.84 |
| LT III - Industrial upto 20 kW | 19.55 | 27.50 | 26.25 | 19.01 | 30.25 | 27.56 |
| LT IV - Industrial > 20 kW | 211.58 | 267.82 | 244.53 | 218.64 | 294.60 | 256.76 |
| LT IX - Public Services | 34.29 | 33.07 | 31.64 | 38.63 | 35.85 | 32.82 |
| LT IX(A) - Publ Service Govt Hosp&Edu Inst | 33.76 | 6.66 | 6.28 | 38.16 | 7.33 | 6.51 |
| LT IX(B) - Public Services Others | 0.53 | 26.41 | 25.36 | 0.47 | 28.52 | 26.31 |
| LT IV - PWW & Sewage Treatment Plants | | | | | | |
| LT XI: Electric Vehicle Charging Stations | 0.10 | 2.20 | 2.12 | 0.10 | 2.42 | 2.12 |
| Sub-total LT Category | 1631.32 | 1686.68 | 1538.98 | 1802.93 | 1940.80 | 1646.80 |
| Total | 3655.30 | 4174.68 | 3993.86 | 3908.83 | 4572.74 | 4246.91 |

Table 5-6: Category-wise Change-over Sales approved for FY 2023-24 and FY 2024-25 (MU)

| Consumer Category | FY 2023-24 | | | FY 2024-25 | | |
|------------------------------|-------------|----------------|-------------|-------------|----------------|-------------|
| | MYT Order | TPC-D Petition | Approved | MYT Order | TPC-D Petition | Approved |
| HT Category | | | | | | |
| HT I – Industry | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| HT II – Commercial | 0.15 | 0.20 | 0.23 | 0.07 | 0.20 | 0.23 |
| Sub-total HT Category | 0.15 | 0.20 | 0.23 | 0.07 | 0.20 | 0.23 |
| LT Category | | | | | | |
| LT I - Residential (BPL) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Consumer Category | FY 2023-24 | | | FY 2024-25 | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | MYT Order | TPC-D Petition | Approved | MYT Order | TPC-D Petition | Approved |
| LT I - Residential | 1417.76 | 1428.16 | 1435.16 | 1417.77 | 1428.16 | 1435.16 |
| 0-100 | 606.48 | 527.80 | 576.92 | 606.50 | 527.80 | 576.92 |
| 101-300 | 577.40 | 603.01 | 597.78 | 577.40 | 603.01 | 597.78 |
| 301-500 | 137.37 | 182.86 | 159.91 | 137.37 | 182.86 | 159.91 |
| 501 and above | 96.50 | 114.49 | 100.55 | 96.50 | 114.49 | 100.55 |
| LT II - Commercial | 162.09 | 95.79 | 107.92 | 162.09 | 95.79 | 113.32 |
| LT II(A) - Commercial upto 20 kW | 102.21 | 65.96 | 76.61 | 102.21 | 65.96 | 80.44 |
| LT II(B) - Commercial 20 to 50 kW | 24.72 | 13.09 | 13.75 | 24.72 | 13.09 | 14.43 |
| LT II(C) - Commercial > 50 kW | 35.16 | 16.74 | 17.57 | 35.16 | 16.74 | 18.45 |
| LT III - Industrial upto 20 kW | 5.65 | 14.92 | 15.66 | 4.43 | 14.92 | 16.44 |
| LT IV - Industrial > 20 kW | 0.93 | 7.97 | 8.36 | 0.56 | 7.97 | 8.78 |
| LT IX - Public Services | 9.69 | 3.05 | 3.20 | 12.12 | 3.05 | 3.36 |
| LT IX(A) - Publ Service Govt Hosp&Edu Inst | 0.00 | 1.46 | 1.61 | 0.00 | 1.46 | 1.77 |
| LT IX(B) - Public Services Others | 9.69 | 1.59 | 1.59 | 12.12 | 1.59 | 1.59 |
| LT XI: Electric Vehicle Charging Stations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-total LT Category | 1596.12 | 1549.88 | 1570.31 | 1596.97 | 1549.88 | 1577.07 |
| Total | 1596.27 | 1550.08 | 1570.54 | 1597.04 | 1550.08 | 1577.30 |

232. Tata Power-D is proposing the revised category wise estimate based on the historical data and recomputing the category wise sale for FY 2023-24 and 2024-25. The present recompilation is without prejudice to the rights and contentions available to Tata Power-D and subject to the outcome of the Appeal 369 of 2023, wherein the approved sales for the FY 2024-25 per the MTR Order, is a subject matter of challenge.

233. Sales of Tata Power-D consist of (i) Direct Sales (on the Wires of Tata Power-D) and (ii) Changeover Sales (on the Wires of Other Utility) which is allowed in the Mumbai Suburban Area. Considering these aspects and the past Sales of Tata Power-D, the detailed methodology for arriving at the Sales for the future Control Period is presented below:

4.2.3 Direct Sales Projection

234. For estimating the demand of direct consumers of Tata Power-D for the period FY 2024-25, Tata Power-D has considered the following factors:

- CAGR based on past trends
- Latest Sales data upto FY 2022-23

- Sales on OA and
- Consumers switching over to other Distribution Licensee.

4.2.3.1 HT Direct Sales Projection

- HT Categories
- In the recent past, Tata Power-D has observed that EHV consumers which had migrated on OA have returned to Tata Power-D. Further, it is observed that the movement of consumers on OA is based on external factors. Hence, Tata Power-D has analysed the combined Sales of the HT categories after adding back the sales moved on Open Access from FY 2017-18 to FY 2022-23 to arrive at a realistic growth trend for all categories except for HT Group Housing society and Electric vehicle charging station where significant growth has been observed from past year i.e. FY 2021-22. Also, a negative CAGR has been observed in HT VI(B) - Public Services category where a significant number of sales have switched over to other Distribution Licensee(s). Accordingly, CAGR of 5 years have been considered for sales estimation.

Table 4-6: Estimation of HT category wise Sales including OA for FY 2023-24 to FY 2024-25

| Consumer Category & Consumption Slab | FY18 | FY19 | FY20 | FY21 | FY 22 | FY 23 | CAGR | FY 24 | FY 25 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-----------|----------------|-------------|
| | Actual | | | | | | | Estimated | |
| HT Category | | | | | | | | | |
| EHV - Industry | 533 | 536 | 490 | 549 | 508 | 797 | 8% | 863.92 | 936 |
| HT I – Industry | 852 | 905 | 948 | 768 | 986 | 1132 | 6% | 1198.86 | 1269 |
| EHV- Commercial | 102 | 102 | 102 | 86 | 94 | 102 | 0% | 102.54 | 103 |
| HT II – Commercial | 522 | 486 | 460 | 320 | 356 | 421 | -4% | 402.94 | 386 |
| HT III - Group Housing Society | 4 | 4 | 12 | 13 | 29 | 39 | 48% | 57.56 | 85 |
| HT V(A) - Railways | 66 | 67 | | | | | | 0.00 | |
| 22/33 KV | 66 | 67 | 71 | 47 | 63 | 83 | 5% | 86.53 | 91 |
| 100 KV | | | 0 | | | | | 0.00 | |
| HT V(B) - Railways Metro & Monorail | 7 | 1 | 0 | 0 | 6 | 19 | 22% | 23.52 | 29 |
| HT VI - Public Services | 305 | 296 | 243 | 214 | 233 | 160 | -12% | 140.72 | |
| HT VI(A) - Publ Serv Govt Hosp&Edu Inst | 12 | 12 | 15 | 21 | 27 | 18 | 9% | 19.70 | 21 |
| EHV-Public | 58 | 56 | 57 | 57 | 58 | 59 | 0% | 59.47 | 60 |
| HT VI(B) - Public Services Others | 235 | 227 | 228 | 210 | 148 | 83 | -19% | 67.13 | 54 |
| HT VIII - Electric Vehicle Charging Stn. | | | | 0 | 12 | 16 | 34% | 21.45 | 29 |
| Sub-total | 2390 | 2396 | 2325 | 1997 | 2287 | 2770 | 3% | 2852.41 | 3063 |

- As seen from the above, the estimated sales for HT category for FY 2023-24 and FY 2024-25 works out to 2852.41 MUs and 3063 MUs including sales Under OA category. Estimated sales without OA has been presented below:

Table 4-7: Estimation of HT category wise Sales excluding OA for FY 2023-24 to FY 2024-25

| Consumer Category & Consumption Slab | FY 24 | FY 25 | Sales | FY 24 | FY 25 |
|--|----------------|-------------|------------|----------------|----------------|
| | Estimated | | OA | w/o OA | w/o OA |
| HT Category | | | | | |
| EHV - Industry | 863.92 | 936 | 0 | 864 | 936 |
| HT I – Industry | 1198.86 | 1269 | 170 | 1029 | 1099 |
| EHV- Commercial | 102.54 | 103 | | 103 | 103 |
| HT II – Commercial | 402.94 | 386 | 50 | 353 | 336 |
| HT III - Group Housing Society | 57.56 | 85 | | 58 | 85 |
| HT V(A) - Railways | 0.00 | | | 0 | 0 |
| 22/33 KV | 86.53 | 91 | | 87 | 91 |
| 100 KV | 0.00 | | | 0 | 0 |
| HT V(B) - Railways Metro & Monorail | 23.52 | 29 | | 24 | 29 |
| HT VI - Public Services | 140.72 | | | | |
| HT VI(A) - Publ Serv Govt Hosp&Edu Inst | 19.70 | 21 | | 20 | 21 |
| EHV-Public | 59.47 | 60 | | 59 | 60 |
| HT VI(B) - Public Services Others | 67.13 | 54 | 8 | 59 | 47 |
| HT VIII - Electric Vehicle Charging Stn. | 21.45 | 29 | | 21 | 29 |
| Sub-total | 2852.41 | 3063 | 228 | 2675.72 | 2835.04 |

235. As seen from the above, the estimated sales for FY 2023-24 and FY 2024-25 excluding OA sales works out to 2675.72 Mus and 2835.04 Mus against 2454 Mus and 2600 Mus as approved by the Hon’ble Commission in its MTR Tariff Order.

4.2.3.2 LT Direct Sales Projection

236. With respect to category wise Sales of LT consumers, it is observed that there is a change in consumption pattern post COVID -19 i.e. for the period FY 2021-22 and FY 2022-23. Hence, Tata Power-D while estimating LT sale for FY 2024-25 has considered the growth of only one year from FY 2021-22 to FY 2022-23 except for residential and EV charging category. CAGR of 1 year for residential category is 18% while for EV

charging it is 204% which is abnormally high and hence, for residential category Tata Power-D has computed CAGR based on 2 years data while for EV charging CAGR of 100% has been considered. The category wise CAGR for sales estimation is as given in the table below:

Table 4-8: Energy Input Requirement for FY 2023-24 and FY 2024-25

| Consumer Category & Consumption Slab | FY18 | FY19 | FY20 | FY21 | FY 22 | FY 23 | CAGR | FY 24 | FY 25 |
|--------------------------------------|---------------|----------------|----------------|---------------|----------------|----------------|-----------|----------------|----------------|
| | Actual | | | | | | | Estimated | |
| LT Category | | | | | | | | | |
| LT I - Residential (BPL) | | | | | | | | | |
| LT I - Residential | 308.76 | 354.40 | 401.97 | 430.02 | 483.41 | 569.49 | 15% | 655.37 | 754.20 |
| 0-100 | 84.82 | 94.87 | 108.87 | 113.89 | 128.15 | 155.85 | 17% | 182.31 | 213.27 |
| 101-300 | 92.82 | 103.43 | 120.02 | 130.86 | 143.93 | 173.09 | 15% | 199.07 | 228.95 |
| 301-500 | 37.38 | 41.15 | 46.77 | 56.45 | 60.35 | 69.50 | 11% | 77.11 | 85.56 |
| 501 and above | 93.75 | 114.95 | 126.33 | 128.82 | 150.98 | 171.05 | 15% | 197.11 | 227.13 |
| LT II - Commercial | 412.64 | 454.87 | 448.63 | 292.32 | 371.51 | 480.91 | | 480.91 | 806.31 |
| LT II(A) - Commercial upto 20 | 62.89 | 76.95 | 83.81 | 54.22 | 73.69 | 97.92 | 33% | 130.11 | 172.90 |
| LT II(B) - Commercial 20 to 50 | 56.56 | 66.55 | 70.36 | 43.83 | 56.90 | 72.36 | 27% | 92.02 | 117.02 |
| LT II(C) - Commercial > 50 kW | 293.19 | 311.37 | 321.56 | 194.27 | 240.92 | 310.63 | 29% | 400.51 | 516.39 |
| LT III - Industrial upto 20 kW | 22.73 | 22.44 | 21.79 | 16.59 | 20.41 | 21.16 | 4% | 21.93 | 22.73 |
| LT IV - Industrial > 20 kW | 175.75 | 179.57 | 182.71 | 142.92 | 177.95 | 213.25 | 20% | 255.54 | 306.23 |
| LT IX - Public Services | 18.90 | 20.89 | 20.90 | 16.99 | 22.66 | 29.57 | 31% | 38.60 | 58.86 |
| LT IX(A) - Publ Serv Govt | 1.66 | 1.82 | 2.16 | 4.35 | 6.05 | 4.66 | -23% | 3.59 | 2.76 |
| LT IX(B) - Public Services Others | 17.89 | 19.07 | 20.42 | 12.64 | 16.60 | 24.91 | 50% | 37.38 | 56.10 |
| LT XI: Electric Vehicle Charging | | 0.01 | 0.09 | 0.20 | 0.44 | 1.34 | 100% | 2.67 | 5.34 |
| Sub-total | 938.79 | 1032.18 | 1076.09 | 899.03 | 1076.38 | 1315.71 | 9% | 1599.36 | 1954.39 |

237. As can be seen from the above table, that LT sale for FY 2023-24 is 1599.36 Mus and 1954.39 Mus respectively.

4.2.4 Changeover Sales Projection

238. For Changeover consumers there is no significant change, and the change is contingent upon the difference in tariff between the two parallel distribution utilities. In view of the same, for estimation of sales for FY 2024-25, Tata Power-D has considered the similar approach as considered for estimation of Direct Sale of LT category i.e. based on the data of FY 2021-22 and FY 2022-23. The same is as given in the table below:

Table 4-9: Energy Input Requirement for FY 2023-24 and FY 2024-25

| Consumer Category | FY 2021-22 | FY2022-23 | Growth | FY 2023-24 (Projected) | FY 2023-24 (Projected) |
|---|----------------|----------------|-----------|---------------------------|---------------------------|
| | a | b | c=(b-a)/a | e=a*(1+d) | |
| HT II – Commercial | | 0.21 | | 0.21 | 0.21 |
| LT I - Residential | 1446.34 | 1431.49 | | 1417.22 | 1403.51 |
| 0-100 | 581.41 | 583.32 | 0% | 585.25 | 587.17 |
| 101-300 | 602.43 | 596.99 | -1% | 591.61 | 586.27 |
| 301-500 | 161.16 | 155.76 | -3% | 150.54 | 145.49 |
| 501 and above | 101.34 | 95.41 | -6% | 89.84 | 84.58 |
| LT II(A) - Commercial upto 20 kW | 63.76 | 73.21 | 15% | 84.07 | 96.53 |
| LT II(B) - Commercial 20 to 50 kW | 12.53 | 12.02 | -4% | 11.53 | 11.06 |
| LT II(C) - Commercial > 50 kW | 16.44 | 14.62 | -11% | 13.00 | 11.57 |
| LT III (A) - Industrial upto 20 kW | 14.01 | 14.64 | 5% | 15.30 | 15.99 |
| LT III (B) - Industrial > 20 kW | 8.25 | 6.70 | -19% | 5.45 | 4.42 |
| LT IV(A) - Publ Serv Govt Hosp&Edu Inst | 0.54 | 1.64 | 100% | 3.28 | 6.56 |
| LT IV(B) - Public Services Others | 1.33 | 2.37 | 50% | 3.56 | 5.33 |
| LT VI - Electric Vehicle Charging Stn. | | 0.02 | 100% | 0.08 | 0.16 |
| Total | 1563.20 | 1556.92 | | 1553.69 | 1555.34 |

239. Based on the above the estimated sales for Changeover Sales is 1553.69 and 1555.34 Mus for FY 2023-24 and FY 2024-25.

4.2.5 Open Access Sales for FY 2024-25

240. Tata Power-D has considered OA sales based on the actual data for FY 2022-23 for FY 2024-25. The category wise OA sales estimated is as given in the table below:

Table 4-10: OA Sales for FY 2024-25

| Consumer Category & Consumption Slab | Sales -OA |
|---|------------|
| | FY 2024-25 |
| HT I – Industry | 170 |
| HT II – Commercial | 50 |
| HT VI(B) - Public Services Others | 8 |
| Sub-total | 228 |

241. Based on the above sales estimation for i) Direct Sales ii) Changeover Sales and iii) Open Access Sales the total sales projections for FY 2024-25 are works out as given in the table below:

Table 4-11: Sales estimation for FY 2024-25

MU's

| Consumer Categories | MTR Order | | | Revised Petition | | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | Direct | Changeover | Total | Direct | Changeover | Total |
| EHV - Industry | 665.50 | | 665.50 | 936.27 | | 936.27 |
| HT I – Industry | 1043.63 | | 1043.63 | 1099.13 | | 1099.13 |
| EHV- Commercial | 95.00 | | 95.00 | 102.66 | | 102.66 |
| HT II – Commercial | 427.50 | 0.23 | 427.73 | 335.91 | 0.21 | 336.11 |
| HT III - Group Housing Society | 48.09 | | 48.09 | 85.20 | | 85.20 |
| EHV - Railways Metros & Monorails | 16.32 | | 16.32 | 28.81 | | 28.81 |
| 22/33 KV | 99.62 | | 99.62 | 90.57 | | 90.57 |
| HT VI - Public Services | 188.26 | | 188.26 | 127.70 | | 127.70 |
| HT VI(A) - Publ Serv Govt Hosp&Edu Inst | 29.81 | | 29.81 | 21.40 | | 21.40 |
| EHV Public Services Others | 60.24 | | 60.24 | 59.72 | | 59.72 |
| HT VI(B) - Public Services Others | 98.21 | | 98.21 | 46.58 | | 46.58 |
| HT VIII - Electric Vehicle Charging Stn. | 16.20 | | 16.20 | 28.78 | | 28.78 |
| HT Consumers Total | 2600.12 | 0.23 | 2600.35 | 2835.04 | 0.21 | 2835.24 |
| LT Category | | | | | | |
| LT I - Residential (BPL) | | | | | | |
| LT I - Residential | 728.52 | 1435.16 | 2163.68 | 754.92 | 1403.51 | 2158.43 |
| 0-100 | 193.13 | 576.92 | 770.05 | 213.27 | 587.17 | 800.45 |
| 101-300 | 216.91 | 597.78 | 814.69 | 228.95 | 586.27 | 815.22 |
| 301-500 | 90.94 | 159.91 | 250.85 | 85.56 | 145.49 | 231.05 |
| 501 and above | 227.53 | 100.55 | 328.08 | 227.13 | 84.58 | 311.72 |
| LT II - Commercial | 599.02 | 113.32 | 712.34 | 806.31 | 113.32 | 919.63 |
| LT II(A) - Commercial upto 20 kW | 137.52 | 80.44 | 217.96 | 172.90 | 96.53 | 269.43 |
| LT II(B) - Commercial 20 to 50 kW | 89.66 | 14.43 | 104.09 | 117.02 | 11.06 | 128.08 |
| LT II(C) - Commercial > 50 kW | 371.84 | 18.45 | 390.29 | 516.39 | 11.57 | 527.96 |
| LT III - Industrial upto 20 kW | 27.56 | 16.44 | 44.00 | 22.73 | 15.99 | 38.72 |
| LT IV - Industrial > 20 kW | 256.76 | 8.78 | 265.54 | 306.23 | 4.42 | 310.65 |
| LT IX(A) - Publ Serv Govt Hosp&Edu Inst | 6.51 | 1.77 | 8.28 | 2.76 | 6.56 | 9.32 |
| LT IX(B) - Public Services Others | 26.31 | 1.59 | 27.90 | 56.10 | 5.33 | 61.43 |
| LT XI: Electric Vehicle Charging Stations | 2.12 | 0.00 | 2.12 | 5.34 | 0.16 | 5.50 |
| LT CONSUMERS TOTAL MUs | 1646.80 | 1577.07 | 3223.87 | 1954.39 | 1555.13 | 3509.52 |
| 15 day | | | | | | |
| Total | 4246.91 | 1577.30 | 5824.21 | 4789.43 | 1555.34 | 6344.77 |

242. As seen from the above, the total estimated sales i.e. Direct plus Changeover Sales for FY 2024-25 is 6344.77Mus.

4.3 Distribution Loss for FY 2023-24 and FY 2024-25

243. Regulation 90 of the MYT Regulations, 2019 specifies the requirement for the Distribution Loss for the Control Period.

