



Executive Summary - Tata Power-Generation MTR – Case 65 of 2018

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1. TATA POWER – GENERATION BUSINESS MTR PETITION – EXECUTIVE SUMMARY

1.1 Overall Approach to the Present Filing:

Historical Perspective:

1. The Tata Power Company Limited ("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) for the supply of energy to the public in its Mumbai Licence Area and to supply energy in bulk to Distribution Licensees, vide resolution No: IEA –2001/ CR-10509/NRG-1, dated 12th July, 2001.
2. Post the enactment of the Electricity Act - 2003 (EA-2003), the Generation Business of Tata Power (herein after referred to as "Tata Power-G") has been having a Power Purchase Agreement / Arrangement with the Distribution Utilities of Mumbai under Section 62 of the EA-2003.

1.2 Filings under Present Petition

3. The present petition has been filled by Tata Power-G for (i) Truing-up for FY 2015-16 under the MYT Regulations, 2011, (ii) Truing-up for FY 2016-17, (iii) Provisional Truing-up for FY 2017-18 and (iv) Revised Projections of Aggregate Revenue Requirement (ARR) for FY 2018-19 to FY 2019-20 under the MYT Regulations, 2015.
4. The brief summary of the submission has been presented below:

1.3 Truing Up of FY 2015-16 & FY 2016-17, Provisional Truing Up of FY 2017-18 and Projections for FY 2018-19 & FY 2019-20

5. Tata Power-G has presented below the various components of ARR as per the Regulations applicable for the purpose of Truing Up of FY 2015-16 & FY 2016-17, Provisional Truing Up of FY 2017-18 and Projections for FY 2018-19 & FY 2019-20:

1.4 Operational Performance of Tata Power-G

- **Availability and PLFs of Generating Units**

The Availability and the Plant Load Factor (PLFs) of the Generating Units over the period FY 2015-16 to FY 2019-20 are shown in the Tables below:

Table 1-1: Availability of Generating Units (FY 2015-16 to FY 2019-20)

Unit	Availability (%)				
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	<i>Actual</i>	<i>Actual</i>	<i>Estimate</i>	<i>Projections</i>	
Unit 5	95.25%	88.55%	93.83%	91.78%	-
Unit 6	92.99%	99.56%	100.00%	0.00%	-
Unit 7	93.69%	98.33%	97.95%	96.71%	87.16%
Unit 8	94.72%	97.40%	93.33%	98.08%	91.80%
Bhira	90.61%	99.71%	98.41%	98.27%	-
Bhivpuri	99.30%	99.65%	99.38%	95.64%	99.85%
Khopoli	99.82%	99.91%	100.00%	97.80%	98.94%

Table 1-2: PLF of Generating Units (FY 2015-16 to FY 2019-20)

Unit	PLF (%)				
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	<i>Actual</i>	<i>Actual</i>	<i>Estimate</i>	<i>Projections</i>	
Unit 5	79.77%	71.15%	71.80%	67.58%	-
Unit 6	0.31%	0.00%	85.00%	0.00%	-
Unit 7	74.61%	89.63%	82.67%	85.47%	85.24%
Unit 8	85.76%	85.14%	81.79%	85.88%	85.64%

- **Generation from Tata Power-G**

The actual generation during the period FY 2015-16 to FY 2016-17 and estimated generation for the period FY 2017-18 to FY 2019-20 is as given below:

Table 1-3: Generation for FY 2015-16 to FY 2019-20

Unit	Gross Generation (MUs)					Net Generation (MUs)				
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Actual	Actual	Estimate	Projections		Actual	Actual	Estimate	Projections	
Unit 5	3503.45	3116.31	3144.64	2959.79	-	3297.66	2933.57	2965.25	2782.20	-
Unit 6	28.33	0.06	0.00	0.00	-	-11.51	-20.66	-21.52	0.00	-
Unit 7	1179.73	1413.21	1303.56	1347.67	1347.67	1148.76	1371.55	1265.23	1307.24	1307.24
Unit 8	1883.34	1864.56	1791.18	1880.74	1880.74	1766.63	1749.00	1678.97	1720.88	1720.88
Bhira	636.81	951.63	895.26	894.00	-	617.47	928.66	875.32	880.14	-
Bhivpuri	230.41	242.16	317.75	289.00	289.00	224.58	236.88	311.93	284.52	284.52
Khopoli	231.45	287.20	308.82	287.00	287.00	222.67	276.10	298.58	282.55	282.55