244. Tata Power-D has continued with the Distribution Loss of 1.02% approved for FY 2024-25 by the Hon'ble Commission in the MTR Tariff Order in Case No. 225 of 2022 dated

31st March, 2022. However, we request the Hon'ble Commission to consider the actual distribution loss of 1.13% of FY 2022-23, for FY 2024-25.

4.4 Transmission Loss for FY 2024-25

245. The Transmission Loss for FY 2024-25 has been considered in line with that approved by the Hon'ble Commission in their InSTS Tariff Order dated 31st March, 2022, in Case No. 239 of 2022. The relevant extract of the Order is reproduced below:

6.1.7 In view of above analysis, Commission approves average annual loss of InSTS for balance control period from FY 2023-24 and FY 2024-25 as 3.18% same as MYT Order dated 30 March 2020..

246. Accordingly, the Intra-State Transmission Loss is being considered to be 3.18% for FY 2024-25.

4.5 Total Energy Requirement for FY 2024-25

247. Considering the revised Sales projections for FY 2024-25, the projected Distribution Loss and Transmission Loss, the energy input required for FY 2024-25 is as follows:

Table 4-12: Energy Input Requirement for FY 2024-25

| Particulars | MTR Order | Revised Submission |
|--|----------------|--------------------|
| Tata Power D-Sales (Retail) with 15 days Adjustments | 4246.91 | 4789.43 |
| 110 KV Billed Units | 837.06 | 1127.47 |
| Bill Credit given to OA consumers | 220.00 | 227.91 |
| Total Sale excluding 110 KV Sales | 3629.85 | 3889.86 |
| Distribution Losses | 1.02% | 1.02% |
| ABT meter readings @ T <> D Interface | 3667.26 | 3929.95 |
| OA Wind Credit @ T <> D Interface | 222.27 | 230.26 |
| Energy Requirement for Tata Power consumers at T<>D interface | 3444.99 | 3699.69 |
| Sales to Changeover consumers For FBSM Adjustment | 1577.30 | 1555.34 |
| Bill Credit given to CO-OA consumers | 0.00 | 0.00 |
| Sales to Changeover consumers after adjusting for OA wind | 1577.30 | 1555.34 |
| Energy Sales at 110/132 kV level | 837.06 | 1127.47 |
| Total Energy Requirement at T<>D | 5859.35 | 6382.50 |
| Transmission Loss | 3.18% | 3.18% |
| Total Energy Requirement at G<>T | 6051.80 | 6592.13 |

248. The above energy requirement is considered for computing the power purchase requirement of Tata Power-D.

Tata Power-D requests the Hon'ble Commission to consider the net energy requirement of 6592.13 MUs for FY 2024-25 for the purpose of ARR projections.

4.6 Power Purchase Plan

249. In this section, Tata Power –D has presented the total power purchase requirement for FY 2024-25 based on the above estimated energy input requirement. The energy input requirement is proposed to be met from the following sources:

- a) Power Purchase from Tata Power –G
- b) Power Purchase from Renewable Sources
- c) Short Term Bilateral Sources

4.6.1 Power Purchase from Tata Power-G

250. The Hon'ble Commission by its order dated 28.11.2023 in Case No. 39 of 2023 has extended the duration of the PPA between Tata Power-D and Tata Power-G for the period of 5 years from FY 2024-25 to FY 2028-29. The relevant extract of the said Order is reproduced hereunder:

25.1 In view of prevailing transmission constraints, the Commission directs TPC-D to extend existing PPA with TPC-G by 5 years i.e. till March 2029. Further, such extension of PPA shall be signed unit wise.

25.2 For meeting balance power requirement, if any, TPC-D may enter into short-term/ medium-term/ long-term PPA through competitive bidding process after considering issue of transmission constraints.

25.3 STU shall coordinate with all implementing agencies for ensuring that all proposed transmission schemes are completed as per plan and shall make efforts to expediate the work.

25.4 Maharashtra State Power Committee is directed to submit detailed report on cost sharing under Mumbai Transmission constraint within specified timelines i.e 31 December 2023.

26.Hence, following Order:

ORDER

- 1. Case No. 39 of 2023 is partly allowed.*
- 2. TPC-D to extend existing PPA with TPC-G by five years i.e. till March 2029. Unit wise PPA shall be signed for such extended period.*
- 3. Issue of sharing of cost sharing on account of Mumbai Transmission Constraint will be decided after following due process once report on the same is received from Maharashtra State Power Committee.*

251. Accordingly, Tata Power-D is in the process of executing Power Purchase Agreement with the various Generating capacities/units of Tata Power-G, and same has been considered by Tata Power -D for its future projections.

252. Tata Power-D based on the MYT Regulations, 2019 has computed variable Charges based on the weighted average cost of last three months. Further, the energy quantum has been considered based on the monthly demand requirement and the outage plan of Tata Power-G Units. The estimated power purchase along with variable charges are as shown in the table below:

Table 4-13: Fuel Cost from October 2023 to December 2023

| Coal | Rs. | MT | Rs./MT | GCV (MkCal/MT) |
|--------------|-----------------------|-----------------|-----------------|----------------|
| | | | | |
| Oct-23 | 2,17,52,07,438 | 2,49,604 | 8,714.62 | 4.016 |
| Nov-23 | 1,86,98,55,957 | 2,19,152 | 8,532.23 | 3.962 |
| Dec-23 | 1,87,45,89,687 | 2,28,051 | 8,220.05 | 3.946 |
| Total | 5,91,96,53,081 | 6,96,807 | 8,495.40 | 3.976 |

| APM | Rs. | MT | Rs./MT | GCV (MkCal/MT) |
|--------------|-----------------------|---------------|------------------|----------------|
| | | | | |
| Oct-23 | 37,99,09,124 | 12,102 | 31,391.10 | 13.056 |
| Nov-23 | 43,50,21,596 | 13,830 | 31,455.42 | 13.055 |
| Dec-23 | 29,76,47,251 | 9,454 | 31,484.51 | 13.059 |
| Total | 1,11,25,77,971 | 35,386 | 31,441.20 | 13.056 |

| RLNG | Rs. | MT | Rs./MT | GCV (MkCal/MT) |
|--------------|------------------|-----------|------------------|----------------|
| | | | | |
| Oct-23 | 29,02,183 | 39 | 74,861.63 | 13.054 |
| Nov-23 | - | - | | |
| Dec-23 | - | - | - | - |
| Total | 29,02,183 | 39 | 74,861.63 | 13.054 |

Table 4-14: Variable cost of power for Thermal and Hydro Units.

| Unit | FY 2024-25 | | | |
|----------|------------|--------------------|------------------|---------------------|
| | | Generation (MU) | Rate (Rs/kWh) | Cost (Rs Crores) |
| Unit 5 | Coal | 1048.56 | 5.79 | 607.50 |
| Unit 7 | APM | 348.92 | 5.04 | 175.82 |
| Unit 8 | Coal | 665.18 | 5.70 | 379.05 |
| Bhira | Net Gen | 476.20 | 0.92 | 43.81 |
| Bhivpuri | Net Gen | 152.50 | 2.15 | 32.79 |
| Khopoli | Net Gen | 139.20 | 3.69 | 51.36 |
| | | 2830.55 | 4.56 | 1290.33 |

253. The Hon'ble Commission in its MTR Tariff Order has approved the following Capacity Charges for FY 2024-25.

Table 5-12: Fixed/Capacity Charges for purchase from of TPC-G FY 2023-24 and FY 2024-25, approved by the Commission (Rs. Crore)

| Particulars | FY 2023-24 | | FY 2024-25 | |
|-------------|----------------|----------|----------------|----------|
| | TPC-D Petition | Approved | TPC-D Petition | Approved |
| Unit 5 | 192.87 | 149.00 | - | 161.42 |
| Unit 7 | 72.47 | 79.31 | - | 73.64 |
| Unit 8 | 137.22 | 130.78 | - | 130.16 |

| Particulars | FY 2023-24 | | FY 2024-25 | |
|--------------|----------------|---------------|----------------|---------------|
| | TPC-D Petition | Approved | TPC-D Petition | Approved |
| Bhira | 27.56 | 32.91 | - | 33.74 |
| Bhivpuri | 18.50 | 20.07 | - | 20.59 |
| Khopoli | 28.60 | 31.08 | - | 31.89 |
| Total | 477.23 | 443.15 | - | 451.45 |

254. Tata Power-D based on the approved capacity charges, estimated variable charges and estimated generation has made its projections for FY 2024-25. The average rate of power procurement from Tata Power-G is as given in the table below:

Table 4-15: Total Cost of Power Purchase from Tata Power-G for FY 2024-25
Rs Crores

| Unit | FY 2024-25 | |
|---------------------|-------------|--------------|
| | MTR Order | Tata Power-D |
| Variable Charges | 2048.24 | 1290.35 |
| Fixed Charges | 451.45 | 451.45 |
| Total Cost | 2499.69 | 1741.80 |
| Net Generation (MU) | 3376.70 | 2830.55 |
| Rs./kWh | 7.40 | 6.15 |

255. As seen from the above Table, the estimated average cost of power purchase from Tata Power-G is Rs. 6.15/kWh for FY 2024-25.

4.6.2 Power Purchase from Renewable Energy Sources

256. As per the RPO REC Regulations, 2019, every Distribution Licensee is required to procure electricity generated from eligible RE sources. Regulation 7.1 of RPO REC

Regulations, 2019 specifies the RPO targets of the obligated entities. Accordingly, Tata Power-D has to meet a Non-Solar (other RE) target of 11.50% for FY 2024-25 and Solar target of 13.50% for FY 2024-25. The total RPO required to be met is 25% of its total procurement of electricity from all sources excluding energy from Hydro.

257. However, MOP has recently issued a Notification dated 20th October, 2023 for minimum consumption by designated consumers. The percentage of their total consumption is as given in the table below:

Table 4-16: Minimum consumption by designated consumers

| Sl.No | Year | Wind renewable energy | Hydro renewable energy | Distributed renewable energy* | Other renewable energy | Total renewable energy |
|-------|---------|-----------------------|------------------------|-------------------------------|------------------------|------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 1. | 2024-25 | 0.67% | 0.38% | 1.50% | 27.35% | 29.91% |
| 2. | 2025-26 | 1.45% | 1.22% | 2.10% | 28.24% | 33.01% |
| 3. | 2026-27 | 1.97% | 1.34% | 2.70% | 29.94% | 35.95% |
| 4. | 2027-28 | 2.45% | 1.42% | 3.30% | 31.64% | 38.81% |
| 5. | 2028-29 | 2.95% | 1.42% | 3.90% | 33.10% | 41.36% |
| 6. | 2029-30 | 3.48% | 1.33% | 4.50% | 34.02% | 43.33% |

*Note 1: *For hilly and North-Eastern States/Union Territories, namely Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Jammu & Kashmir, Ladakh, Himachal Pradesh and Uttarakhand, the distributed renewable energy component shall be half of that given in the Table and the remaining component for these States shall be included in the other renewable energy sources*

Note 2: The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st March, 2024.

Note 3: The hydro renewable energy component shall be met only by energy produced from Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after the 31st March, 2024:

Provided that the hydro renewable energy component may also be met out of the free

power being provided to the State/DISCOM from the Hydro Power Projects commissioned after the 31st March, 2024:

Provided further that the hydro renewable energy component may also be met from

Hydro Power Projects located outside India as approved by the Central Government on a case to case basis.

Note 4: The distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) notified by the Central Government:

Provided that the compliance against distributed renewable energy shall ordinarily be considered in terms of energy (Kilowatt hour units):

Provided further that in case the designated consumer is unable to provide generation

data against distributed renewable energy installations, the reported capacity shall be

transformed into distributed renewable energy generation in terms of energy by a multiplier of 3.5 units per kilowatt per day (kWh/kW/day).

Note 5: The other renewable energy component may be met by energy produced from any renewable energy power project other than specified in Note 2, 3 and 4 and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before the 1st April, 2024.

258. In view of the above notification Tata Power-D has projected the RPO requirement for FY 2024-25 in line with the MOP targets. Further, for estimating the total renewable power purchase requirement Tata Power-D has also considered its generation from

Hydro plant in the Other category of RE Sources. The estimated renewable purchase is computed as follows:

Table 4-17: Renewable Energy purchase obligation for FY 2024-25

| Particulars | FY 2024-25 | |
|------------------------------|---------------|----------------|
| | % | Mus |
| InSTS Requirement | | 6592.13 |
| Wind renewable Energy | 0.67% | 44.17 |
| Hydro Renewable Energy | 0.38% | 25.05 |
| Distributed Renewable Energy | 1.50% | 98.88 |
| Other Renewable Energy | 27.35% | 1802.95 |
| Total | 29.91% | 1971.05 |

- **Total RE Purchase from Other Sources**

259. The summary of power purchase from Renewable Sources for FY 2024-25 is provided in the Table below:

Table 4-18: Total RE purchase for FY 2024-25

| Particulars | FY 2024-25 | | |
|--------------------------------|----------------|-------------|---------------|
| | MU | Rs./kWh | Rs Crores |
| Non-Solar Purchase (A) | | | |
| Agaswadi | 105.85 | 4.56 | 48.27 |
| Visapur (GSW) 24 MW | 33.90 | 5.81 | 19.70 |
| Visapur (GSW) 8 MW | 16.91 | 5.70 | 9.64 |
| Bramanvel | 18.25 | 2.59 | 4.73 |
| Khandke | 101.00 | 2.59 | 26.16 |
| Sadawaghapur | 26.00 | 2.59 | 6.73 |
| Supa | 29.17 | 2.59 | 7.56 |
| Short term RE | 200.00 | 2.52 | 50.40 |
| Total | 531.08 | 3.26 | 173.18 |
| | | | |
| Solar Purchase (B) | | | |
| Mulshi Solar | 3.67 | 17.91 | 6.56 |
| Solar Rooftop | 0.02 | 18.41 | 0.04 |
| Palaswadi Solar | 41.52 | 8.98 | 37.28 |
| Chhayan Solar | 360.00 | 2.98 | 107.28 |
| Hybrid | 515.17 | 2.59 | 133.43 |
| Total | 920.37 | 3.09 | 284.60 |
| | | | |
| wer Purchase Cost (A+B) | 1451.45 | 3.15 | 457.78 |

260. It is submitted that as per the Notification, wind and Hydro renewable energy components shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st March, 2024. Hence, Tata Power-D has considered the present power from RE source under power procurement from other sources. Further, Tata Power-D is in the process of tying up additional wind power from sources whose PPAs have expired. Accordingly, 200 MUs at Rs 2.52 /kWh has been considered based on the ceiling tariff for procurement of such power in the total source while estimating the prevalent cost and quantum from RE sources. In addition to the same, Tata Power-D has surplus RE power during the year FY 2023-24, and same has been considered while determining the RPO requirement for FY 2024-25 as set out below.

Table 4-19: RPO Balance requirement for FY 2024-25

| Sr. No | Particulars | Mus |
|---|---|----------------|
| 1 | RE Purchase Requirement | 1971.05 |
| 2 | Total Available to Tata Power-D from Existing Sources | 1451.45 |
| 3 | Surplus Available with FY 2023-24 | 416.63 |
| 4 | Hydro Power available | 767.90 |
| 5=1-(2 to 4) Balance Requirement | | -664.94 |

261. As seen from the above, the total RE requirement based on MOP notification is 1971.05 Mus while the estimated generation from current sources plus short term RE purchase is 1451.45 Mus. Further, there is a surplus of RE purchase to the tune of 416.63 Mus pertaining to FY 2023-24. In view of same, and considering existing Hydro purchase for FY 2024-25 there is no additional power purchase requirement to meet the RPO obligation for Tata Power-D.

4.6.3 Power Purchase from Bilateral Sources

262. Tata Power-D has considered the balance power procurement after considering the power purchase from Tata Power-G and RE sources at Rs 5.07 per kWh based on the average cost of bilateral power purchase for last six months i.e. FY 2023-24 H1. Tata

Power-D will purchase such power through short term market or through medium term bidding.

4.6.4 Transmission Charges and MSLDC Charges

263. Tata Power-D has considered the Transmission Charges as approved by this Hon'ble Commission in its MTR Tariff Order in Case No. 225 of 2022 dated 31st March, 2022.

Table 5-31: Approved Transmission Charges and MSLDC Charges for TPC-D approved by the Commission for FY 2023-24 and FY 2024-25(Rs. Crore)

| Particulars | FY 2023-24 | | | FY 2024-25 | | |
|----------------------|------------|----------------|----------|------------|----------------|----------|
| | MYT Order | TPC-D Petition | Approved | MYT Order | TPC-D Petition | Approved |
| Transmission Charges | 258.90 | 258.90 | 277.00 | 255.80 | 255.80 | 329.57 |
| MSLDC Charges | 1.37 | 1.37 | 1.02 | 1.39 | 1.39 | 1.09 |

4.6.5 Standby Charges

264. The Hon'ble Commission by its order dated 31.03.2023 in Case No. 225 of 2022 had directed to continue with the standby arrangement. The same has been challenged by Tata Power-D in Appeal No.369 of 2023 before Hon'ble ATE.
265. It is submitted that Tata Power-D has issued a letter dated 03.01.2023 to MSEDCL for discontinuance of Standby Charges with effect from 1st April, 2023. In fact, this Hon'ble Commission has itself in its Order dated 07.02.2007 has directed MSEDCL to execute PPA with DISCOMs, including Tata Power-Distribution, which makes that there is no contract between Tata Power-D and MSEDCL.
266. It is humbly submitted that the standby arrangement of Tata Power-D with MSEDCL was always an ad hoc/ temporary arrangement and was valid only for the period for which the distribution licensee (such as Tata Power-D) sought for such an arrangement.
267. However, in view of the letter dated 03.01.2023 issued by the Tata Power-D, the Standby Arrangement stood revoked/extinguished w.e.f. 01.04.2023. In fact, the other distribution licensee i.e., Adani Electricity Mumbai Limited ("**AEML-D**") has filed an Appeal bearing APL No 516 of 2023 before Hon'ble ATE, challenging its tariff Order

dated 31.03.2023 passed in Case No. 231 of 2022, wherein, AEML-D had raised the similar issue of arbitrary determination of Standby Charges the Hon'ble Commission.

268. In this regard, the following developments during the proceedings of the APL No. 516 of 2023 are relevant:

- (a) AEML-D had filed an Interim Application bearing IA No. 844 of 2023 seeking stay of the tariff Order passed by the Hon'ble Commission in case No. 231 of 2022, to the extent that AEML-D was directed to make payment of stand by charges to MSEDCL as per the previous orders of the Hon'ble Commission.
- (b) Hon'ble ATE *vide* its Order dated 26.09.2023, has while disposing of the IA No. 844 of 2023, has directed this Hon'ble Commission to consider the issue pertaining to payment of stand by charges after giving all the parties involved an opportunity of being heard.
- (c) However, in the interregnum, Hon'ble ATE has set aside the direction of the Hon'ble Commission to the extent it related to payment of stand by charges for AEML-D.

269. Therefore, in view of such, categorical direction of the Hon'ble ATE over the issue of Standby Charges, and further in view of the fact that Tata Power-D has also challenged the continuance of the standby arrangement, Tata Power-D has discontinued the Standby Arrangement, and therefore standby procurement has not been considered.

270. In this regard, it is further submitted that the standby mechanism was envisaged at a time when the real time market was not developed. With the development of the real time market and the notification of the Maharashtra Electricity Regulatory Commission (Deviation Settlement Mechanism And Related Matters) Regulations, 2019, Tata Power-D would be able to manage power procurement in case a requirement so arises. The discontinuance of this mechanism will lead to a saving of around Rs. 100 Crores per year for the consumers of Tata Power-D, which will be in the interest of the consumers and in line with the scheme of section 61(d) of the Act.

271. In any case, the issue of payment of standby charges is presently sub judice before the Hon'ble ATE. Therefore, without prejudice to the rights and contentions Tata Power-

D available as per law and subject to outcome of Appeal No. 369 of 2023, Tata Power-D has not considered any Standby Charges for FY 2024-25.

4.6.6 Total Cost of Power Purchase:

272. Based on the above estimations, the total cost of Power Purchase for Tata Power-D for FY 2024-25 is shown in the Table below. The weighted average cost of power purchase from all sources worked out to Rs 5.66/kWh as against approved rate of Rs 6.69/kWh.

Table 4-20: Total Power Purchase projected for FY 2024-25

| Particulars | FY 2024-25 | | | | | |
|-----------------------------------|----------------|-------------|----------------|----------------|-------------|----------------|
| | MU | Rs./kWh | Rs Crores | MU | Rs./kWh | Rs Crores |
| | MTR Order | | | Petition | | |
| Tata Power-G | 3376.70 | 7.40 | 2498.63 | 2830.55 | 6.15 | 1741.80 |
| Non-Solar+ Solar Generation + REC | 1333.24 | 3.22 | 429.30 | 1451.45 | 3.15 | 457.78 |
| Bilateral Power Purchase | 1342.02 | 5.13 | 688.46 | 2310.13 | 5.07 | 1170.77 |
| Standby Charges | - | - | 103.52 | | | 0.00 |
| Transmission Charges | - | - | 329.57 | | | 329.57 |
| SLDC Charges | - | - | 1.09 | | | 1.09 |
| Total | 5959.03 | 6.69 | 4050.57 | 6592.13 | 5.61 | 3701.01 |

Tata Power-D requests the Hon'ble Commission to consider the power purchase cost of Rs. 3701.01 Crores for FY 2024-25.

4.7 Operation and Maintenance Expenditure

273. Tata Power-D has computed O&M expenditure for the Distribution Wires and Retail Supply Business as per the MYT Regulations, 2019. The escalation rate has been considered same as that arrived for FY 2022-23 i.e. **5.87%**.

274. Considering the escalation rate same as that for FY 2022-23 and the base normative O&M expenditure for FY 2023-24 as arrived at in the previous section, the normative O&M expenditure for FY 2024-25 is as shown in the Table below:

Table 4-21: Normative O&M Expenditure for FY 2023-24 and FY 2024-25

| Particulars | Rs.Crs | |
|---------------------------------|--------------|--------------|
| | Wire | Retail |
| Inflation Index for FY23 | 5.87% | 5.87% |
| Normative O & M for FY 2022-23 | 128.86 | 118.51 |
| Normative O & M for FY 2023-24 | 136.41 | 125.47 |
| Normative O & M for FY 2024-25 | 144.42 | 132.82 |

| Particulars | Rs Crores | | | |
|--------------|------------|----------|------------|----------|
| | Wire | | Supply | |
| | FY 2024-25 | | FY 2024-25 | |
| | MTR Order | Petition | MTR Order | Petition |
| O&M expenses | 141.13 | 144.42 | 129.80 | 132.82 |

Tata Power-D requests the Hon'ble Commission to consider the Normative O&M of Rs. 144.42 Crores for FY 2024-25 for Distribution Wires Business and Rs. 132.82 Crores for FY 2024-25 for Retail Supply Business.

4.8 Capitalisation

275. Tata Power-D, has revised the capitalisation based on the estimated CAPEX and Capitalisation plan for FY 2024-25. The same has been tabulated below:

Table 4-22: Capitalisation in Distribution Wires Business for FY 2024-25

| Particulars | Wire | | Supply | |
|-----------------------------|---------------|---------------|-------------|--------------|
| | FY 2024-25 | | FY 2024-25 | |
| | MTR | Revised | MTR | Revised |
| DPR | 169.75 | 141.47 | 7.69 | 49.85 |
| Non-DPR | 25.00 | 25.00 | | 3.50 |
| Total Capitalization | 194.75 | 166.47 | 7.69 | 53.35 |

4.9 Depreciation

276. For arriving at the Depreciation for FY 2024-25, Tata Power-D has considered the Depreciation Rate same as the actual Depreciation Rate for FY 2022-23 for Distribution Wires Business and Retail Supply Business. Further, the opening GFA for FY 2024-25 has been considered same as the closing GFA for FY 2023-24, and as arrived at in the previous section. Accordingly, the estimated Depreciation for FY 2024-25 is as given in the Tables below:

Table 4-23: Depreciation for Distribution Wires and Retail supply Business FY 2024-25

Rs Crores

| Particulars | Wire | | Supply | |
|--|---------------|---------------|--------------|--------------|
| | MTR | Revised | MTR | Revised |
| Opening GFA | 3,258.44 | 3,243.66 | 284.40 | 287.56 |
| Addition | 194.75 | 166.47 | 7.69 | 53.35 |
| Retirement | - | - | - | - |
| Closing | 3,453.20 | 3,410.12 | 292.09 | 340.91 |
| Depreciation | 156.24 | 154.48 | 23.88 | 25.71 |
| % Depreciation on average of opening and Closing GFA | 4.66% | 4.64% | 8.28% | 8.18% |

Tata Power-D requests the Hon'ble Commission to consider the Depreciation of Rs. 154.48 Crores for the Distribution Wires Business and Rs. 25.71 Crores for the Retail Supply Business FY 2024-25.

4.10 Interest on Long Term Loan

277. Tata power-D has computed the Interest on Long Term Loans according to Regulation 30 of the MYT Regulations, 2019. For arriving at the Interest on Long Term Loans, Tata Power-D has considered the closing balance of loan for FY 2023-24 as the opening balance of loan for FY 2024-25. The repayment has been considered equal to the Depreciation for the year.
278. Further, the Rate of Interest has been considered equal to the interest rate arrived at for FY 2022-23. The addition to loan has been considered as 70 percent of the proposed capitalisation for the year. Accordingly, the Interest on Long Term Loans for Distribution Wires Business and Retail Supply Business for FY 2024-25 works out as shown in the Tables below:

Table 4-24: Interest on Long Term Loan for Distribution Wires Business for FY 2024-25

Rs Crores

| Particulars | Wire | | Supply | |
|-------------------------|--------------|--------------|-------------|-------------|
| | MTR | Revised | MTR | Revised |
| Opening Balance | 800.79 | 794.56 | 47.31 | 60.59 |
| Addition to loans | 136.33 | 116.53 | 5.38 | 37.35 |
| Repayment | 156.24 | 154.48 | 23.88 | 25.71 |
| Closing balance | 780.87 | 756.61 | 28.82 | 72.23 |
| Effective interest rate | 7.43% | 7.92% | 7.43% | 7.92% |
| Interest on loan | 58.74 | 61.40 | 2.83 | 5.26 |

Tata Power-D requests the Hon'ble Commission to consider the interest on long term loans of Rs. 61.40 Crores and Rs. 5.26 Crores for the Distribution Wires Business and for the Retail Supply Business of Tata Power-D for FY 2024-25 respectively.

4.11 Other Finance Charges

279. No expenditure has been considered on account of Finance Charges, Commission and Brokerage Charges for FY 2024-25.

4.12 Interest on Working Capital

280. Tata power-D has computed the Interest on Working Capital Loans according to the Regulations specified under Regulation 32.3 and 32.4 of the MYT Regulations, 2019.
281. In accordance with the Regulations, the rate of interest has been considered equal to interest rate prevalent on the date of filing of the present Tarff petition i.e., as on 30th November, 2023. Accordingly, interest rate works out as 9.55%. For the Retail Supply Business, i) the security deposit is considered same as considered by the Hon'ble Commission for FY 2024-25 and ii) the power purchase from Tata Power-G has been subtracted while working out the normative working capital. Accordingly, the estimated Interest on Working Capital for the Distribution Wires Business and the Retail Supply Business for FY 2024-25 is given in the Tables below:

**Table 4-25: Interest on Working Capital for Distribution Wires and Retail Supply
Business for FY 2024-25**

Rs Crores

| Particulars | Wire | | Supply | |
|---|---------------|---------------|--------------|---------------|
| | MTR Order | Revised | MTR Order | Revised |
| One-twelfth of the amount of Operations Maintenance Expenses | 11.76 | 12.03 | 10.82 | 11.07 |
| Maintenance spares at 1% of the opening GFA of the year | 32.58 | 32.44 | 2.84 | 2.88 |
| One and a Half Months equivalent of expected revenue from sale of electricity at the prevailing tariff | 85.09 | 82.68 | 595.99 | 570.22 |
| <u>Less</u> | | | | |
| Amount of Security Deposit from Retail Supply Consumers | | | 427.59 | 300.34 |
| One month equivalent of cost of power purchase, transmission charges and MSLDC Charges (Excl. TPC-G cost) | | | 129.32 | 153.14 |
| Total Working Capital | 129.44 | 127.15 | 52.75 | 130.68 |
| Rate of Interest (% p.a.) | 9.55% | 10.05% | 9.55% | 10.05% |
| Interest on Working Capital | 12.36 | 12.78 | 5.04 | 13.13 |

Tata Power-D requests the Hon'ble Commission to consider the Interest on Working Capital of Rs. 12.78 Crores for the Distribution Wires Business of Tata Power-D and Rs 13.13 Crores for Supply Business of Tata Power-D for FY 2024-25.

4.13 Interest on Consumer Security Deposit

282. Tata Power-D has considered same interest on security deposit as approved by the Hon'ble Commission in its MTR Tariff Order for the supply business. The same is as given in the table below:

Table 4-26: Interest on Security Deposit for FY 2024-25

| Particulars | Supply | |
|-----------------------------------|-----------|---------|
| | MTR Order | Revised |
| Security Deposit | 427.59 | 300.34 |
| Interest Rate on Security deposit | 6.15% | 6.75% |
| Interest on Security deposit | 26.30 | 20.27 |

4.14 Provision for Bad and Doubtful Debts

283. Tata Power-D has considered 'nil' provision for Bad and Doubtful Debts for FY 2024-25 for the Distribution Wires and Retail Supply Business.

4.15 Contribution to Contingency Reserves

284. In line with the MYT Petition of Tata Power-D, and as approved by the Hon'ble Commission in the MYT Order in Case No. 326 of 2019 dated 30th March, 2020, Tata Power-D proposes nil Contribution to Contingency Reserves for the Distribution Wires Business for FY 2024-25.
285. For the Retail Supply Business, Tata power-D has computed the Contribution to Contingency Reserves according to Regulation 35 of the MYT Regulations, 2019. Accordingly, the estimated Contribution to Contingency Reserves for FY 2024-25 is provided in the Table below:

Table 4-27: Contingency Reserves for Retail Supply Business FY 2024-25

| <i>Rs. Crore</i> | |
|--|---------------|
| Contingency Reserve for Supply Business | Supply |
| Approved by the Hon'ble Commission | 0.71 |
| Opening GFA | 287.56 |
| % Contingency Reserve | 0.25% |
| Opening Balance of CR | 5.39 |
| Maximum Permissible Resreves | 14.38 |
| Contingency Reserve | 0.72 |
| Closing Balance | 6.11 |

Tata Power-D requests the Hon'ble Commission to consider nil Contribution to Contingency Reserve for the Distribution Wires Business and consider Rs. 0.72 Crores towards Contribution to Contingency Reserve for the Retail Supply Business of Tata Power-D.

4.16 Return on Equity

286. Tata Power-D has computed the Return on Equity for the Distribution Wires Business and the Retail Supply Business according to the provisions under Regulation 29 of the MYT Regulations, 2019.

287. Based on the Regulations, the Return on Equity has been computed on the opening equity for each financial year and on 50% of the equity portion of projected capitalisation during the year. Tata power-D has considered 30 percent equity contribution for the capitalisation proposed for FY 2024-25.
288. Accordingly, Tata Power-D has estimated Return on Equity for FY 2024-25 for the Distribution Wires and Retail Supply Business as given in the Tables below:

Table 4-28: RoE for Distribution Wires and supply Business for FY 2024-25

Rs Crores

| Particulars | Wire | | Supply | |
|--|---------------|---------------|--------------|--------------|
| | MTR | Revised | MTR | Revised |
| Regulatory Equity at the beginning of the year | 982.57 | 978.13 | 85.51 | 86.46 |
| Capitalisation during the year | 194.75 | 166.47 | 7.69 | 53.35 |
| Equity portion of capitalisation during the year | 58.43 | 49.94 | 2.31 | 16.01 |
| Regulatory Equity at the end of the year | 1041.00 | 1028.07 | 87.81 | 102.46 |
| Rate of RoE | 14.00% | 14.00% | 15.50% | 15.50% |
| Return on Regulatory Equity at the beginning of the year | 137.56 | 136.94 | 13.25 | 13.40 |
| Return on Equity portion of capitalisation during the year | 4.09 | 3.50 | 0.18 | 1.24 |
| Total Return on Regulatory Equity | 141.65 | 140.43 | 13.43 | 14.64 |

Tata Power-D requests the Hon'ble Commission to consider Return on Equity of Rs.140.43 Crores and Rs. 14.64 Crores for Distribution Wires Business and for Retail Supply Business of Tata Power-D for FY 2024-25 respectively.

4.17 DSM Expenditure

289. The Hon'ble Commission in its MTR Order in Case No. 225 of 2022 has approved Rs. 0.52 Crores towards DSM expenditure for FY 2024-25. Tata Power-D has considered the same amount towards DSM expenditure for FY 2024-25.

4.18 Non-Tariff Income

290. The Hon'ble Commission in its MTR Order in Case No. 225 of 2022 has approved Rs. 13.57 Crores towards Supply Business and Rs 6.24 Crores for wire Business as Non-

Tariff income. Tata Power-D has considered the same amount as Non-tariff Income for FY 2024-25.

4.19 Aggregate Revenue Requirement

291. Based on the above submissions, the estimated ARR for the Distribution Wires and Retail Supply Business for FY 2024-25 has been tabulated below. Further, Tata Power-D has deducted i) Wheeling Charges ii) Cross Subsidiary Charges from the OA consumers from the total Aggregate Revenue Requirement. The computation of the same has been presented in the subsequent section.

Table 4-29: Estimated ARR for Distribution Wires Business for FY 2024-25

Rs Crores

| Particulars | Wire | |
|---|---------------|---------------|
| | MTR Order | Revised |
| O&M Expenses | 141.13 | 144.42 |
| Depreciation | 156.24 | 154.48 |
| Interest on Long Term Loans | 58.74 | 61.40 |
| Interest on Working Capital | 12.36 | 12.78 |
| Interest on consumer security deposit | 0.00 | 0.00 |
| Bad and Doubtful Debt | 0.00 | 0.00 |
| Total Annual Revenue Requirement | 368.47 | 373.07 |
| RoE | 141.65 | 140.43 |
| Aggregate Revenue Requirement | 510.12 | 513.50 |
| Less: | | |
| Less: Non Tariff Income | 6.24 | 6.24 |
| Less: Income from OA wheeling charges | 24.39 | 25.28 |
| Total Annual Revenue Requirement | 479.49 | 481.98 |

Table 4-30: Estimated ARR for Retail Supply Business for FY 2024-25*Rs Crores*

| Particulars | Supply | |
|---|----------------|----------------|
| | MTR Order | Revised |
| Cost of power purchase expenses | 3616.39 | 3370.35 |
| O&M Expenses | 129.80 | 132.82 |
| Depreciation | 23.88 | 25.71 |
| Interest on Long Term Loans | 2.83 | 5.26 |
| Interest on Working Capital | 5.04 | 13.13 |
| Interest on consumer security deposit | 26.30 | 20.27 |
| Bad and Doubtful Debt | 0.00 | 0.00 |
| Contribution to Contingency Reserve | 0.71 | 0.72 |
| Intra-State Transmission Charges | 329.57 | 329.57 |
| MSLDC Fees & Charges | 1.09 | 1.09 |
| Standby Charges | 103.52 | 0.00 |
| DSM expenses | 0.52 | 0.52 |
| Total Annual Revenue Requirement | 4239.64 | 3899.45 |
| RoE | 13.43 | 14.64 |
| Aggregate Revenue Requirement | 4253.08 | 3914.09 |
| Less: | | |
| Less: Non Tariff Income | 13.57 | 13.57 |
| Less: Income from CSS | 39.18 | 32.44 |
| Total Annual Revenue Requirement | 4200.32 | 3868.08 |

Table 4-31: Combined Estimated ARR for FY 2024-25*Rs Crores*

| Particulars | Supply | | Wire | | Combined | |
|---|----------------|----------------|---------------|---------------|----------------|----------------|
| | MTR Order | Revised | MTR Order | Revised | MTR Order | Revised |
| Cost of power purchase expenses | 3616.39 | 3370.35 | | | 3616.39 | 3370.35 |
| O&M Expenses | 129.80 | 132.82 | 141.13 | 144.42 | 270.94 | 277.24 |
| Depreciation | 23.88 | 25.71 | 156.24 | 154.48 | 180.12 | 180.19 |
| Interest on Long Term Loans | 2.83 | 5.26 | 58.74 | 61.40 | 61.57 | 66.65 |
| Interest on Working Capital | 5.04 | 13.13 | 12.36 | 12.78 | 17.40 | 25.91 |
| Interest on consumer security deposit | 26.30 | 20.27 | 0.00 | 0.00 | 26.30 | 20.27 |
| Bad and Doubtful Debt | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Contribution to Contingency Reserve | 0.71 | 0.72 | | | 0.71 | 0.72 |
| Intra-State Transmission Charges | 329.57 | 329.57 | | | 329.57 | 329.57 |
| MSLDC Fees & Charges | 1.09 | 1.09 | | | 1.09 | 1.09 |
| Standby Charges | 103.52 | 0.00 | | | 103.52 | 0.00 |
| DSM expenses | 0.52 | 0.52 | | | 0.52 | 0.52 |
| Total Annual Revenue Requirement | 4239.64 | 3899.45 | 368.47 | 373.07 | 4608.12 | 4272.51 |
| RoE | 13.43 | 14.64 | 141.65 | 140.43 | 155.08 | 155.08 |
| Aggregate Revenue Requirement | 4253.08 | 3914.09 | 510.12 | 513.50 | 4763.20 | 4427.59 |
| Less: | | | | | | |
| Less: Non Tariff Income | 13.57 | 13.57 | 6.24 | 6.24 | 19.82 | 19.81 |
| Less: Income from CSS | 39.18 | 32.44 | | | 39.18 | 32.44 |
| Less: Income from wheeling charges | | | 24.39 | 25.28 | 24.39 | 25.28 |
| Total Annual Revenue Requirement | 4200.31 | 3868.08 | 479.49 | 481.98 | 4679.81 | 4350.06 |

292. As seen from the above the wire and supply ARR of Tata Power-D for FY 2024-25 works out to **Rs 3868.08 Crores** for Supply Business and **Rs 481.98 Crores** for wire business respectively.

5 CUMULATIVE REVENUE GAP / (SURPLUS), TARIFF PHILOSOPHY AND CATEGORY WISE TARIFFS FOR FY 2024-25

293. The earlier sections discussed about the truing up of FY 2022-23, provisional truing up of FY 2023-24 and the ARR for the Period FY 2024-25. This section presents the cumulative Gap / (Surplus) arising out of the performance of the previous years i.e., the actual Truing Up for FY 2022-23, provisional truing up of FY 2023-24 and subsequently the Tariff philosophy and the Tariff proposal for the Control Period.
294. Tata Power-D is also considering and craves leave of this Hon'ble Commission to submit its proposal for separate tariff for the AEML SEEPZ area in order to offer a more competitive tariff as per the provision in the MYT Regulations, 2019.

5.1 Approved Past Gap /(Surplus) in Case No 225 of 2022

295. The Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022 has approved the following Gap / (Surplus) till FY 2022-23 and allowed the same to be recovered in FY 2023-24. The Gap / (Surplus) allowed is as given below:

Commission's Analysis and Ruling

The Commission has considered the interest rate for computation of Carrying/(Holding) cost on the amount of Gap/(Surplus) of any year based on the applicable rate of interest on working capital for that year, in accordance with the applicable MYT Regulations.