- **Heat Rates & Auxiliary Consumption**

The actual Heat Rates and Auxiliary Consumption for the period FY 2015-16 to FY 2016-17 and the provisional figures for FY 2017-18 to FY 2019-20 are shown in the Tables below:

Table 1-4: Heat Rate for FY 2015-16 to FY 2019-20

Unit	Heat Rate (Kcal/kWh)									
	FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Normative	Actual	Normative	Actual	Normative	Estimated	Normative	Projected	Normative	Projected
Unit 5	2581.00	2519.53	2525.00	2515.91	2533.00	2527.07	2541.00	2541.00	2549.00	-
Unit 6	2594.00	3054.43	2544.00	-	-	-	-	-	-	-
Unit 7	2085.07	2135.99	2023.78	1995.69	2027.00	2029.70	2031.00	2031.00	2035.00	2035.00
Unit 8	2450.00	2299.72	2450.00	2296.32	2450.00	2305.11	2450.00	2450.00	2450.00	2450.00

Table 1-5: Auxiliary Consumption for FY 2015-16 to FY 2019-20

Unit	Auxiliary Consumption (%)									
	FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Normative	Actual	Normative	Actual	Normative	Estimated	Normative	Projected	Normative	Projected
Unit 5	6.00%	5.87%	6.00%	5.86%	6.00%	5.70%	6.00%	6.00%	6.00%	-
Unit 6*	3.50%	25.30	3.50%	20.72	3.50%	-	-	-	-	-
Unit 7	2.86%	2.63%	3.00%	2.95%	3.00%	2.94%	3.00%	3.00%	3.00%	3.00%
Unit 8	8.50%	6.20%	8.50%	6.20%	8.50%	6.26%	8.50%	8.50%	8.50%	8.50%
Bhira	1.96%	3.04%	1.56%	2.41%	1.55%	2.23%	1.55%	1.55%	1.55%	-
Bhivpuri	1.96%	2.53%	1.56%	2.18%	1.55%	1.83%	1.55%	1.55%	1.55%	1.55%
Khopoli	1.96%	3.79%	1.56%	3.86%	1.55%	3.31%	1.55%	1.55%	1.55%	1.55%

* Note: Actual Auxiliary Consumption for Unit 6 is shown in MUs

**Hydro Auxiliary Consumption is without Colony Consumption

1.5 Financial Performance of Tata Power-G

- **Capital Expenditure and Capitalisation**

6. The actual capital expenditure and capitalisation for FY 2015-16 and FY 2016-17, estimated capital expenditure and capitalisation for FY 2017- 18 and the projected capital expenditure and capitalisation for the Control Period FY 2018-19 to FY 2019-20 for Tata Power-G is as shown in the Table below:

Table 1-6: Capital Expenditure and Capitalisation (FY 2015-16 to FY 2019-20)

Rs. Crores

Category	Capital Expenditure					Capitalisation				
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydro Stations										
DPR	93.63	82.65	45.07	63.63	26.01	163.30	76.37	55.67	77.56	24.67
Non-DPR	24.46	10.16	10.56	11.09	4.20	28.04	15.68	10.81	13.59	2.83
Total	118.09	92.81	55.63	74.72	30.21	191.34	92.05	66.48	91.15	27.50
Unit 8										
DPR	0.00	2.53	0.31	1.33	0.00	24.48	9.45	0.48	1.70	0.00
Non-DPR	0.27	0.09	0.00	0.00	0.00	3.03	2.61	0.05	0.09	0.00
Total	0.27	2.61	0.31	1.33	0.00	27.51	12.06	0.53	1.79	0.00

- **Transfer of Assets from Generation Business of Tata Power to Transmission**

7. With the decommissioning of 150 MW Unit 4 at Trombay Generating Station of Tata Power-G in FY 2015-16, the 110 kV switchyard, 22 kV switchyard and all associated equipment now serves only as a Transmission Receiving Station. Hence, in line with the Electricity Act, 2003, it is proposed to transfer these assets to Tata Power-T during FY 2017-18. The impact on the opening GFA, Opening Equity and Opening Loan is shown in the Tables below:

Table 1-7: GFA including Transfer of Assets for FY 2017-18

<i>Rs Crore</i>		
Particulars		FY 2017-18
Opening GFA of FY 2017-18	a	4,377.04
Less: GFA of Assets to be transferred	b	53.94
Opening GFA of FY 2017-18 including assets to be transferred	c=a-b	4,323.10