The Commission has considered the Carrying/(Holding) cost till FY 2023-24, as it is assumed that the recovery of these amounts will happen in the middle of FY 2023-24. The Cumulative Gap/(Surplus) approved by the Commission for TPC-D till FY 2022-23, along with the associated Carrying/(Holding) cost, is shown in the Tables below:

Table 6-9: Approved Cumulative Gap/ (Surplus) of Wires Business (Rs. Crore)

| Particulars | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 |
|---|---------------|------------|------------|------------|------------|------------|------------|
| Opening Balance | 0.00 | -0.24 | 2.10 | 8.32 | 134.65 | 191.94 | 199.99 |
| Addition due to Past Gap/(Surplus) allowed through Review Order | -0.24 | 2.34 | | | | | -199.99 |
| Standalone Gap / (Surplus) | | | 6.22 | 126.55 | 57.29 | 8.06 | 0.00 |
| Closing Balance | -0.24 | 2.10 | 8.32 | 134.88 | 191.94 | 199.99 | 0.00 |
| Average Balance | -0.12 | 0.93 | 5.21 | 71.60 | 163.30 | 195.97 | 100.00 |
| Interest rate | 10.18% | 9.89% | 9.66% | 8.57% | 8.50% | 9.55% | 9.55% |
| Carrying Cost | -0.01 | 0.09 | 0.50 | 6.14 | 13.88 | 18.71 | 4.77 |
| Total Carrying Cost | 44.08 | | | | | | |
| Total Gap/ (Surplus) including Carrying Cost | 244.07 | | | | | | |
| Refund of Over recovery on account of RAC | -19.59 | | | | | | |
| Net Gap | 224.49 | | | | | | |

Table 6-10: Approved Cumulative Gap/ (Surplus) of Supply Business (Rs. Crore)

| Particulars | FY 2014-15 | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 |
|---|---------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Opening Balance | 0.00 | 1.94 | 1.94 | 1.94 | 42.82 | 49.92 | -50.53 | -346.95 | -24.40 | 640.36 |
| Addition due to Past Gap/(Surplus) allowed through Review Order | 1.94 | 0 | 0 | 40.88 | 7.10 | | | | | -640.47 |
| Standalone Gap / (Surplus) | | | | | | -100.45 | -296.42 | 322.54 | 664.77 | 0.00 |
| Closing Balance | 1.94 | 1.94 | 1.94 | 42.82 | 49.92 | -50.53 | -346.95 | -24.40 | 640.36 | 0.00 |
| Average Balance | 0.97 | 1.94 | 1.94 | 22.38 | 46.37 | -0.30 | -198.74 | 185.67 | 307.98 | 320.24 |
| Interest rate | 14.75% | 14.75% | 10.79% | 10.18% | 9.89% | 9.66% | 8.57% | 8.50% | 9.55% | 9.55% |
| Carrying Cost | 0.14 | 0.29 | 0.21 | 2.28 | 4.59 | -0.03 | -17.03 | -15.78 | 29.41 | 15.29 |
| Total Carrying Cost | 19.36 | | | | | | | | | |
| Total Gap/ (Surplus) including Carrying Cost | 659.73 | | | | | | | | | |
| Refund from TPC-G | 22.65 | | | | | | | | | |
| Net Gap | 637.08 | | | | | | | | | |

The above approved net Revenue Gap of the Wires Business and Supply Business has been adjusted against the tariffs of FY 2023-24 and FY 2024-25, as elaborated subsequently.

The total Cumulative Revenue Gap/(Surplus) for TPC-D is summarised in the Table below:

Table 6-11: Approved Cumulative Gap/ (Surplus) of Distribution Business (Rs. Crore)

| Particulars | MTR Petition | Approved |
|--|-----------------|---------------|
| Final true-up Gap/(Surplus) for FY 2019-20 | (91.96) | (94.22) |
| Past Adjustments | 18.37 | 9.78 |
| Final true-up Gap/(Surplus) for FY 2020-21 | (98.35) | (170.09) |
| Final true-up Gap/(Surplus) for FY 2021-22 | 414.50 | 379.83 |
| Provisional true-up Gap/(Surplus) for FY 2022-23 | 1,016.26 | 672.82 |
| Carrying/(Holding) Cost | 81.29 | 63.44 |
| Total Revenue Gap/(Surplus) | 1,340.12 | 861.56 |

296. As seen from the above the Hon'ble Commission has allowed **Rs 861.56 Crores** towards cumulative Gap / (Surplus) including provisional gap /(Surplus) for FY 2022-23 which is to be recovered during FY 2023-24 and FY 2024-25.

5.1.1 Standalone Gap / (Surplus) for FY 2022-23

297. The Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022 has approved provisional Gap of **Rs 8.06 Crores** for wire business and **Rs 664.77 Crores** for Supply Business. However, the actual Gap for Truing up of FY 2022-23, has worked out Rs 42.84 Crores for wire business and 909.41 Crores for Supply Business. Based on the same the incremental Gap / (Surplus) for FY 2022-23 is computed as follows:

Table 5-1: Revenue Gap / (Surplus) for FY 2022-23 for Distribution Business

| Sr. No. | Particulars | Rs Crores | | | |
|---------|--|---------------|--------------|------------------------|---------------|
| | | Wire Business | | Retail Supply Business | |
| | | MTR T.O | Revised | MTR T.O | Revised |
| 1 | Standalone Net ARR | 434.93 | 448.50 | 4196.47 | 4330.72 |
| 2 | Less: Standalone Revenue from Tariff | 426.88 | 405.66 | 3531.70 | 3421.31 |
| 3=1-2 | Revenue Gap/(Surplus) | 8.06 | 42.84 | 664.77 | 909.41 |
| 4 | Gap already approved in MTR Tariff Order | | 8.06 | | 664.77 |
| 5 | Net Incremental Revenue Gap/(Surplus) | | 34.78 | | 244.64 |

298. As can be seen from the above Table, there is an incremental Revenue Gap of **Rs. 34.78 Crores** in the Distribution Wires Business and a Revenue Gap of **Rs. 244.64 Crores** in the Retail Supply Business for FY 2022-23. Tata Power-D has considered the same for working out the total revenue requirement for FY 2024-25.

5.1.2 Provisional Gap / (Surplus) for FY 2023-24

299. The Hon'ble Commission while computing the total ARR requirement for FY 2023-24 has also considered the part recovery of the provisional Gap to be recovered during the year FY 2023-24. The total past Gap approved for wire business was Rs 44.92 Crores while Gap approved for Supply Business was Rs 127.49 Crores including the carrying cost on the same. Tata Power-D in its earlier Section for provisional truing up for FY 2023-24 has computed the Annual Revenue Requirement for FY 2023-24. However, Tata Power-D has levied tariff for FY 2023-24 as per the MYT Tariff Order 326 of 2020 dated 30th March, 2020 (except for first three months). In view of the same Tata Power-D has not considered the revenue recovery of Rs 44.92 Crores towards wire business and Rs 127.49 Crores for Supply Business in the year FY 2023-24.

300. Further, the Hon'ble Commission post issuance of the tariff Order has also issued a Corrigendum in Case No 225 of 2022 dated 21st April, 2023. In the Corrigendum Order the Hon'ble Commission has allowed certain corrections out of which following corrections have been considered while computing the total ARR requirement for the FY 2023-24:

- **Corrections related share of Revenue Surplus of TPC-G**

The Hon'ble Commission while computing the total revenue requirement has not considered the revenue surplus of **Rs 215.61 Crores** to be passed on to Tata Power-D in the year FY 2023-24. The extract of the corrigendum order is as follows:

However, by oversight, TPC-D's share of Revenue Surplus of TPC-G, amounting to Rs. 215.61 Crore (148.51 + 67.10), has not been considered in the Supply ARR of TPC-D.

- **Corrections related refund of Standby Charges by TPC-G**

301. The Hon'ble Commission has approved the following impact of refund related to Standby charges by Tata Power-G.

Hence, TPC-D's ARR for FY 2023-24 is overstated by the net amount of Rs. 20.91 Crore [21.78 + (21.78-22.65)].

As seen from the above the Hon'ble Commission has overstated the net ARR for FY 2024-25 by Rs 20.91 Crores. However, according to Tata Power-D the total amount towards Standby Charges is Rs 26.50 Crores as included in the MYT Tariff Order. Further, this amount to be refunded in FY 2020-21, hence, Tata Power-D has also considered the carrying cost on the same.

Table 5-2: Refund of Standby Charges from Tata Power-D along with Carrying Cost

| Rs Crores | | | |
|----------------------|-------------|-------------|-------------|
| Particulars | FY 2020-21 | FY 2020-22 | FY 2020-23 |
| Opening | 0.00 | 26.50 | 26.50 |
| Addition | 26.50 | | |
| Recovery | 0.00 | 0.00 | 0.00 |
| Closing | 26.50 | 26.50 | 26.50 |
| Interest | 8.57% | 8.50% | 9.30% |
| Carrying Cost | 1.14 | 2.25 | 2.46 |

- **Total corrections considered in FY 2023-24**

302. Total impact of refund from Tata Power-G works out as follows:

Table 5-3: Total impact to be considered in FY 2023-24

| Sr. No. | Particulars | Rs Crores |
|-----------------|---|---------------|
| 1 | TPC-G refund as per MTR Order dated 31 March 2023 issued in Case No. 221 of 2022 for TPC-G | 215.61 |
| 2 | Overstated of amount of Standby Charges to the tune of Rs 26.50 Crores to be considered in FY 2020-21 | 26.50 |
| 3 | Carrying Cost on the Standby Charges | 5.85 |
| 4= 1+2+3 | Total Impact | 247.96 |

303. Based on the above, a) Total provisional Gap /(Surplus) for FY 2023-24 b) Past gap/(Surplus) allowed by the Hon'ble Commission in its MTR Tariff Order c) Corrections related to Tata Power-G towards surplus revenue and d) Corrections related to standby charges from Tata Power-G the total revenue requirement for FY 2023-24 works out as follows:

Table 5-4: Revenue Gap/(Surplus) for FY 2023-24 for Distribution Business

| Rs Crores | | | | | |
|-----------|--|---------------|---------------|------------------------|----------------|
| Sr. No. | Particulars | Wire Business | | Retail Supply Business | |
| | | MTR | Revised | MTR | Revised |
| 1 | Net ARR approved | 502.73 | 461.40 | 3432.76 | 3621.32 |
| 3 | Impact of Corrigendum Order in Case No 225 of 2022 | | | | -247.96 |
| 3=1+2 | Total ARR allowed | 502.73 | 461.40 | 3432.76 | 3373.35 |
| 4 | Less: Standalone Revenue from Tariff | | 435.78 | | 3674.97 |
| 5=3-4 | Net Incremental Revenue Gap/(Surplus) | | 25.63 | | -301.61 |

304. As seen from the above the total Gap /(Surplus) for FY 2023-24 works out to Rs 25.63 Crores for wire business while there is a surplus of Rs 301.61 Crores in Supply Business.

5.1.3 Cumulative Gap / (Surplus) of Distribution Wires & Retail Supply Business along with Carrying Cost

305. Tata Power-D has considered the rate of interest for computation of Carrying Cost on the cumulative Gap / (Surplus) equal to the weighted average one-year Marginal Cost of Funds-based Lending Rate (MCLR) during the year plus 150 basis points, in accordance with the MYT Regulations, 2019.

306. Based on the above submissions, the total past Gap / (Surplus) which needs to be adjusted in future Tariff is as computed in the Table below:

Table 5-5 Carrying Cost on incremental Gap / (Surplus) of Wires and Supply Business

| Rs Crores | | | | |
|------------|---|---------------|---------------|----------------|
| | Particulars | Wires | Supply | Total |
| 1 | Incremental Gap/(Surplus) - FY 2019-20 | 6.22 | -100.45 | -94.22 |
| 2 | Gap/(Surplus) - FY 2020-21 | 126.33 | -296.42 | -170.09 |
| 3 | Gap/(Surplus) - FY 2021-22 | 57.29 | 322.54 | 379.83 |
| 4 | Gap/(Surplus) - FY 2022-23 | 8.06 | 664.77 | 672.82 |
| 5 | Addition due to Past Gap/(Surplus) allowed through Review Orders | 2.10 | 49.92 | 52.02 |
| 6 | Total Carrying Cost | 44.08 | 19.36 | 63.44 |
| 7 | Refund from TPC-G | | -22.65 | -22.65 |
| 8 | Refund of RAC over-recovery | -19.59 | | -19.59 |
| 9 =1 to 8 | Cumulative Revenue Gap/(Surplus) allowed in the MTR Tariff Order till FY 2022-23 | 224.49 | 637.08 | 861.56 |
| 10 | Incremental Gap / (Surplus) for FY 2022-23 | 34.78 | 244.64 | 279.43 |
| 11 | Incremental Carrying Cost fro FY 2022-23 | 1.62 | 11.37 | 12.99 |
| 12=9+10+11 | Cumulative Revenue Gap/(Surplus) till FY 2022-23 with incremental impact | 260.89 | 893.09 | 1153.98 |

Table 5-6 Carrying Cost on incremental Gap / (Surplus) of Wires and Supply Business

| Sr. No. | Particulars | Rs Crores | | | |
|---------|---|---------------|-------------|-----------------|-------------|
| | | Wire Business | | Supply Business | |
| | | FY 2022-23 | FY 2023-24 | FY 2022-23 | FY 2023-24 |
| 1 | Opening Balance | 0.00 | 34.78 | 0.00 | 244.64 |
| 2 | Addition of revenue gap/(surplus) during year | 34.78 | 25.64 | 244.64 | -301.61 |
| 3 | Recovery of revenue gap/(surplus) during year | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Closing Balance | 34.78 | 60.43 | 244.64 | -56.97 |
| 5 | Rate of Interest (%) | 9.30% | 10.05% | 9.30% | 10.05% |
| 6 | Incremental Carrying cost | 1.62 | 4.78 | 11.37 | 9.43 |

Table 5-7 Cumulative Gap / (Surplus) of wire and Retail Supply Business

| Rs Crores | | | | |
|------------|---|---------------|---------------|----------------|
| | Particulars | Wires | Supply | Total |
| 1 | Incremental Gap/(Surplus) - FY 2019-20 | 6.22 | -100.45 | -94.22 |
| 2 | Gap/(Surplus) - FY 2020-21 | 126.33 | -296.42 | -170.09 |
| 3 | Gap/(Surplus) - FY 2021-22 | 57.29 | 322.54 | 379.83 |
| 4 | Gap/(Surplus) - FY 2022-23 | 8.06 | 664.77 | 672.82 |
| 5 | Addition due to Past Gap/(Surplus) allowed through Review Orders | 2.10 | 49.92 | 52.02 |
| 6 | Total Carrying Cost | 44.08 | 19.36 | 63.44 |
| 7 | Refund from TPC-G | | -22.65 | -22.65 |
| 8 | Refund of RAC over-recovery | -19.59 | | -19.59 |
| 9 = 1 to 8 | Cumulative Revenue Gap/(Surplus) allowed in the MTR Tariff Order till FY 2022-23 | 224.49 | 637.08 | 861.56 |
| 10 | Incremental Gap / (Surplus) for FY 2022-23 | 34.78 | 244.64 | 279.43 |
| 11 | Incremental Carrying Cost fro FY 2022-23 | 1.62 | 11.37 | 12.99 |
| 12=9+10+11 | Cumulative Revenue Gap/(Surplus) till FY 2022-23 with incremental impact | 260.89 | 893.09 | 1153.98 |
| 12 | Incremental Gap / (Surplus) for FY 2023-24 | 25.64 | -301.61 | -275.97 |
| 13 | Incremental Carrying Cost fro FY 2023-24 | 25.45 | 69.02 | 94.48 |
| 14=12+13 | Total Past Recovery Upto FY 2023-24 | 311.99 | 660.50 | 972.49 |

Table 5-8 Cumulative Gap / (Surplus) of wire and Retail Supply Business

| Rs Crores | | | | |
|-----------|---|---------------|-----------------|--------------|
| Sr. No. | Particulars | Wire Business | Supply Business | Total |
| | | FY 2023-24 | | |
| 1 | Opening Balance | 260.89 | 893.09 | 1153.98 |
| 2 | Addition of revenue gap/(surplus) during year | 25.64 | -301.61 | -275.97 |
| 3 | Recovery of revenue gap/(surplus) during year | 0.00 | 0.00 | 0.00 |
| 4=1+2-3 | Closing Balance | 286.53 | 591.48 | 878.01 |
| 5 | Rate of Interest (%) | 9.30% | 9.30% | 9.30% |
| 6 | Incremental Carrying cost | 25.45 | 69.02 | 94.48 |

307. It is submitted that the cumulative past recovery of Rs. 311.99 Crs for wire business of Tata Power-D is significantly higher on account of lower amount of wheeling ARR recovery in FY 2022-23 and FY 2023-24. The same has been acknowledged by the Hon'ble Commission in its Corrigendum order of Tata Power-D in Case No. 225 of 2022. If the Tata Power-D recovered the total amount during the FY 2024-25 it will

cause a significant increase of wheeling charges compared to the wheeling charges levied in the year FY 2023-24. The wheeling charges with full recovery is as given in the table below:

Table 5-9 Wheeling Charges in case of full recovery of wire ARR

| Level | Wheeling Sales (MUs) | Level wise % Wheeling Sales mix | % Wheeling sales mix between HT & LT | % GFA Ratio | Wheeling Cost segregation (as per % GFA) (Rs. Crore) | Wheeling Cost allocation for EHV (Rs. Crore) | Wheeling Cost allocation for HT (Rs. Crore) | Wheeling Cost allocation for LT (Rs. Crore) | Total Wheeling Cost allocation (Rs. Crore) | Wheeling Charges allocation (Rs/kWh) | Wheeling Charges allocation (Rs/kVAh) | Present Wheeling Charges allocation (Rs/kWh) | % Increase |
|----------------------|----------------------|---------------------------------|--------------------------------------|-------------|--|--|---|---|--|--------------------------------------|---------------------------------------|--|------------|
| EHV (110 kV) | 1127 | 22% | | 1% | 8 | 8 | | | 8 | 0.07 | 0.07 | 0.07 | 5% |
| HT (33/22/11/6.6 kV) | 1935 | 39% | 50% | 65% | 542 | | 270 | | 270 | 1.39 | 1.37 | 0.97 | 44% |
| LT | 1954 | 39% | 50% | 34% | 284 | | 272 | 284 | 557 | 2.85 | | 1.58 | 80% |
| Total Sale | 5017 | 100% | 100% | 100% | 835 | 8 | 542 | 284 | 835 | 1.66 | | | |

308. As seen from the above, there will be a increase in wheeling tariff in the range of 5% to 80% in the year FY 2024-25. In view of this, in order to avoid the tariff shock to the consumers, we request the Hon'ble Commission to allow recovery of the cumulative past gap in two years instead of recovering the entire amount in FY 2024-25.

309. Accordingly, the wheeling charges are computed considering the 50% of total past gap of wire business of Tata Power-D in FY 2024-25.

310. As can be seen from the above Table, the net Gap to be adjusted for the Distribution Wires Business in the Tariff of FY 2024-25 is **Rs. 311.99 Crores** out of which Tata Power-D has considered **Rs 155.99 Crores** whereas the net Gap to be recovered in the Tariff for the Retail Supply Business is **Rs. 660.50 Crores**. The total Gap to be recovered in tariff of FY 2024-25 is **Rs 972.49 Crores**. Considering the total ARR to be recovered for Wire and Supply Business and estimated sales for FY 2024-25. The Average Cost of Supply for Distribution Business is as given in the table below:

Table 5-10 ACoS to be recovered in the future tariff

Rs Crores

| Sr. No. | Particulars | Wire Business | Supply Business | Total |
|--------------|---|---------------|-----------------|----------------|
| | | FY 2024-25 | FY 2024-25 | FY 2024-25 |
| 1 | Opening Balance | 311.99 | 660.50 | 972.49 |
| 2 | Addition of revenue gap/(surplus) during year | 0.00 | 0.00 | 0.00 |
| 3 | Recovery of revenue gap/(surplus) during year | 155.99 | 660.50 | 816.49 |
| 4=1+2-3 | Closing Balance | 155.99 | 0.00 | 155.99 |
| 5 | Rate of Interest (%) | 10.05% | 10.05% | 10.05% |
| 6=avg(1,4)*5 | Incremental Carrying cost | 23.52 | 33.19 | 56.71 |
| 7 | Standalone ARR | 481.98 | 3868.08 | 4350.06 |
| 8 | Past Gap Recovery | 179.51 | 693.69 | 873.20 |
| 9=7+8 | Total ARR to be recovered | 661.49 | 4561.77 | 5223.26 |
| 10 | Energy Sales (MU) | | | 6344.77 |
| 11=9/10*10 | ACOS (Rs/kWh) | | | 8.23 |
| 12 | ABR at existing tariff (Rs/kWh) with FAC | | | 7.37 |
| 13=11-12 | Revenue Gap per unit (Rs/kWh) | | | 0.86 |
| 14=13/12 | Tariff Hike Required | | | 12% |

311. As seen from the above total ARR to be recovered for FY 2024-25 is **Rs 5223.26 Crores** at Weighted average rate of **Rs 8.23 per kWh** as against Weighted average rate of existing tariff of Rs 7.37 /kWh (Rs 6.41/kWh approved tariff in the MYT T.O. 326 of 2020 dated 30th March, 2020 and proposed FAC recovery). Considering the same the average tariff hike required to meet the ARR requirement is Rs 0.88/kWh which is increase of around 12% of the existing tariff. The Cross Subsidy structure for tariff recovery is discussed in the subsequent section.

5.2 Cross Subsidy Structure

312. Section 61(g) of the EA-2003 specified the gradual reduction of cross subsidies and cost reflective tariff as a guiding principle for tariff determination. Relevant extract from EA-2003 is as follows:

“Section 61. (Tariff regulations):

The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely:-

- (a) the principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees;*
- (b) the generation, transmission, distribution and supply of electricity are conducted on commercial principles;*

- (c) the factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments;
- (d) safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;
- (e) the principles rewarding efficiency in performance;
- (f) multi year tariff principles;
- (g) **that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;**
”

313. Further, Clause 8.3 of revised Tariff Policy has specified the guiding principles for cross subsidizing the tariff as follows:

8.3 Tariff design: Linkage of tariffs to cost of service

...

In terms of the Section 61(g) of the Act, the Appropriate Commission shall be guided by the objective that the tariff progressively reflects the efficient and prudent cost of supply of electricity.

The State Governments can give subsidy to the extent they consider appropriate as per the provisions of section 65 of the Act. Direct subsidy is a better way to support the poorer categories of consumers than the mechanism of cross subsidizing the tariff across the board. Subsidies should be targeted effectively and in transparent manner. As a substitute of cross subsidies, the State Government has the option of raising resources through mechanism of electricity duty and giving direct subsidies to only needy consumers. This is a better way of targeting subsidies effectively.

Accordingly, the following principles would be adopted:

1. *Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. **Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.***
2. *For achieving the objective that the tariff progressively reflects the cost of supply of electricity, **the Appropriate Commission would notify a***

roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual reduction in cross subsidy.

...”

314. The Hon’ble Commission has approved cross subsidy amongst various category of consumers in MTR Order in Case No. 225 of 2022 as follows:

Table 6-17: Category wise Cross-Subsidy Approved by the Commission (%)

| Consumer Categories | Existing (FY 2022-23 incl. FAC) | FY 2023-24 | FY 2024-25 |
|--|---------------------------------|------------|------------|
| EHT I – Industry | 85% | 97% | 100% |
| HT I – Industry | 98% | 109% | 113% |
| EHT II - Commercial | 90% | 107% | 108% |
| HT II – Commercial | 112% | 128% | 130% |
| HT III - Group Housing Society | 95% | 107% | 109% |
| EHT IV - Railways/Metro/Mono 22/33 kV | 109% | 125% | 126% |
| HT IV – Railways/Metro/Mono 22/33 kV | 102% | 116% | 119% |
| EHT V – Public Service Others | 83% | 97% | 99% |
| HT V(A) - Public Service - Government Hospitals & Educational Institutions | 107% | 124% | 125% |
| HT V(B) - Public Service - Others | 99% | 113% | 116% |
| HT VII – EV Charging Stations | 73% | 91% | 87% |
| LT Category | | | |
| LT I – Residential | 73% | 81% | 87% |
| LT II(A) - Commercial up to 20 kW | 94% | 105% | 113% |
| LT II(B) - Commercial 20 to 50 kW | 120% | 131% | 139% |
| LT II(C) - Commercial > 50 kW | 116% | 124% | 129% |
| LT III (A)- Industrial up to 20 kW | 81% | 95% | 102% |
| LT III (B) - Industrial > 20 kW | 101% | 113% | 120% |
| LT IX(A) - Public Services - Government Hospitals & Educational Institutions | 87% | 102% | 109% |
| LT IX(B) - Public Services Others | 92% | 105% | 112% |
| LT EV Charging Stations | 75% | 89% | 85% |

There is cross-subsidy inherent in the tariff structure on account of historical reasons and the manner in which the Licensee has evolved, and the present sales mix. There is a need to have a proper roadmap for reduction of cross-subsidy. TPC-D is directed to submit the detailed roadmap for reduction of

cross-subsidies between consumer categories, along with the appropriate justification, along with the next MYT Petition, so that the Commission can finalise the road map after due public consultation.

315. The Hon'ble Commission while approving the CS for other distribution utility has adopted a different approach. The CS structure approved for the Other Distribution Utility is as given below:

Table 6-47: Category-wise Cross Subsidy approved by the Commission (%)

| Particulars | FY 2022-23 (Existing) | FY 2023-24 (Approved) | FY 2024-25 (Approved) |
|--|--------------------------|--------------------------|--------------------------|
| EHT Category | | | |
| EHT I - Industry | 89% | 84% | 82% |
| EHT IV - Metro & Monorail | 91% | 85% | 84% |
| HT Category | | | |
| HT I: HT-Industry | 105% | 105% | 103% |
| HTII: HT- Commercial | 112% | 109% | 110% |
| HT III: HT-Group Housing Society | 115% | 107% | 109% |
| HT V (a):PS - Govt. EI & Hospitals | 99% | 104% | 102% |
| HT V (b):PS - Others | 104% | 108% | 112% |
| HT VI: EV Charging Stations | 82% | 99% | 103% |
| LT Category | | | |
| LT -I Residential | 87% | 91% | 91% |
| LT II (a) - 0-20 kW | 104% | 108% | 106% |
| LT II (b) - 20-50 kW | 119% | 117% | 116% |
| LT II (c) - above 50 kW | 125% | 118% | 116% |
| LT III (a) - LT Industrial upto 20 kW | 97% | 97% | 98% |
| LT III (b) - LT Industrial above 20 kW | 112% | 109% | 109% |
| LT IV (a): PS - Govt. EI & Hospitals | 97% | 100% | 102% |
| LT IV (b): PS - Others | 102% | 103% | 106% |
| LT V (a): Agriculture - Pumpsets | 78% | 84% | 87% |
| LT V (b): Agriculture - Others | 96% | 101% | 104% |
| LT VI: EV Charging Stations | 81% | 92% | 96% |

316. As can be observed from the above, in case of Mumbai where there is two distribution licensees working in the same area of supply and if a different approach is adopted for each in deciding the CS, then the same may create unbalance in the consumer mix

as consumers start moving from one distribution licensees to other distribution licensees. Hence, Tata Power-D wishes to submit that in case where there is more than one distribution licensee operating in the same area of supply, then a common approach in CS structure may help to avoid any unbalance in the migration of consumers from one Distribution Licensee to another distribution licensee. In view of this Tata Power-D proposed following approach in deciding CS structure till a final methodology is decided by this Hon'ble Commission.

- **Same level of CS structure for parallel Licensees**

317. In the current petition Tata Power-D has considered the same CS structure as approved for the Parallel Distribution Licensee. Further, in order to neutralise the higher cross subsidy in certain categories Tata Power-D has reduced the cross subsidy to the level of 20%. Also cross subsidy of certain categories have been adjusted so that there will be a overall tariff recovery during FY 2024-25. The same has been given in the table below:

Table 5-11 % Cross Subsidy structure for FY 2024-25

| Category | FY 2023-24 | FY 2024-25 |
|--|---------------------------------|------------|
| | Approved in MYT Tariff Order | Projected |
| HT CUSTOMERS | | |
| EHV - Industry | | 82% |
| HT I - Industry | 107% | 102% |
| EHV- Commercial | | 87% |
| HT II - Commercial | 131% | 108% |
| HT III - Group Housing Society (Residential) | 109% | 109% |
| HT V(A) - Railways | | |
| HT IV – Railways/Metro/Mono 22/33 kV | 116% | 105% |
| EHT IV - Railways/Metro/Mono 22/33 kV | | 92% |
| HT VI - Public Services | | |
| a) Govt. Edu. Inst. & Hospitals | 122% | 102% |
| b) Others | 119% | 101% |
| EHV-PWW | | 118% |
| HT VIII - EV Charging Stations | | 103% |
| HT total | | |
| LT CUSTOMERS | | |
| LT I (B) - Residential | 82% | 95% |
| - 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 | 101% | 106% |
| (B) - > 20 kW & < 50kW | 121% | 120% |
| (C) - > 50kW | 125% | 120% |
| LT III (A) - Industry < 20 kW | 97% | 98% |
| LT III (B) - Industry > 20kW | 115% | 116% |
| LT IX - Public Services | | |
| a) Govt. Edu. Inst. & Hospitals | 100% | 102% |
| b) Others | 108% | 107% |
| EV Charging Stations | | |

Table 5-12 Proposed ABR for FY 2024-25

| Category | Projected Average Cost of Supply (Rs/kWh) | Average Billing Rate (Rs/kWh) | | Ratio of Average Billing Rate to Projected Average Cost of Supply (%) | | % increase / decrease in Cross-subsidy | % increase in tariff (%) |
|--|---|---|-----------------|---|-----------------|--|--------------------------|
| | | ABR approved for FY 2024-25, as per Order In Case No. 326 of 2019 | Proposed Tariff | CS as per MYT TO | Proposed Tariff | | |
| HT CUSTOMERS | 8.23 | | | | | | |
| EHV - Industry | | 6.61 | 6.78 | | 82% | | |
| HT I - Industry | | 6.64 | 8.41 | 104% | 102% | -2% | 27% |
| EHV- Commercial | | 6.39 | 7.20 | | 87% | | |
| HT II - Commercial | | 8.51 | 8.89 | 134% | 108% | -26% | 31% |
| HT III - Group Housing Society (Residential) | | 6.78 | 9.01 | 106% | 109% | 3% | 0% |
| HT V(A) - Railways | | | | | | | |
| HT IV - HT Railways, Metro & Monorail | | 7.66 | 8.68 | 116% | 105% | -11% | 13% |
| EHT IV - Railways, Metro & Monorail | | 7.14 | 7.61 | | 92% | 92% | 6% |
| HT VI - Public Services | | | | | | | |
| a) Govt. Edu. Inst. & Hospitals | | 7.85 | 8.43 | 123% | 102% | -21% | 7% |
| EHV- Public Others' | | | 9.75 | | 118% | | |
| b) Others | | 7.63 | 8.35 | 120% | 101% | -19% | 9% |
| HT VIII - EV Charging Stations | | | 8.51 | | 103% | 103% | 0% |
| HT total | | | | | | | |
| LT CUSTOMERS | | | | | | | |
| LT I (B) - Residential | | 5.36 | 7.86 | 84% | 95% | 11% | 47% |
| - S1 (0-100 units) | | | 5.88 | | 71% | | |
| - S2 (101-300 units) | | | 8.43 | | 102% | | |
| - S3 (> 301-500 Units) | | | 9.91 | | 120% | | |
| - S4 (Above 500 units (balance units) | | | 9.91 | | 120% | | |
| LT II - Commercial | | | | | | | |
| (A) - Upto 20 kW | | 6.48 | 8.76 | 102% | 106% | 4% | 35% |
| (B) - > 20 kW & < 50kW | | 7.56 | 9.91 | 119% | 120% | 1% | 31% |
| (C) - > 50kW | | 7.96 | 9.91 | 125% | 120% | -5% | 25% |
| LT III (A) - Industry < 20 kW | | 6.25 | 8.10 | 98% | 98% | 0% | 30% |
| LT III (B) - Industry > 20kW | | 7.32 | 9.52 | 115% | 116% | 1% | 30% |
| LT IX - Public Services | | | | | | | |
| a) Govt. Edu. Inst. & Hospitals | | 6.33 | 8.39 | 99% | 102% | 3% | 33% |
| b) Others | | 6.55 | 8.79 | 103% | 107% | 4% | 34% |
| EV Charging Stations | | | 8.19 | | 99% | | |

318. Further, in case of revision of tariff of a parallel distribution licensee for FY 2024-25, we request the Hon'ble Commission to keep the same cross subsidy for both utilities in order to avoid any utility to become uncompetitive. Further, Tata Power-D wish to submit that the Ministry of Power 'MOP' on 10th January, 2024 has issued Notification dated 10th January, 2024 'Electricity (Amendment) Rules, 2024' in which it has allowed to liquidate past / current gap in maximum seven / three number of equal yearly installments. Tata Power-D humbly, request to the Hon'ble Commission to utilize this provision to defer any Gap for maintain competitive position of Tata Power-D in case the need so arises. The copy of the notification is attached as **Annexure 9** to this petition.

5.3 Tariff Components for the Control Period

319. Based on the above, various Tariff components have been proposed as given below:

a) Fixed / Demand Charges

320. Tata Power-D has proposed a same demand Charges as approved by the Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022.

b) Energy Charges

321. Tata Power-D has determined the category-wise Energy Charges based on the cross subsidy structure proposed in the current tariff petition. Further, as approved by the Hon'ble Commission, all HT consumers will be billed in kVAh instead of kWh billing. Category wise tariff components has been given in the subsequent paragraphs.

c) Incentives - Load Factor / Power Factor / Time-of-Day

Load Factor Incentive (LFI)

Tata Power-D proposes the same Load Factor Incentive as approved by the Hon'ble Commission in its MTR Tariff Order.

Time of Day (ToD) Charges

322. Tata Power- D proposes the same slot wise TOD as approved by the Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022.

PF Incentive / Penalty

323. It is proposed to continue the PF Incentive / Penalty for kWh Billing as approved in Case No. 225 of 2022.

d) Wheeling Charge

324. The MYT Regulations, 2019 states as follows with respect to Wheeling Charges:

73.2 The Wheeling Charges of the Distribution Licensee shall be determined by the Commission on the basis of a Petition for determination of Tariff filed by the Distribution Licensee in accordance with Part B of these Regulations:

Provided that the Wheeling Charges may be denominated in terms of Rupees/kWh or Rupees/kVAh or Rupees/kW/month or Rupees/kVA/month, for the purpose of recovery from the Distribution System User, or any such denomination, as may be stipulated by the Commission:

Provided further that the Wheeling Charges shall be determined separately for LT voltage, HT voltage, and EHT voltage, as applicable:

325. The Hon'ble Commission while approving the wheeling charges has considered the GFA in the ratio of 1:76:23 for EHT:HT:LT. This principle adopted for segregation of GFA ratio has been challenged by Tata Power-D in Appeal No 369 of 2023. Also, the wheeling charges applicable to EHT consumers has been challenged in the Appellate Tribunal of Electricity. In view of the same computation of the wheeling charges may be revised by Tata Power-D subject to the outcome of the said Appeal. Till such time Tata Power-D has computed the wheeling charges based on the principle adopted by the Hon'ble Commission with the revised GFA ratio considering the assets added upto FY 2022-23 as it would reflect the correct asset classification, which is set out as below.

Table 5-13: Wheeling charges for FY 2024-25

| | Level | Wheeled Sales (MUs) | Level wise % Wheeled Sales mix | % Wheeled sales mix between HT & LT | % GFA Ratio | Wheeling Cost segregation n (as per % GFA) | Wheeling Cost allocation for EHV (Rs. Crore) | Wheeling Cost allocation for HT (Rs. Crore) | Wheeling Cost allocation for LT (Rs. Crore) | Total Wheeling Cost allocation (Rs. Crore) | Wheeling Charges allocation (Rs/kWh) | Wheeling Charges allocation (Rs/kVAh) |
|------------|----------------------|---------------------|--------------------------------|-------------------------------------|-------------|--|--|---|---|--|--------------------------------------|---------------------------------------|
| FY 2024-25 | | | | | | | | | | | | |
| 1 | EHV (110 kV) | 1127 | 22% | | 1% | 7 | 7 | | | 7 | 0.06 | 0.06 |
| 2 | HT (33/22/11/6.6 kV) | 1935 | 39% | 50% | 65% | 446 | | 222 | | 222 | 1.15 | 1.12 |
| 3 | LT | 1954 | 39% | 50% | 34% | 234 | | 224 | 234 | 458 | 2.34 | |
| | Total Sale | 5017 | 100% | 100% | 100% | 687 | 7 | 446 | 234 | 687 | 1.37 | |

e) Wheeling Losses for FY 2023-24 and FY 2024-25

326. It is proposed to adopt the Wheeling Losses based on the Energy Balance of FY 2022-23 which is as shown in the Table below:

Table 5-14: Wheeling Losses for the FY 2024-25

| Month | 12 Mnth Rolling Distribution Loss | LT Losses 12 Mnth Rolling | HT Losses 12 Mnth Rolling |
|-------|-----------------------------------|---------------------------|---------------------------|
| FY23 | 1.13% | 2.22% | 0.30% |

f) Cross Subsidy Surcharge for FY 2024-25

327. Tata Power-D has computed the Cross Subsidy Surcharge “CSS” based on the formula stipulated in the Tariff Policy, 2016 for determining CSS and as approved by the Hon’ble Commission in the MYT Order. The CSS formula is specified below:

Surcharge formula:

$$S = T - [C / (1 - L/100) + D + R]$$

328. The components of the CSS formula considered are as below:

- T: is the revised ABR of the respective consumer categories, excluding the category-wise RAC*
- C: is the weighted average cost of power purchase for each year, including RPO but excluding Transmission Charges, Stand-by Charges, and MSLDC Charges*
- L: is the aggregate of Transmission and Distribution Losses, expressed as a percentage applicable to the relevant voltage level. Tata Power-D has considered the Transmission Loss equal to 3.30% as approved in the InSTS Tariff Order*
- D: is the aggregate of Transmission and Wheeling Charges applicable to the relevant voltage level*
- R: is the per unit carrying cost*

329. To arrive at the CSS for the various consumer categories, the values considered for the components of the CSS are as below:

D – Transmission Charges have been computed based on the Transmission Charges approved and total sales (including OA sales) projected for FY 2024-25. These charges have been deducted for computing the CSS. The Transmission Charge and Wheeling Charge considered for FY 2024-25 are as shown in the Table below:

Table 5-15: Aggregate Transmission & Wheeling Charges for EHT / HT / LT

| | | Rs/kWh | |
|---------|-------------------------------|------------------|----------------------|
| Sr. No. | Particulars | Wheeling Charges | Transmission Charges |
| 1 | EHV wheeling Charges (110 KV) | 0.06 | 0.50 |
| 2 | HT wheeling Charges (110 KV) | 1.15 | 0.50 |
| 3 | LT wheeling charges | 2.34 | 0.50 |

R- The per unit carrying cost for each year shown in the Table below is computed by separating the past Revenue Gap being recovered each year into principal and interest components.