Table 1-8: Opening Equity including Transfer of Assets for FY 2017-18

<i>Rs Crore</i>		
Particulars		FY 2017-18
Opening Equity of FY 2017-18	a	1,583.81
Reduce Equity of Assets to be transferred	b	16.18
Opening Equity including Assets to be transferred	c=a-b	1,567.63

Table 1-9: Opening Loan for Assets to be transferred for FY 2017-18

<i>Rs Crore</i>			
Loan		FY 2015-16	FY 2016-17
Opening Balance	a	-	14.49
Asset added during the year	b	23.41	15.83
Addition of loan	c=b*70%	16.39	11.08
Repayment = Depreciation	d	(1.90)	(5.90)
Closing	e=a+c+d	14.49	19.67

8. The ARR for FY 2017-18 has been arrived at considering the revised GFA, Equity and Loan on account of transfer of assets and the same is presented in the Tables below:

- **Return on Equity (ROE)**

9. With reference to MYT Regulations 2011, Tata Power - G has evaluated the RoE based on actual capitalisation for the period FY 2015-16 and with reference to MYT Regulations 2015, for the period FY 2016-17. The RoE for the Control Period FY 2017-18, FY 2018-19 to FY 2019-20 has been computed based on the projected figures of capitalisation in line with MYT

Regulations, 2015. The RoE for the purpose of Truing up and projections for various years has been presented below:

Table 1-10: Return on Equity (FY 2015-16 to FY 2019-20)

		<i>Rs. Crores</i>				
Sr. No.	Particulars	FY 2015-16	FY 2016-17	FY 2017-18*	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros						
1	Regulatory Equity at the beginning of the year	1,517.48	1,570.80	1,567.63	1,587.57	1,614.92
2	Less: Equity Portion of Asset de-capitalised / retired During the Year	(4.09)	(14.61)	-	-	-
3	Capitalisation	191.34	92.05	66.48	91.15	27.50
4	Equity portion of capitalisation	57.40	27.62	19.95	27.34	8.25
5	Regulatory Equity at the end of the year	1,570.80	1,583.81	1,587.57	1,614.92	1,623.17
Return Computation						
6	Return on Regulatory Equity @15.5% at the beginning of the year	235.21	243.47	242.98	246.07	250.31
7	Return on Regulatory Equity @50% of capitalisation during the year		2.14	1.55	2.12	0.64
8	Total Return on Regulatory Equity	235.21	245.61	244.53	248.19	250.95
		<i>Rs. Crores</i>				
Unit 8						
1	Regulatory Equity at the beginning of the year	350.25	358.34	361.92	362.08	362.62
2	Less: Equity Portion of Asset de-capitalised / retired During the Year	(0.17)	(0.03)	-	-	-
3	Capitalisation	27.51	12.06	0.53	1.79	-
4	Equity portion of capitalisation	8.25	3.62	0.16	0.54	-
5	Regulatory Equity at the end of the year	358.34	361.92	362.08	362.62	362.62
Return Computation						
6	Return on Regulatory Equity @15.5% at the beginning of the year	54.29	55.54	56.10	56.12	56.21
7	Return on Regulatory Equity @50% of capitalisation during the year		0.28	0.01	0.04	-
8	Total Return on Regulatory Equity	54.29	55.82	56.11	56.16	56.21

* Opening Regulatory Equity include impact of assets transferred to Transmission Business

- Interest and Finance Charges

10. The Interest costs have been captured under the following three heads:

- Interest on Loan
- Interest on Working Capital
- Other Finance Charges

- **Interest on Loan**

11. The details of the loans taken for funding the capitalisation for the period from FY 2015-16 to FY 2019-20 have been presented in detail in the respective sections of the Petition. The Interest Amount on the Loans at actuals for FY 2015-16 and FY 2016-17 and projected for FY 2017-18 to FY 2019-20 is as shown in the Table below:

Table 1-11: Interest on Loan (FY 2015-16 to FY 2019-20)