Table 5-16: R - Per Unit Carrying Cost

| Sr. No. | Particulars | Rs Crores |
|--------------|---|---------------|
| 1 | Incremental Carrying Cost fro FY 2022-23 | 11.37 |
| 2 | Incremental Carrying Cost fro FY 2023-24 | 69.02 |
| 3 | Incremental Carrying Cost fro FY 2024-25 | 33.19 |
| 3=1+2 | Total incremental Carrying Cost (Rs.Crs) | 113.59 |
| 4 | Sales including OA (MU's) | 6572.67 |
| 5 | Carrying Cost per Unit (Rs./kWh) | 0.17 |

330. Based on the above, the category wise CSS computed for FY 2024-25 is as given in the Table below:

Table 5-17: Proposed CSS for 2024-25 (Rs/kWh/kVAh as applicable)

| | Approved | ABR - T | WAC of Power Purchase - C | C/(1-L%) | [C/(1-L/100)+D+R] | CSS Computed | Capping | Rs/kWh CSS to be Approved | Rs/kVAh CSS to be Approved |
|---|----------|---------|---------------------------|----------|-------------------|--------------|---------|---------------------------------|----------------------------------|
| HT Category | FY 25 | FY 25 | FY 25 | FY 25 | FY 25 | FY 25 | FY 25 | FY 25 | FY 25 |
| EHV - Industry | 1.28 | 6.78 | 5.11 | 5.30 | 6.03 | 0.75 | 1.36 | 0.75 | 0.74 |
| HT I - Industry | 1.44 | 8.41 | 5.11 | 5.30 | 7.12 | 1.30 | 1.68 | 1.30 | 1.27 |
| EHV - Commercial | 1.29 | 7.20 | 5.11 | 5.30 | 6.03 | 1.16 | 1.44 | 1.16 | 1.15 |
| HT II - Commercial | 1.60 | 8.89 | 5.11 | 5.30 | 7.12 | 1.77 | 1.78 | 1.77 | 1.76 |
| HT III - Group Housing Society (Residential) | 0.94 | 9.01 | 5.11 | 5.30 | 7.12 | 1.89 | 1.80 | 1.80 | 1.77 |
| HT IV - Railways, Metro & Mono | | | | | | | | | |
| - 22/33 kV | 0.86 | 8.68 | 5.11 | 5.30 | 7.12 | 1.56 | 1.74 | 1.56 | 1.43 |
| - 100kV | 1.58 | 7.61 | 5.11 | 5.30 | 6.03 | 1.58 | 1.52 | 1.52 | 1.40 |
| HT V - Public Services | | | | | | | | | |
| a) Govt. Edu. Inst. & Hospitals | 1.66 | 8.43 | 5.11 | 5.30 | 7.12 | 1.31 | 1.69 | 1.31 | 1.23 |
| b) Others | 1.48 | 8.35 | 5.11 | 5.30 | 7.12 | 1.23 | 1.67 | 1.23 | 1.21 |
| EHV - Public Services Others | 1.25 | 9.75 | 5.11 | 5.30 | 6.03 | 3.72 | 1.95 | 1.95 | 1.91 |
| HT VIII - EV Charging Stations | 0.49 | 8.51 | 5.11 | 5.30 | 7.12 | 1.39 | 1.70 | 1.39 | 1.37 |
| LT Category | | | | | | | | | |
| LT I - Residential (BPL) | | | | | | | | | |
| LT I - Residential | 0.00 | 7.86 | 5.11 | 5.40 | 8.42 | 0.00 | 1.57 | 0.00 | 0.00 |
| LT II - Commercial | | | | | | | | | |
| (A) - Up to 20 kW | 0.31 | 8.76 | 5.11 | 5.40 | 8.42 | 0.34 | 1.75 | 0.34 | 0.34 |
| (B) - >20 kW & < 50 kW | 1.88 | 9.91 | 5.11 | 5.40 | 8.42 | 1.49 | 1.98 | 1.49 | 1.49 |
| (C) - >50 kW | 1.84 | 9.91 | 5.11 | 5.40 | 8.42 | 1.49 | 1.98 | 1.49 | 1.49 |
| LT III (A)- Industrial upto 20 kW | 0.00 | 8.10 | 5.11 | 5.40 | 8.42 | 0.00 | 1.62 | 0.00 | 0.00 |
| LT III (B) - Industrial > 20 kW | 1.06 | 9.52 | 5.11 | 5.40 | 8.42 | 1.10 | 1.90 | 1.10 | 1.10 |
| LT IX - Public Services | 0.00 | 8.39 | 5.11 | 5.40 | 8.42 | 0.00 | 1.68 | 0.00 | 0.00 |
| Government Hospitals & Educational Institutions | | | | | | | | | |
| Public Services Others | 0.77 | 8.79 | 5.11 | 5.40 | 8.42 | 0.38 | 1.76 | 0.38 | 0.38 |

Additional Surcharge for FY 2024-25

331. The Hon'ble Commission has allowed the power purchase plan of Tata Power-D from FY 2019-20 to FY 2023-24 through their Order in Case No. 44 of 2019 dated 26th March, 2019. The long term tie-up capacity approved is based on the prevalent Demand conditions of Tata Power-D and hence, at present, 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.

Charges to Open Access Consumers for FY 2024-25

332. The Charges applicable to OA consumers based on the Distribution OA Regulations, 2016 and its subsequent Amendment in 2019 are as follows:
- Wheeling Charges
 - Cross Subsidy Surcharge
 - Additional Surcharge
 - Regulatory Asset Charge
333. Tata Power-D has discussed applicability of these charges in the above paragraphs and the same would be applicable to OA consumers.

5.4 Revised Tariffs for FY 2024-25

334. In line with the submissions made above, the Tariff applicable for FY 2024-25 is presented in the Tables below:

Table 5-18: Proposed Tariff from 1st April, 2024 to 31st March, 2025 (Rs/kWh/kVAh)

| Category | Components of tariff | | | | |
|---|-----------------------------|------------------|---|---|---|
| | Fixed Charges | Demand Charges | Wheeling Charge | Energy Charges | CSS |
| | Rs/Connec tion /month | Rs/KVA/ Month | Rs /kVAh for HT and Rs/kWh for LT | Rs /kVAh for HT and Rs/kWh for LT | Rs /kVAh for HT and Rs/kWh for LT |
| HT Category | | | | | |
| EHV - Industry | | 400 | 0.06 | 6.47 | 0.74 |
| HT I – Industry | | 400 | 1.12 | 6.24 | 1.27 |
| EHV- Commercial | | 400 | 0.06 | 6.10 | 1.15 |
| HT II – Commercial | | 400 | 1.12 | 5.75 | 1.76 |
| HT III - Group Housing Society | | 400 | 1.12 | 6.91 | 1.77 |
| HT IV: HT - Mono/Metro/Railways | | | | | |
| HT IV - Railways (22/33 KV) | | 400 | 1.12 | 5.37 | 1.43 |
| EHV IV - Railways (Metro & Monorail) | | 400 | 0.06 | 3.48 | 1.40 |
| HT V - Public Services | | | | | |
| HT V(A) - Publ Serv Govt Hosp&Edu Inst | | 400 | 1.12 | 4.30 | 1.23 |
| EHV - Public Services Others | | 400 | 0.06 | 4.28 | 1.21 |
| HT V(B) - Public Services Others | | 400 | 1.12 | 9.42 | 1.91 |
| HT VI: Electric Vehicle Charging Stations | | 80 | 1.12 | 7.28 | 1.37 |
| Sub-total | | | | | |
| | | | | | |
| LT Category | | | | | |
| LT I A- Residential (BPL) | | | | | |
| LT IB - Residential | | | | | 0.00 |
| 0-100 | 90 | | 2.34 | 4.96 | |
| 101-300 | 135 | | 2.34 | 6.97 | |
| 301-500 | 135 | | 2.34 | 8.40 | |
| 501 and above | 160 | | 2.34 | 7.94 | |
| LT II - Commercial | | | | | |
| LT II(A) - Commercial upto 20 kW | 475 | | 2.34 | 6.08 | 0.34 |
| LT II(B) - Commercial 20 to 50 kW | | 400 | 2.34 | 5.63 | 1.49 |
| LT II(C) - Commercial > 50 kW | | 400 | 2.34 | 6.20 | 1.49 |
| LT III (A) - Industrial upto 20 kW | 475 | | 2.34 | 6.30 | 0.00 |
| LT III (B) - Industrial > 20 kW | | 400 | 2.34 | 6.27 | 1.10 |
| LT IV - Public Services | | | | | |
| LT IV(A) - Publ Serv Govt Hosp&Edu Inst | 475 | | 2.34 | 7.37 | 0.00 |
| LT IV(B) - Public Services Others | 475 | | 2.34 | 6.45 | 0.38 |
| LT VI: Electric Vehicle Charging Stations | | 80 | 2.34 | 4.07 | |

Note:

- FAC will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Hon'ble Commission and computed on a monthly basis.
- Additional Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall also be payable.

335. Based on the above proposed tariff and Sales the category wise tariff recovery is as given below:

Table 5-19: Proposed Tariff recovery during FY 2024-25

| Consumer Categories | No. of consumers | | | Components of tariff | | | | | | | Billing Demand | | | Sales | | | Full year revenue excluding Government subsidy (Rs. Crore) | | | | | | | | | | | | | | | | | Full year revenue (including subsidy) | Average Billing Rate | Ratio of ABR to ACDS (%) |
|--|------------------|--------|--------|----------------------|----------------|-----------------|----------------|----------------|---------|--------|----------------|--------|---------|---------|---------|----------------------------|--|------------------------------------|--------------------------------|---------------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------|----------------------|------------------|---------------------------------------|---------------------------|--|---------------|----------|----------|------|---------------------------------------|----------------------|--------------------------|
| | Direct | CO | Total | Fixed Charges | Demand Charges | Wheeling Charge | Energy Charges | Energy Charges | CS5 | Direct | CO | Total | Direct | CO | Total | Revenue from Fixed Charges | Revenue from Demand Charges | Revenue from Energy Charges Direct | Revenue from Energy Charges CO | Revenue from ToD Charges Direct | Revenue from ToD Charges CO | Revenue from Energy Charges | PF Penalty/ Rebate Direct | PF Penalty/ Rebate CO | LFI Incentive Direct | LFI Incentive CO | Revenue from Wheeling charge (Direct) | Total Revenue (Rs. Crore) | Total Revenue (Rs. Crore) CO(81 to 83) | Total Revenue | | | | | | |
| | Nos | Nos | Nos | Rs/Connection /month | Rs/KVA/Month | Rs./kWh | Rs./kWh | Rs./kVAh | Rs./kWh | MVA | MVA | MVA | MU | MU | MU | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | Rs Crore | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HT Category | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EHV - Industry | 4 | 0 | 4 | 0.00 | 400.00 | 0.06 | 6.60 | 6.47 | 0.75 | 116.85 | | 116.85 | 936.27 | | 936.27 | - | 56.09 | 617.67 | - | (2.44) | | 605.32 | - | - | (36.20) | - | | 579.04 | 56.09 | 635.12 | 635.12 | 6.78 | | 82% | | |
| HT I - Industry | 123 | 0 | 123 | 0.00 | 400.00 | 1.15 | 6.37 | 6.24 | 1.30 | 231.86 | | 231.86 | 1099.13 | | 1099.13 | - | 111.29 | 700.13 | - | 0.35 | | 686.13 | - | - | (13.06) | - | 126.05 | 813.47 | 111.29 | 924.76 | 924.76 | 8.41 | | 102% | | |
| EHV - Commercial | 1 | 0 | 1 | 0.00 | 400.00 | 0.06 | 6.16 | 6.10 | 1.16 | 21.78 | | 21.78 | 102.66 | | 102.66 | - | 10.45 | 63.28 | - | 0.13 | | 62.65 | - | - | - | - | 63.41 | 10.45 | 73.87 | 73.87 | 7.20 | | 87% | | | |
| HT II - Commercial | 142 | 1 | 143 | 0.00 | 400.00 | 1.15 | 5.80 | 5.75 | 1.77 | 128.64 | 0.14 | 128.78 | 335.91 | 0.21 | 336.11 | - | 61.81 | 194.98 | 0.12 | 3.57 | | 193.15 | - | - | (0.16) | - | 38.52 | 236.91 | 61.93 | 298.84 | 298.84 | 8.89 | | 108% | | |
| HT III - Group Housing Society (Residential) | 42 | 0 | 42 | 0.00 | 400.00 | 1.15 | 7.05 | 6.91 | 1.80 | 14.34 | | 14.34 | 85.20 | | 85.20 | - | 6.88 | 60.08 | - | - | | 58.88 | - | - | - | - | 9.77 | 69.86 | 6.88 | 76.74 | 76.74 | 9.01 | | 100% | | |
| HT IV - HT - Mono/Metro/Railways | 11 | 0 | 11 | 0 | | | | | | | | 55 | 55.00 | 119 | 119.38 | | | 63.72 | - | - | | | - | - | - | - | 63.72 | - | 63.72 | 100.50 | | | | | | |
| HT IV - Railways (22/33 kV) | 3 | 0 | 3 | 0.00 | 400.00 | 1.15 | 5.83 | 5.37 | 1.56 | 32.03 | | 32.03 | 90.57 | | 90.57 | - | 15.37 | 52.83 | - | - | | 48.60 | - | - | - | - | 10.39 | 63.21 | 15.37 | 78.59 | 78.59 | 8.68 | | 105% | | |
| EHV IV - Railways (Metro & Monorail) | 8 | 0 | 8 | 0.00 | 400.00 | 0.06 | 3.78 | 3.48 | 1.52 | 22.97 | | 22.97 | 28.81 | | 28.81 | - | 11.02 | 10.89 | - | - | | 10.02 | - | - | - | - | | 10.89 | 11.02 | 21.92 | 21.92 | 7.61 | | 92% | | |
| HT V - Public Services | 40 | 0 | 40 | 0 | | | | | | 39 | | 38.95 | 68 | | 67.98 | - | - | 30.15 | - | 0.29 | | - | - | - | - | - | 0.00 | 30.44 | - | 30.44 | 56.92 | | | | | |
| a) Govt. Edu. Inst. & Hospitals | 21 | 0 | 21 | 0.00 | 400.00 | 1.15 | 4.58 | 4.30 | 1.31 | 11.87 | | 11.87 | 21.40 | | 21.40 | - | 5.70 | 9.79 | - | 0.09 | | 9.21 | - | - | - | - | 2.45 | 12.34 | 5.70 | 18.04 | 18.04 | 8.43 | | 102% | | |
| b) Others | 19 | 0 | 19 | 0.00 | 400.00 | 1.15 | 4.37 | 4.28 | 1.23 | 27.08 | | 27.08 | 46.58 | | 46.58 | - | 13.00 | 20.36 | - | 0.19 | | 19.95 | - | - | (0.01) | - | 5.34 | 25.88 | 13.00 | 38.88 | 38.88 | 8.35 | | 101% | | |
| EHV - Public Services Others | 1 | 0 | 1 | 0.00 | 400.00 | 0.06 | 9.61 | 9.42 | 1.95 | 7.60 | | 7.60 | 59.72 | | 59.72 | - | 3.65 | 57.42 | - | (0.38) | | | - | - | (2.48) | - | 54.57 | 3.65 | 58.21 | 58.21 | 9.75 | | 118% | | | |
| HT VIII - EV Charging Stations | 0 | 0 | 0 | 0.00 | 80.00 | 1.15 | 7.43 | 7.28 | 1.39 | 9.06 | | 9.06 | 28.78 | | 28.78 | - | 0.87 | 21.37 | - | (1.04) | | 20.94 | - | - | - | - | 3.30 | 23.63 | 0.87 | 24.50 | 24.50 | 8.51 | | 103% | | |
| HT subtotal | 363 | 1 | 364 | 0 | | | 68 | 66 | 16 | 624 | 0 | 624 | 2835 | 0.21 | 2835 | 0 | 296 | 1809 | 0 | 0 | 0 | 1715 | 0 | 0 | -52 | 0 | 195.82 | 1953 | 296 | 2,249.47 | 2249 | 7.93 | | 96% | | |
| LT Category | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LT I (A) - Residential (BPL) | | | | | | | | | | | | 0.00 | | | 0.00 | - | - | | | | | - | | | | | 0.00 | - | - | - | | | | | | |
| LT I (B) - Residential | 235586 | 519513 | 755099 | 520 | 0 | | | | 0 | 0 | 0 | 0 | 754.9 | 1403.51 | 2158.43 | 111.90 | - | 517.57 | 889.36 | - | - | 1,406.94 | - | - | - | - | 176.88 | 806.35 | 889.36 | 1,695.72 | 1,695.72 | 7.86 | | 95% | | |
| S1 (0-100 units) | 86871 | 130183 | 217055 | 90.00 | | 2.34 | 4.96 | | | | | 0.00 | 213.27 | 587.17 | 800.45 | 23.44 | - | 105.80 | 291.29 | - | - | 397.09 | - | - | - | - | 49.97 | 179.21 | 291.29 | 470.50 | 470.50 | 5.88 | | 71% | | |
| S2 (101-300 units) | 94952 | 307256 | 402208 | 135.00 | | 2.34 | 6.97 | | | | | 0.00 | 228.95 | 586.27 | 815.22 | 65.16 | - | 159.64 | 408.79 | - | - | 568.43 | - | - | - | - | 53.64 | 278.44 | 408.79 | 687.23 | 687.23 | 8.43 | | 102% | | |
| S3 (> 301-500 Units) | 29655 | 62914 | 92569 | 135.00 | | 2.34 | 8.40 | | | | | 0.00 | 85.56 | 145.49 | 231.05 | 15.00 | - | 71.83 | 122.14 | - | - | 193.97 | - | - | - | - | 20.05 | 106.87 | 122.14 | 229.01 | 229.01 | 9.91 | | 120% | | |
| S4 (Above 500 units (balance units)) | 24107 | 19160 | 43267 | 160.00 | | 2.34 | 7.94 | | | | | 0.00 | 227.13 | 84.58 | 311.72 | 8.31 | - | 180.30 | 67.14 | - | - | 247.45 | - | - | - | - | 53.22 | 241.83 | 67.14 | 308.97 | 308.97 | 9.91 | | 120% | | |
| LT II - Commercial | 44904 | 19483 | 64387 | 475 | | | 18 | | | 191 | 8 | 199 | 806.31 | 119.16 | 925.47 | 31.75 | 95.72 | 491.02 | 72.06 | 9.07 | 0.35 | 563.08 | (2.04) | 1.21 | - | - | 188.92 | 718.73 | 169.17 | 886.26 | 886.26 | 9.58 | | 0% | | |
| A) -Upto 20 kW | 36643 | 19067 | 55710 | 475.00 | | 2.34 | 6.08 | | 0.34 | | | | 172.90 | 96.53 | 269.43 | 31.75 | - | 105.07 | 58.67 | - | - | 163.74 | 0.00 | 0.00 | - | - | 40.51 | 177.34 | 58.67 | 236.00 | 236.00 | 8.76 | | 106% | | |
| B) -> 20 kW & < 50kW | 4198 | 294 | 4492 | | 400.00 | 2.34 | 5.63 | | 1.49 | 49 | 4 | 52.86 | 117.02 | 11.06 | 128.08 | | 25.37 | 65.94 | 6.23 | 1.82 | 0.18 | 72.17 | 0.60 | 0.60 | - | - | 27.42 | 95.78 | 32.21 | 126.95 | 126.95 | 9.91 | | 120% | | |
| C) -> 50kW | 4063 | 122 | 4185 | | 400.00 | 2.34 | 6.20 | | 1.49 | 143 | 4 | 146.57 | 516.39 | 11.57 | 527.96 | - | 70.35 | 320.01 | 7.17 | 7.25 | 0.18 | 327.18 | (2.64) | 0.60 | - | - | 120.99 | 445.61 | 78.30 | 523.31 | 523.31 | 9.91 | | 120% | | |
| LT III (A) - Industry < 20 kW | 1447 | 1439 | 2886 | 475.00 | | 2.34 | 6.30 | | 0.00 | | | | 22.73 | 15.99 | 38.72 | 1.64 | - | 14.32 | 10.07 | 0.00 | 0.00 | 24.39 | (0.00) | (0.00) | - | - | 5.33 | 21.29 | 10.07 | 31.36 | 31.36 | 8.10 | | 98% | | |
| LT III (B) - Industry > 20kW | 1538 | 102 | 1640 | | 400.00 | 2.34 | 6.27 | | 1.10 | 58 | 2 | 60.13 | 306.23 | 4.42 | 310.65 | - | 28.86 | 191.87 | 2.77 | 2.86 | 0.08 | 194.65 | (3.07) | 0.61 | - | - | 71.75 | 263.42 | 32.25 | 295.66 | 295.66 | 9.52 | | 116% | | |
| LT IV - Public Services | 1086 | 402 | 1487 | 950 | | | 18 | | | | | 0 | 58.9 | 11.89 | 70.75 | 0.85 | - | 38.21 | 8.27 | 0.71 | 0.18 | 46.48 | (0.34) | 0.17 | - | - | 13.79 | 53.21 | 8.63 | 61.84 | 61.84 | 8.74 | | 0% | | |
| a) Govt. Edu. Inst. & Hospitals | 47 | 83 | 130 | 475.00 | | 2.34 | 7.37 | | 0.00 | | | 0.00 | 2.76 | 6.56 | 9.32 | 0.07 | - | 2.03 | 4.84 | 0.06 | 0.14 | 6.87 | 0.07 | (0.04) | - | - | 0.65 | 2.88 | 4.93 | 7.81 | 7.81 | 8.39 | | 102% | | |
| b) Others | 1038 | 319 | 1357 | 475.00 | | 2.34 | 6.45 | | 0.38 | | | 0.00 | 56.10 | 5.33 | 61.43 | 0.77 | - | 36.17 | 3.44 | 0.65 | 0.05 | 39.61 | (0.42) | 0.21 | - | - | 13.14 | 50.32 | 3.70 | 54.02 | 54.02 | 8.79 | | 107% | | |
| LT V - EV Charging Stations | 1780 | 43 | 1823 | | 80.00 | 2.34 | 4.07 | | | 11 | 0 | 11.03 | 5.34 | 0.16 | 5.50 | - | 1.06 | 2.17 | 0.06 | (0.04) | 0.00 | 2.24 | (0.02) | 0.02 | - | - | 1.25 | 3.36 | 1.14 | 4.51 | 4.51 | 8.19 | | 99% | | |
| LT subtotal | 286340 | 540981 | 827322 | 2420 | 1280 | | 77 | - | 5 | 260 | 10 | 271 | 1954.39 | 1555.13 | 3510 | 146.15 | 125.64 | 1255.17 | 982.61 | 12.61 | 0.62 | 2237.78 | -5.47 | 2.01 | 0.00 | 0.00 | 457.91 | 1866.36 | 1110.63 | 2975.35 | 2975.35 | 8.48 | | 103% | | |
| Total | 286704 | 540982 | 827686 | 2,420.00 | 1,280.00 | - | 144.22 | 65.60 | 20.56 | 884.53 | 10.26 | 894.78 | 4789.43 | 1555.34 | 6344.77 | 146.15 | 421.78 | 3063.98 | 982.73 | 13.08 | 0.62 | 3953 | -5 | | -52 | | 654 | | 5224.82 | 5224.82 | 8.23 | | 100% | | | |

6 SCHEDULE OF CHARGES

6.1 Schedule of Charges

336. Tata Power-D proposes the same schedule of Charges as approved by the Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022.

6.2 Green Power Tariff

337. Tata Power-D gas proposes the same green tariff along with all conditions approved by the Hon'ble Commission in its MTR Tariff Order in Case No 225 of 2022.

7 TARRIF SCHEDULE FOR FY 2024-25

THE TATA POWER COMPANY LIMITED SCHEDULE OF ELECTRICITY TARIFFS (With effect from 1st April, 2024)

338. The Maharashtra Electricity Regulatory Commission, in exercise of the powers vested in it under Sections 61 and 62 of the EA-2003 and all other powers enabling it in this behalf, has determined, by its MTR Tariff Order in Case No. 225 of 2022, the Tariff for supply of electricity by the Distribution Licensee, The Tata Power Company Limited-Distribution Business (Tata Power-D) to various classes of consumers as applicable from 1st April, 2023.

7.1 General

339. These Tariffs supersede all Tariffs so far in force.

340. The Tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.

341. The Tariffs are exclusive of Electricity Duty, Tax on Sale of Electricity and other levies by the Government or other competent authorities, which will be payable by consumers over and above the Tariffs.

342. The Tariffs are applicable for supply at one point only.

343. The Distribution Licensee may measure the Maximum Demand for any period shorter than 30 minutes of maximum use, subject to conformity with the Commission's Electricity Supply Code Regulations, where it considers that there are considerable load fluctuations in operation.

344. The Tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.

345. Unless specifically stated to the contrary, the figures of Energy Charge and Wheeling Charge are denominated in Rupees per unit (kWh) for the energy consumed during the month.
346. Fuel Adjustment Charge (FAC) as may be approved by the Commission from time to time shall be applicable to all categories of consumers and will be in addition to the base Tariffs, on the basis of the FAC formula specified by the Commission and computed on a monthly basis.

LOW TENSION (LT) TARIFF

LT I (A): LT – Residential (BPL)

Applicability:

347. This Below Poverty Line (BPL) Tariff category is applicable to Residential consumers who have a Sanctioned Load upto 0.25 kW and who have consumed upto 360 units per annum in the previous financial year. The eligibility of such consumers will be reassessed at the end of each financial year. If more than 360 units have been consumed in the previous financial year, the LT I (B) - Residential Tariff shall thereafter be applicable, and such consumer cannot revert thereafter to the BPL category irrespective of his future consumption level.
348. The categorisation of BPL consumers will be reassessed at the end of the financial year on a pro rata basis if there has been consumption for only part of the year. The categorisation of BPL consumers who have been added during the previous year would be assessed on a pro rata basis, i.e., 30 units per month.
349. This BPL category will also be applicable to all new consumers added subsequently in any month with a Sanctioned Load of upto 0.25 kW and consumption between 1 to 30 units (on pro rata basis of 1 unit/day) in the first billing month. The BPL Tariff is applicable only to individuals and not to institutions.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | |
|-------------------------------------|-------------------------|------------------|----------------|
| | Fixed Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kWh | Rs/kWh |
| LT I (A) - Residential (BPL) | 12.00 | 2.34 | 1.89 |

LT I (B): LT – Residential

350. This Tariff category is applicable for electricity used at Low/Medium Voltage for operating various appliances used for purposes such as lighting, heating, cooling, cooking, washing / cleaning, entertainment / leisure, water pumping in the following premises:

- a) Private residential premises, Government/semi-Government residential quarters;
- b) Premises used exclusively for worship, such as temples, gurudwaras, churches, mosques, etc.; provided that halls, gardens or any other part of such premises that may be let out for a consideration or used for commercial activities would be charged at the applicable LT-II Tariff;
- c) Government/Private/Co-operative Housing Colonies/complexes (where electricity is used exclusively for domestic purposes) only for common facilities such as Water Pumping/Street and other common area Lighting/Lifts/Parking Lots/ Fire-fighting Pumps and other equipment, etc.;
- d) Sports Clubs or facilities/Health Clubs or facilities/Gymnasium/Swimming Pool/Community Hall of Government/Private/Co-operative Housing Colonies/complexes - provided that they are situated in the same premises, and are for the exclusive use of the members and employees of such Housing Colonies/complexes;
- e) Telephone booths owned/operated by Persons with Disabilities/Handicapped persons;
- f) Residential premises used by professionals like Lawyers, Doctors, Engineers, Chartered Accountants, etc., in furtherance of their professional activities, but not including Nursing Homes and Surgical Wards or Hospitals;

- g) Single-phase household Flour Mills (Ghar-ghanti) used only for captive purposes;
- h) A residential LT consumer with consumption upto 500 units per month (current month of supply) who undertakes construction or renovation activity in his existing premises: such consumer shall not require a separate temporary connection, and would be billed at this Residential Tariff rate;
- i) Home-stay facilities at tourist destinations and religious places.
- j) Consumers undertaking business or commercial / industrial / non-residential activities from a part of their residence, whose monthly consumption is upto 300 units a month and annual consumption in the previous financial year was upto 3600 units. The applicability of this Tariff to such consumers will be assessed at the end of each financial year. In case consumption has exceeded 3600 units in the previous financial year, the consumer will thereafter not be eligible for the Tariff under this category but be charged at the Tariff otherwise applicable for such consumption, with prior intimation to him.
- k) Entities supplied electricity at a single point at Low/Medium Voltage for residential purposes, in accordance with the Electricity (Removal of Difficulties) Eighth Order, 2005, in the following cases:
 - (i) a Co-operative Group Housing Society which owns the premises, for making electricity available to the members of such Society residing in the same premises for residential purposes; and
 - (ii) a person, for making electricity available to its employees residing in the same premises for residential purposes.
- l) Crematoriums and Burial Grounds for all purposes, including lighting.

Note:

This Tariff category shall also be applicable to consumers who are supplied power at High Voltage for any of the purposes (a) to (k) above.

- l) Temporary purposes for public religious functions like Ganesh Utsav, Navaratri, Eid, Moharrum, Ram Lila, Diwali, Christmas, Guru Nanak Jayanti, etc., and for areas where community prayers are held; and for functions to commemorate anniversaries of personalities and National or State events for which Public

Holidays have been declared, such as Gandhi Jayanti, Ambedkar Jayanti, Chhatrapati Shivaji Jayanti, Republic Day, Independence Day, etc.:

Provided that such temporary connection shall be subjected to 1.5 times of Fixed Charges.

Note:

This Tariff category shall also be applicable to consumers who are supplied power at High Voltage for any of the purposes above other than (i) & (j) above.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kWh | Rs/kWh |
| LT I (B) - Residential | | | | |
| - S1 (0 - 100 units) | 90.00 | 0.00 | 2.34 | 4.96 |
| -S2 (101 - 300 units) | 135.00 | 0.00 | 2.34 | 6.97 |
| -S3 (301 - 500 units) | 135.00 | 0.00 | 2.34 | 8.40 |
| -S3 (Above 500 units - balance units) | 160.00 | 0.00 | 2.34 | 7.94 |

Note:

- a) *\$\$: The above Fixed Charges are for single-phase connections. A Fixed Charge of Rs. 160 per month will be levied on Residential consumers availing 3-phase supply. An Additional Fixed Charge of Rs.160 per 10 kW load or part thereof above 10 kW load shall also be payable for FY 2024-25.*
- b) *Professionals like Lawyers, Doctors, Professional Engineers, Chartered Accountants, etc., occupying premises exclusively for conducting their profession, shall not be eligible for this Tariff, and will be charged at the Tariff applicable to the respective categories.*

LT II: LT – Non-Residential or Commercial

Applicability:

351. This Tariff category is applicable for electricity used at Low/Medium voltage in non-residential, non-industrial and/or commercial premises for commercial consumption

meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- a) Non-Residential, Commercial and Business premises including Shopping Malls and Showrooms;
- b) Warehouses/Godowns
- c) Combined lighting and power supply for facilities relating to Entertainment, including film studios, cinemas and theatres (including multiplexes), Hospitality, Leisure, Meeting/Town Halls, and places of Recreation and Public Entertainment;
- d) Offices, including Commercial Establishments;
- e) Marriage Halls, Hotels/Restaurants, Ice-cream parlours, Coffee Shops, Guest Houses, Internet/Cyber Cafes, Telephone Booths not covered under the LT I category, and Fax/Photocopy shops;
- f) Automobile and all other types of repairs, servicing and maintenance centres (unless specifically covered under another Tariff category); Retail Gas Filling Stations, Petrol Pumps and Service Stations, including Garages;
- g) Toll Collection plazas
- h) Tailoring Shops, Computer Training Institutes, Private Training centres, Typing Institutes, Photo Laboratories, Beauty Parlours and Saloons, Mobile Shoppe's;
- i) Banks and ATM centres, Telephone Exchanges, TV Stations, Microwave Stations, Radio Stations;
- j) Common facilities, like Water Pumping/Lifts/Fire-Fighting Pumps and other equipment/Street and other common area Lighting, etc., in Commercial Complexes;
- k) Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not covered under any other category;
- l) External illumination of monuments/historical/heritage buildings approved by Maharashtra Tourism Development Corporation (MTDC) or the concerned Local Authority;

- m) Construction of all types of structures/ infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines for all purposes;

Note:

Residential LT consumers with consumption above 500 units per month (current month of supply) and who undertake construction or renovation activity in their existing premises shall not require a separate Temporary category connection, and shall be billed at the LT-II Commercial Tariff rate;

- n) Milk Collection Centres; Standalone milk refrigeration, storage centres
- o) Sewage Treatment Plants/ Common Effluent Treatment Plants for Commercial Complexes not covered under the LT – Public Services or LT – Industry categories;
- p) advertisements, hoardings (including hoardings fixed on lamp posts/installed along roadsides), and other commercial illumination such as external flood-lights, displays, neon signs at departmental stores, malls, multiplexes, theatres, clubs, hotels and other such establishments
- q) Temporary supply for any of the activity not covered under Residential category:

Provided that Temporary supply consumer shall pay 1.5 times applicable Fixed/Demand Charges and applicable 1.25 times Energy Charges:

Provided further that temporary supply for operating Fire-Fighting pumps and equipment in residential or other premises shall be charged as per the Tariff category applicable to such premises.

A. 20 kW and \leq 50 kW and (C) > 50 kW

Applicability:

As per the applicability described in LT II (A) and for the Sanctioned Load in the range applicable in this sub- category, i.e., LT II (B) and LT II (C).

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kWh | Rs/kWh |
| LT II - Commercial | | | | |
| (A) - Upto 20 kW | 475.00 | | 2.34 | 6.08 |
| (B) - > 20kW & <50kW | | 400.00 | 2.34 | 5.63 |
| (B) - > 50kW | | 400.00 | 2.34 | 6.20 |

In addition to the above base Tariff, TOD Tariff applicable are as given below:

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

Note:

The ToD Tariff is applicable to the LT-II (B) and (C) categories, and optionally available to LT- II (A) category consumers having ToD meter installed.

LT III: LT- Industry:

LT III (A): LT - Industry upto 20 kW load

LT III (B): LT - Industry, above 20 kW load

Applicability:

352. This Tariff category is applicable for electricity for Industrial use, at Low/Medium Voltage, for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.
353. It is also applicable for use of electricity / power supply for Administrative Offices / Canteens, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; lifts,

water pumps, fire-fighting pumps and equipment, street and common area lighting;
Research and Development units, dhobi/laundry, etc. –

Provided that all such facilities are situated within the same industrial premises
and supplied power from the same point of supply;

354. This Tariff category shall also be applicable for use of electricity / power supply by an Information Technology (IT) or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITeS Policy of Government of Maharashtra.
355. It shall also be applicable for use of electricity / power supply for (but not limited to) the following purposes:
- a) Dhobi/Laundry activities
 - b) Flour Mill, Dal Mill, Rice Mill, Poha Mill, Masala Mill, Saw Mill;
 - c) Ice Factory, Ice-cream manufacturing units, Milk Processing / Chilling Plants (Dairy);
 - d) Engineering Workshops, Engineering Goods Manufacturing units; Printing Presses; Transformer Repair Workshops; Tyre Retreading units; and Vulcanizing units;
 - e) Ordnance / Ammunition Factories of Defence Establishments
 - f) Mining, Quarrying and Stone Crushing units;
 - g) Garment Manufacturing units;
 - h) Soap and cosmetics, Deodorant manufacturing, etc.
 - i) LPG/CNG bottling plants, and associated retail gas filling stations, etc.
 - j) Sewage Treatment Plant/ Common Effluent Treatment Plant for industries, and not covered under the LT – Public Water Works category;
 - k) Start-up power for Generating Plants, i.e. the power required for trial run of a Power Plant during Commissioning of the Unit and its Auxiliaries, and for its start-up after planned or forced outage (but not for construction);
 - l) Brick Kiln (Bhatti); Biomass Pellet,
 - m) Biotechnology Industries covered under the Biotechnology Policy of Government of Maharashtra;

- n) Cold Storages not covered under LT X (B) – Agriculture (Others); Packaged Drinking water plant
- o) Food (including seafood and meat) Processing units, Khandsari / Jaggery manufacturing Units
- p) Stand-alone Research and Development units;
- q) Telecommunications Towers and associated telecom infrastructure but does not cover offices/outlets etc.
- r) Power looms including other allied activities like, Warping, Doubling, Twisting, etc., connected at Low/Medium Tension only.
- s) Auxiliary Consumption for Transmission Sub-stations; to EHV / Distribution Substations (but not for construction)
- t) Ready – Mix Concrete or hot mix plants

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|------------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kWh | Rs/kWh |
| LT III (A) - Industry < 20kW | 475.00 | | 2.34 | 6.30 |
| LT III (B) - Industry > 20kW | | 400.00 | 2.34 | 6.27 |

In addition to the above base Tariff, TOD Tariff applicable are as given below:

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

Note:

a) The ToD Tariff is compulsorily applicable to LT III (B) (i.e., above 20 kW), and optionally available to LT- III (A) (i.e., up to 20 kW) having ToD meter installed

LT IV: Public Services

LT IV (A): LT - Government Educational Institutions and Hospitals

Applicability:

356. This Tariff category is applicable for electricity supply at Low/Medium Voltage for Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres and Pathology Laboratories; Libraries and public reading rooms - of the State or Central Government or Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, etc.;
357. It shall also be applicable for electricity used for Sports Clubs and facilities/Health Clubs and facilities/Gymnasium/Swimming Pools/Hostels attached to such Educational Institutions/Hospitals, provided that they are situated in the same premises and are meant primarily for their students/faculty/employees/patients.
358. This Tariff is also applicable for electricity supply at Public Sanitary Conveniences

LT IV (B): LT - Public Services – Others

Applicability:

359. This Tariff category is applicable for electricity supply at Low/Medium Voltage for:
- a) Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres and Pathology Laboratories; Libraries and public reading rooms - other than those of the State or Central Government or Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, etc.
 - b) Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions /Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients;
 - c) All offices of Government and Municipal/ Local Authorities/ Local Self-Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis,

Gram Panchayats; Police Stations and Police Chowkies; Post Offices; Armed Forces/Defence and Para-Military establishments;

- d) Service-oriented Spiritual Organisations;
- e) Accommodation facilities provided by religious trusts registered under Maharashtra Public Trust Act for devotees;
- f) State or Municipal/Local Authority Transport establishments, including their Workshops
- g) Fire Service Stations; Jails, Prisons; Courts;
- h) Airports;
- i) Ports, Jetties and provision for Shore Power Supply;
- j) Railway/Metro/Monorail Stations, including Shops, Workshops, Yards, etc, if the supply is at Low/ Medium Voltage.
- k) All Students Hostels affiliated to Educational Institutions not covered under LT Public Service - Government
- l) All other Students' or Working Men/Women's Hostels;
- m) Other types of Homes/Hostels, such as (i) Homes/Hostels for Destitutes, Disabled Persons (physically or mentally handicapped persons, etc.) and mentally ill persons (ii) Remand Homes (iii) Dharamshalas, (iv) Rescue Homes, (v) Orphanages - subject to verification and confirmation by the Distribution Licensee's concerned Zonal Chief Engineer or equivalent;
- n) Dam operation including Lighting and other activities etc
- o) Pumping of water, purification of water and allied activities relating to Public Water Supply Schemes, Sewage Treatment Plants and waste processing unit.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kWh | Rs/kWh |
| LT IV - Public Services | | | | |
| a) Govt. Edu. Inst. & Hospitals | 475.00 | 0.00 | 2.34 | 7.37 |
| b) Others | 475.00 | 0.00 | 2.34 | 6.45 |

In addition to the above base Tariff TOD Tariff applicable are as given below:

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

Note:

- a. The ToD Tariff is compulsorily applicable to the LT IV (A) category with Contract Demand/Sanctioned Load above 20 kW; and optionally available to the LT IV (A) category with Contract Demand/Sanctioned Load up to 20 kW having ToD meter installed.
- b. *The ToD Tariff is compulsorily applicable to the LT IV (B) category with Contract Demand/Sanctioned Load above 20 kW; and optionally available to the LT IV (B) category with Contract Demand/Sanctioned Load up to 20 kW having ToD meter installed.*

LT XI: LT – Electric Vehicle (EV) Charging Stations

Applicability:

360. This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping station for electric vehicle.
361. In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.
362. Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kWh | Rs/kWh |
| LT VI - EV Charging | 0 | 80 | 2.34 | 4.07 |

In addition to the above base Tariff TOD Tariff applicable are as given below:

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

HIGH TENSION (HT) TARIFF

EHT / HT I: HT – Industry

Applicability:

363. This Tariff category is applicable for electricity for Industrial use at Extra High Voltage (132 kV/110 kV) and High Voltage (33 kV/11 kV) for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.
364. It is also applicable for use of electricity/power supply for Administrative Offices/Canteen, Recreation Hall/Sports Club or facilities/Health Club or facilities/Gymnasium/Swimming Pool exclusively meant for employees of the industry; lifts, water pumps, fire-fighting pumps and equipment, street and common area lighting; Research and Development units, etc.:
- Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply.
365. This Tariff category shall be applicable for use of electricity / power supply by an Information Technology (IT) or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITes Policy of Government of Maharashtra.
366. “This Tariff Category shall be also applicable to integrated logistics parks under Government of Maharashtra Policy, 2018.”
367. It shall also be applicable for use of electricity / power supply for (but not limited to) the following purposes:
- a) Dhobi and Laundry activities
 - b) Flour Mills, Dal Mills, Rice Mills, Poha Mills, Masala Mills, Saw Mills;
 - c) Ice Factories, Ice-cream manufacturing units, Milk Processing / Chilling Plants (Dairy);

- d) Engineering Workshops, Engineering Goods manufacturing units; Printing Presses; Transformer Repair Workshops; Tyre Retreading units, and Vulcanizing units;
- e) Ordnance /Ammunition Factories of Defence Establishments
- f) Mining, Quarrying and Stone Crushing units;
- g) Garment Manufacturing units;
- h) Soap and cosmetics, Deodorant manufacturing, etc
- i) LPG/CNG bottling plants, etc.;
- j) Sewage Treatment Plant/ Common Effluent Treatment Plant for industries, and not covered under the HT – PWW category;
- k) Start-up power for Generating Plants, i.e., the power required for trial run of a Power Plant during Commissioning of the Unit and its Auxiliaries, and for its start-up after planned or forced outage (but not for construction);
- l) Brick Kiln (Bhatti);
- m) Biotechnology Industries covered under the Biotechnology Policy of Government of Maharashtra;
- n) Cold Storages not covered under LT X (B) – Agriculture (Others);
- o) Food (including Seafood and meat) Processing units.
- p) Stand-alone Research and Development units;
- q) Seed manufacturing
- r) Dedicated Water Supply Schemes to Power Plants
- s) Auxiliary Power Supply to EHV/Distribution Substations (but not for construction)
- t) Telecommunications Towers and associated telecom infrastructure but does not cover offices/.outlets etc.
- u) Ready- mix Concrete or hot mix plants

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| EHV - Industrial | 0.00 | 400.00 | 0.06 | 6.47 |
| HT I - Industrial | 0.00 | 400.00 | 1.12 | 6.24 |

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

Note:

a) Demand Charge shall be applicable at the rate of 25% of the above rates on the start-up demand contracted by the Power Plant (as referred to at (h) above) with the Distribution Licensee.

EHT II and HT II: HT- Commercial

Applicability:

368. This Tariff category is applicable for electricity used at Extra High Voltage (220 KV/132 kV/110 kV) and High Voltage (33 kV/11 kV) in non-residential, non-industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:
- Non-Residential, Commercial and Business premises, including Shopping Malls and Showrooms;
 - Warehouses/Godowns
 - Combined lighting and power services for facilities relating to Entertainment, including film studios, cinemas and theatres (including multiplexes), Hospitality, Leisure, Meeting/Town Halls, and places of Recreation and Public Entertainment;
 - Offices, including Commercial Establishments;

- e) Marriage Halls, Resorts, Hotels / Restaurants, Ice-cream parlours, Coffee Shops, Guest Houses, Internet / Cyber Cafes, Telephone Booths and Fax / Photocopy shops;
- f) Automobile and all other types of repairs, servicing and maintenance centres (unless specifically covered under another Tariff category); Retail Gas Filling Stations, Petrol Pumps & Service Stations, including Garages;
- g) Tailoring Shops, Computer Training Institutes, Typing Institutes, Photo Laboratories, Laundries, Beauty Parlours and Saloons;
- h) Banks and ATM centres, Telephone Exchanges, TV Stations, Micro Wave Stations, Radio Stations;
- i) Common facilities, like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting, etc., in Commercial Complexes;
- j) Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not covered under any other category;
- k) External illumination of monuments/ historical/heritage buildings approved by Maharashtra Tourism Development Corporation (MTDC) or the concerned Local Authority;
- l) Construction of all types of structures/ infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines for all purposes;

Note:

Residential LT consumers with consumption above 500 units per month (current month of supply) and who undertake construction or renovation activity in their existing premises shall not require a separate Temporary category connection but be billed at the LT-II Commercial Tariff;

- m) Milk Collection Centres;
- n) Sewage Treatment Plant/ Common Effluent Treatment Plant for Commercial Complexes, not covered under the Public Services or Industrial category;
- o) advertisements, hoardings (including hoardings fixed on lamp posts/installed along roadsides), and other commercial illumination such as external flood-

lights, displays, neon signs at departmental stores, malls, multiplexes, theatres, clubs, hotels and other such establishments;

- p) Temporary supply for any of the activity not covered under any other HT category:

Provided that Temporary supply consumer shall pay 1.5 times applicable Fixed/Demand Charges and 1.25 times applicable Energy Charges.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| EHV - Commercial | 0.00 | 400.00 | 0.06 | 6.10 |
| HT II - Commercial | 0.00 | 400.00 | 1.12 | 5.75 |

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

Note:

- a) *A consumer in the HT II category requiring single-point supply for the purpose of downstream consumption by separately identifiable entities shall have to operate as a Franchisee authorised as such by the Distribution Licensee; or such downstream entities shall be required to take separate individual connections and be charged under the Tariff category applicable to them.*

HT III: HT - Group Housing Society (Residential)

Applicability:

369. Entities supplied electricity at a single point at High Voltage for residential purposes in accordance with the Electricity (Removal of Difficulties) Eighth Order, 2005, in the following cases:

- a) Co-operative Group Housing Society which owns the premises, for making electricity available to the members of such Society residing in the same premises for residential purposes; and
- b) person, for making electricity available to its employees residing in the same premises for residential purposes.
- c) Serving Armed Forces/Paramilitary forces residential establishments. These consumers shall be eligible for 20% discount on energy charges including FAC. This 20% discount is also applicable to defence.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|--|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| HT III - Group Housing Society (Residential) | 0.00 | 400.00 | 1.12 | 6.91 |

HT V- Railways/Metro/Monorail

370. This Tariff category is applicable to power supply at Extra High Voltage (132 kV/110 kV) and High Voltage (33 kV/11 kV) for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---------------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| HT IV - Railways/Metro/Monorail | | | | |
| EHV | 0.00 | 400.00 | 0.06 | 3.48 |
| HV | 0.00 | 400.00 | 1.12 | 5.37 |

HT VI - Public Services

HT VI – (A): HT - Government Educational Institutions and Hospitals

Applicability:

371. This Tariff category is applicable for electricity supply at Extra High Voltage (132 kV/110 kV) and High Voltage (33 kV/11 kV) for Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres and Pathology Laboratories; Libraries and public reading rooms - of the State or Central Government, Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, etc.;
372. It shall also be applicable for electricity used for Sports Clubs and facilities/Health Clubs and facilities/Gymnasium/Swimming Pools attached to such Educational Institutions/Health Care facilities, provided that they are situated in the same premises and are meant primarily for the students/faculty/employees/patients of such Educational Institutions and Hospitals
373. This Tariff is also applicable for electricity supply at Public Sanitary Conveniences.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|---|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| HT V (A) - Public Service - Government Hospitals & Educational Institutions | | | | |
| HV | 0.00 | 400.00 | 1.12 | 4.30 |

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

EHT V and HT V – (B): Public Service – Others

374. This Tariff category is applicable for electricity supply at Extra High Voltage (132 kV/110 kV) and High Voltage (33 kV/11 kV) for:
- a) Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic

Centres and Pathology Laboratories; Libraries and public reading rooms - other than those of the State or Central Government, Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samities, Gram Panchayats, etc.

- b) Sports Clubs and facilities/Health Clubs and facilities/Gymnasium/Swimming Pools attached to such Educational Institutions/Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students/faculty/employees/patients;
- c) All offices of Government and Municipal/ Local Authorities/Local Self-Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats; Police Stations and Police Chowkies; Post Offices; Armed Forces/Defence and Para-Military establishments;
- d) Service-oriented Spiritual Organisations;
- e) Accommodation facilities provided by religious trusts registered under Maharashtra Public Trust Act for devotees. State or Municipal/Local Authority Transport establishments, including their Workshops;
- f) Fire Service Stations; Jails, Prisons; Courts;
- g) Airports;
- h) Ports, Jetties and provision for Shore Power Supply.
- i) Pumping of water, purification of water and allied activities relating to Public Water Supply Schemes, Sewage Treatment Plants;
- j) Waste processing units and Water ATM not covered under HT IV category;
- k) Dam operation including Lighting and other activities, etc
- l) lighting of public streets/ thorough fares which are open for use by the general public
- m) Provided that Street lights in residential complexes, commercial complexes, industrial premises, etc. will be billed at the Tariff of the respective applicable categories.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|------------------------------------|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| HT V (B) - Public Service - Others | | | | |
| EHV | 0.00 | 400.00 | 0.06 | 4.28 |
| HV | 0.00 | 400.00 | 1.12 | 9.42 |

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

HT VIII: HT – Electric Vehicle (EV) Charging Stations

Applicability:

375. This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping station for Electric Vehicle.
376. In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.
377. Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Tariff w.e.f. 1st April, 2024 to 31st March, 2025

| Consumer Categories | FY 2024 - 25 | | | |
|--|----------------------|----------------|------------------|----------------|
| | Fixed Charges | Demand Charges | Wheeling Charges | Energy Charges |
| | Rs/Connection/ Month | Rs/kVA/ Month | Rs/kVAh | Rs/kVAh |
| HT VI: Electric Vehicle (EV) Charging Stations | 0 | 80 | 1.12 | 7.28 |

| TOD Tariffs (in addition to above base Tariff) | |
|--|-------|
| 0600 to 0900 hours | 0.00 |
| 0900 to 1200 hours | 0.50 |
| 1200 to 1800 hours | 0.00 |
| 1800 to 2200 hours | 1.00 |
| 2200 to 0600 hours | -0.75 |

MISCELLANEOUS AND GENERAL CHARGES

Fuel Adjustment Charge (FAC) Component of Z-factor Charge

378. The Fuel Adjustment Charge (FAC) component of the Z-factor Charge will be determined in accordance with the formula specified in the relevant Multi Year Tariff Regulations and any directions that may be given by the Commission from time to time, and will be applicable to all consumer categories for their entire consumption.
379. In case of any variation in the fuel prices and power purchase prices, the Distribution Licensee shall pass on the adjustments through the FAC component of the Z-factor Charge accordingly.
380. The details of the applicable ZFAC for each month shall be available on the Distribution Licensee's website www.tatapower.com.

Electricity Duty and Tax on Sale of Electricity

381. Electricity Duty and Tax on Sale of Electricity shall be levied in addition to the Tariffs approved by the Commission, and in accordance with the Government of Maharashtra stipulations from time to time. The rate and the reference number of the Government Resolution/ Order under which the Electricity Duty and Tax on Sale of Electricity are applied shall be stated in the consumers' energy bills. A copy of such Resolution / Order shall be provided on the Distribution Licensee's website www.tatapower.com.

Power Factor Computation

382. Where the average Power Factor measurement is not possible through the installed meter, the following formula for calculating the average Power Factor during the billing period shall be applied:

$$\text{Average Power Factor} = \frac{\text{Total (kWh)}}{\text{Total (kVAh)}}$$

$$\text{Wherein the kVAh is} = \sqrt{\sum(\text{KWh})^2 + \sum(\text{RkVAh Lag} + \text{RkVAh Lead})^2}$$

Further, average PF so computed can be considered as leading or lagging based on the following test:

If “RkVAh lead” > “RkVAh lag” then “Average P.F.” is to be treated as “Lead P.F.”

If “RkVAh lead” = < “RkVAh lag” then “Average P.F.” is to be treated as “Lag P.F.”

Power Factor Incentive

383. Applicable for LT II: Non-Residential/Commercial [LT II (B), LT II (C)] (for Contract Demand/Sanctioned Load above 20 kW), LT III (B): Industry above 20 kW, LT IV: Public Service [LT IV (A) and LT IV (B)], and LT VI – Electric Vehicle (EV) Charging Stations having contract demand/sanctioned load above 20 kW.
384. Whenever the average Power Factor is more than 0.95 (lag or lead) and upto 1, an incentive shall be given at the rate of the following percentages of the amount of the monthly electricity bill, excluding Taxes and Duties: :

| Sl. | Range of Power Factor | Power Factor Level | Incentive |
|-----|-----------------------|--------------------|-----------|
| 1 | 0.951 to 0.954 | 0.95 | 0.0% |
| 2 | 0.955 to 0.964 | 0.96 | 0.5% |
| 3 | 0.965 to 0.974 | 0.97 | 1.0% |
| 4 | 0.975 to 0.984 | 0.98 | 1.5% |
| 5 | 0.985 to 0.994 | 0.99 | 2.5% |
| 6 | 0.995 to 1.000 | 1.00 | 3.5% |

Note: Power Factor shall be measured/computed upto 3 decimals, after universal rounding off.

Power Factor Penalty

385. Applicable for LT II: Non-Residential/Commercial [LT II (B), LT II (C)] (for Contract Demand/Sanctioned Load above 20 kW), LT III (B): Industry above 20 kW, LT IV: Public Service [LT IV (A) and LT IV (B)], and LT VI – Electric Vehicle (EV) Charging Stations having contract demand/sanctioned load above 20 kW.
386. Whenever the average PF is less than 0.9 (lag or lead), penal charges shall be levied at the rate of the following percentages of the amount of the monthly electricity bill, excluding Taxes and Duties:

| Sl. | Range of Power Factor | Power Factor Level | Penalty |
|-----|-----------------------|--------------------|---------|
| 1 | 0.895 to 0.900 | 0.90 | 0.0% |
| 2 | 0.885 to 0.894 | 0.89 | 1.0% |
| 3 | 0.875 to 0.884 | 0.88 | 1.5% |
| 4 | 0.865 to 0.874 | 0.87 | 2.0% |
| 5 | 0.855 to 0.864 | 0.86 | 2.5% |
| 6 | 0.845 to 0.854 | 0.85 | 3.0% |
| 7 | 0.835 to 0.844 | 0.84 | 3.5% |
| 8 | 0.825 to 0.834 | 0.83 | 4.0% |
| 9 | 0.815 to 0.824 | 0.82 | 4.5% |
| 10 | 0.805 to 0.814 | 0.81 | 5.0% |
| ... | ... | ... | ... |

Note: Power Factor shall be measured/computed upto 3 decimals, after universal rounding off.

Prompt Payment Discount

387. A prompt payment discount of one percent of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills within 7 days from the date of their issue.

Delayed Payment Charges

388. In case the electricity bill is not paid within the due date mentioned on the bill, delayed payment charges on the billed amount, including the taxes, cess, duties, etc., shall be levied on simple interest basis at the rate of 1.25% on the billed amount for the first month of delay.

Discount for digital payment

389. Tata Power -D proposed a discount of 0.25% of the monthly bill (excluding taxes and duties), subject to a cap of Rs. 500/-, shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

Discount on E-billing

390. A discount of Rs. 10 per consumer per bill shall be provided for those opting for E-bills through written/email confirmation. No hard copy of the bills shall be generated for such consumer.

Rate of Interest on Arrears

391. The rate of interest chargeable on the arrears of payment of billed dues shall be as given below:

| Sr. No | Delay in Payment (months) | Interest Rate per annum (%) |
|--------|--|-----------------------------|
| 1 | Payment made after 60 days and before 90 days from the date of billing | 12% |
| 2 | Payment made after 90 days from the date of billing | 15% |

Rebate for consumers with Prepaid connections

392. Consumers with prepaid metered connections shall be entitled for rebate of 2% in the Energy Charge Rate (incl FAC) applicable for the consumer category

Load Factor Incentive

393. Consumers having Load Factor above 75% and upto 85% will be entitled to an incentive in the form of a rebate of 0.75% on the Energy Charges for every percentage point increase in Load Factor from 75% to 85%. Consumers having a Load Factor above 85 % will be entitled to a rebate of 1% on the Energy Charges for every percentage point increase in Load Factor from 85%. The total rebate will be subject to a ceiling of 15% of the Energy Charges applicable to the consumer.
394. This incentive is applicable only to consumers in the Tariff categories EHT I and HT I: Industry, EHT II and HT II: Commercial and EHT V and HT V: Public Services - (A) and (B) only
395. The Load Factor incentive will be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee shall take a commercial decision on the schedule for such payments.

The Load Factor is to be computed as follows:

$$\text{Load Factor} = \frac{\text{Consumption during the month in MU}}{\text{Maximum Consumption possible during the month in MU}}$$

Maximum consumption possible = Contract Demand (kVA) × Unity Power Factor
× (Total no. of hours during the month, less actual interruptions hours recorded on meter for billing period)

396. In case the consumer exceeds its Contract Demand (including during the non-peak hours, i.e., 22:00 hrs to 06:00 hrs.) in any particular month, the Load Factor Incentive will not be payable to the consumer in that month.

Penalty for exceeding Contract Demand

397. In case a consumer (availing Demand-based Tariff) exceeds his Contract Demand, he will be billed at the applicable Demand Charge rate for the Demand actually recorded, and also be charged an additional amount at the rate of 150% of the applicable Demand Charge (only for the Demand in excess of the Contract Demand).
398. Under these circumstances, the consumer shall not be liable for any other action under Section 126 of the EA, 2003, since the penal additional Demand Charge provides for the penalty that the consumer is liable to pay for exceeding his Contract Demand. In case a consumer exceeds his Contract Demand on more than three occasions in a calendar year, the action to be taken would be governed by the provisions of the Supply Code Regulations.

Additional Demand Charges for Consumers having Captive Power Plant

399. For consumers having a Captive Power Plant, additional Demand Charges at the rate of Rs.20/kVA/month shall be payable only on the extent of the Stand-by demand component and not on the entire Contract Demand. The additional Demand Charges will be levied on the Stand-by component only if the consumer's demand exceeds his Contract Demand.

Consumers' Security Deposit

400. As specified under Regulations 13 of the MERC (Supply Code Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021, Consumer shall pay Security Deposit and will be entitle for interest on such Security Deposit.

Definitions

Maximum Demand:

Maximum Demand in kilo-Watts or kilo-Volt Amperes, in relation to any period shall, unless otherwise provided in any general or specific Order of the Commission, mean

twice the highest number of kilo-watt-hours or kilo-Volt Ampere hours supplied and taken during any consecutive thirty minute blocks in that period.

Contract Demand:

Contract Demand means the demand in kilo-Watt (kW) or kilo-Volt Amperes (kVA), mutually agreed between the Distribution Licensee and the consumer as entered into in the agreement or agreed through other written communication. (For conversion of kW into kVA, the Power Factor of 0.80 shall be applied.)

Sanctioned Load:

Sanctioned Load means the load in kW mutually agreed between the Distribution Licensee and the consumer.

Billing Demand - LT Tariff categories:

Monthly Billing Demand will be the higher of the following:

- a) 65% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- b) 40% of the Contract Demand.

Note:

- *Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.*
- *In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change in Contract Demand is effected.*

Billing Demand - HT Tariff categories:

Monthly Billing Demand will be the higher of the following:

- a) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;

- b) 75% of the highest Billing Demand recorded during the preceding eleven months, subject to the limit of Contract Demand;
- c) 75% of the Contract Demand*.

Note:

- *Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.*
- *In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change of Contract Demand is effected*

8 PRAYERS TO THE HON'BLE COMMISSION

8.1 Prayers to the Hon'ble Commission

In view of the above, the Petitioner respectfully prays that the Hon'ble Commission may:

- Admit the Petition as per the provisions of the MERC (MYT) Regulations 2015 and MERC (MYT) Regulations, 2019 and consider present Petition for further proceedings before this Hon'ble Commission;
- Allow the petition of Distribution Business of Tata Power Company Limited for approval of the revised tariff for FY 2024-25
- Allow to modify this proposal for separate tariff for AEML SEEPZ area.
- Allow Tata Power-D to use surplus solar energy more than 15% purchased during the year FY 2022-23 to FY 2023-24 to meet cumulative shortfall in non solar RPO target
- Allow Tata Power-D to carry forward 50% of provisional Gap /(Surplus) till FY 2023-24 in wire business in next Control period.
- Permit to make further submissions, addition and alteration to this Petition as may be necessary from time to time.
- Condone any inadvertent omissions/errors/rounding off differences/shortcomings and permit Tata Power- D to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- Pass such further and other orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.



The Tata Power Company Limited
Petitioner

Place: Mumbai
Date: 17.01.2024