	<i>Rs. Crores</i>				
Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Opening Balance of Loan	730.39	723.97	617.39	512.54	422.22
Additions	133.94	64.44	46.54	63.80	19.25
Repayment	140.36	151.35	151.38	154.12	156.18
Closing Balance of Loans	723.97	637.06	512.54	422.22	285.29
Overall Interest Rate (%)	10.89%	10.07%	10.07%	10.07%	10.07%
Interest Cost	79.18	68.53	56.90	47.07	35.63
Unit 8					
Opening Balance of Loan	553.25	511.58	458.61	397.25	336.71
Additions	19.26	8.44	0.37	1.25	0.00
Repayment	60.93	61.41	61.73	61.79	61.84
Closing Balance of Loans	511.58	458.61	397.25	336.71	274.87
Overall Interest Rate (%)	11.05%	10.47%	10.47%	10.47%	10.47%
Interest Cost	58.86	50.81	44.83	38.44	32.03

- **Interest on Working Capital**

12. The Interest on Working Capital has been computed based on the elements specified in the MYT Regulations, 2011 for FY 2015-16. Similarly, the interest on Working Capital for FY 2016-17 to FY 2019-20 has been computed with reference to MYT Regulations, 2015.

Table 1-12: Interest on Working Capital (FY 2015-16 to FY 2019-20)

<i>Rs. Crores</i>					
Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Interest on Working Capital	71.49	41.75	33.44	32.87	33.18
Unit 8					
Interest on Working Capital	15.62	13.34	10.53	10.19	10.34

- **Other Finance Charges**

13. For Unit 4 to 7 & Hydros, the Finance Charges have been considered at actuals which works out to **Rs. 0.73 Crores** for FY 2015-16, **Rs. 0.45 Crores** for FY 2016-17. For Unit 8, the Finance Charges have been considered at actuals which works out to **Rs. 0.72 Crores** and **Rs. 0.57 Crores** for FY 2016-17. Finance charges for the rest of the Control Period i.e. FY 2017-18 to FY 2019-20 has been considered as Nil.

- **Depreciation**

14. Tata Power - G has computed the Depreciation by applying the rates specified under the MYT Regulations, 2011 for the period FY 2015-16 and under MYT Regulations, 2015 for the period FY 2016-17 to FY 2019-20. Based on the same, the Depreciation works out as given in the Table below:

Table 1-13: Depreciation (FY 2015-16 to FY 2019-20)

	<i>Rs. Crores</i>				
Particulars	FY 2015-16	FY 2016-17	FY 2017-18*	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Opening GFA	4155.95	4333.68	4323.10	4389.58	4480.73
Total Depreciation	140.36	151.35	151.38	154.12	156.18
Closing GFA	4333.68	4377.04	4389.58	4480.73	4508.23
Average Depreciation (%)	3.31%	3.48%	3.48%	3.48%	3.48%
<i>* Opening GFA includes impact of assets transferred to Transmission Business</i>					
Unit 8					
Opening GFA	1167.53	1194.47	1206.42	1206.95	1208.74
Total Depreciation	60.93	61.41	61.73	61.79	61.84
Closing GFA	1194.47	1206.42	1206.95	1208.74	1208.74
Average Depreciation (%)	5.16%	5.12%	5.12%	5.12%	5.12%

- **O&M Expenditure**

- The O&M expenditure for the period FY 2015-16 has been calculated by applying the norms given in the MYT Regulations, 2011 for Unit 4 to 7 & Hydro and Unit 8. For Unit 4 to 7 & Hydro, the O&M expenditure for the period FY 2016-17 to FY 2019-20 has been calculated based on the revised norms as per the MYT Regulations (First Amendment), 2015. The O&M related to the bays and line lengths on account of Transfer of Assets from Generation to Tata Power-T has been factored in FY 2017-18. For Unit 8, the O&M expenditure for the period FY 2016-17 to FY 2019-20 has been calculated based on the norms given in the MYT Regulations, 2015.
- Based on the above, the O&M expenditure has been computed in the Table below:

Table 1-14: O&M Expenditure (FY 2015-16 to FY 2019-20)

<i>Rs. Crores</i>					
O&M Expenditure	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
O&M Expenditure	484.90	510.99	515.99	537.55	560.03
Unit 8					
O&M Expenditure	51.75	64.42	62.48	65.60	68.88

- **Income Tax**

17. The Income Tax has been computed for FY 2015-16 and FY 2016-17 based on the methodology adopted by the Hon'ble Commission in its MYT Tariff Order for Tata Power-G in Case No 32 of 2016. The Income Tax for FY 2017-18 to FY 2019-20 has been considered as per the actual income tax based on latest available Audited Accounts i.e. as per FY 2016-17. Based on the above, the Income Tax for the period from FY 2015-16 to FY 2019-20 is as shown in the Table below:

Table 1-15: Income Tax (FY 2015-16 to FY 2019-20)

<i>Rs. Crores</i>					
Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Income Tax	111.74	129.27	129.27	129.27	129.27
Unit 8					
Income Tax	18.30	21.08	21.08	21.08	21.08

- **Non-Tariff Income**

18. For the period FY 2015-16 and FY 2016-17, Tata Power-G has provided the actual Non-Tariff Income and the same comprises of Recurring items and Non-Recurring items. For FY 2017-18 to FY 2019-20, the Non-Tariff Income has been considered same as that approved in the

MYT Order in Case No. 32 of 2016. The Non-Tariff Income for the period FY 2015-16 to FY 2019-20 is as shown in the Table below:

Table 1-16: Non-Tariff Income (FY 2015-16 to FY 2019-20)

Rs. Crores

Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Non- Tariff Income	16.43	25.62	25.62	25.62	25.62
Unit 8					
Non- Tariff Income	2.90	0.48	0.48	0.48	0.48

- **Incentive**

19. The Incentive for the period FY 2015-16 has been calculated in line with MYT Regulations, 2011 and the same for FY 2016-17 as per MYT Regulations, 2015 . For the period FY 2017-18 to FY 2019-20, no incentive has been considered. However, the same shall be computed and presented at the time of submission of True-up of the respective years. The Incentives considered for the period FY 2015-16 and FY 2016-17 are shown in the Table below:

Table 1-17: Incentive (FY 2015-16 and FY 2016-17)

Rs. Crores

Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
Incentive	26.52	51.45	-	-	-
Unit 8					
Incentive	3.36	0.07	-	-	-

- **Annual Fixed Charges**

20. Based on the actuals for the years FY 2015-16 and FY 2016-17, the projections of the various elements for period FY 2017-18 to FY 2019-20, the Annual Fixed Charges for different years is shown in the Table below:

Table 1-18: Annual Fixed Charges (FY 2015-16 to FY 2019-20)

<i>Rs. Crores</i>					
Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 4 to 7 & Hydros					
O&M Charges	484.90	510.99	515.99	537.55	560.03
Interest on Long Term Loans	79.18	68.53	56.90	47.07	35.63
Interest on Working Capital	71.49	41.75	33.44	32.87	33.18
Interest and Finance Charges	0.73	0.45	-	-	-
Depreciation	140.36	151.35	151.38	154.12	156.18
Income Tax	111.74	129.27	129.27	129.27	129.27
Return on Equity	235.21	245.61	244.53	248.19	250.95
Annual Fixed Charges	1123.61	1147.95	1131.51	1149.08	1165.25
Less:					
Non Tariff Income	16.43	25.62	25.62	25.62	25.62
Unit 4 Fixed Charges	12.63	12.20	12.20	12.35	12.46
Allocation to Unit 8 towards shared capacity	12.50	12.50	12.50	12.50	37.50
Net Annual Fixed Charges	1082.04	1097.63	1081.19	1098.61	1089.67

Table 1-19: Annual Fixed Charges (FY 2015-16 to FY 2019-20)

<i>Rs. Crores</i>					
Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Unit 8					
O&M Charges	51.75	64.42	62.48	65.60	68.88
Interest on Long Term Loans	58.86	50.81	44.83	38.44	32.03
Interest on Working Capital	15.62	13.34	10.53	10.19	10.34
Interest and Finance Charges	0.72	0.57	-	-	-
Depreciation	60.93	61.41	61.73	61.79	61.84
Income Tax	18.30	21.08	21.08	21.08	21.08
Return on Equity	54.29	55.82	56.11	56.16	56.21
Expenditure towards shared capacity of Unit 4 to 7	12.50	12.50	12.50	12.50	37.50
Annual Fixed Charges	272.97	279.97	269.26	265.77	287.87
Less:					
Non Tariff Income	2.90	0.48	0.48	0.48	0.48
Net Annual Fixed Charges	270.07	279.49	268.78	265.29	287.39

1.6 Projected Tariff for FY 2018-19 & FY 2019-20

Tata Power-G is proposing the following for FY 2018-19 and FY 2019-20.

- Tata Power-G is proposing its Tariff for FY 2018-19 for all the units which have been tied up as per the directions of the Hon'ble Commission
- For FY 2019-20, Tata Power-G is proposing tariff only for the units where it has received a proposal for power purchase tie up from Tata Power-D i.e. 250 MW Unit 8, 180 MW Unit 7, 75 MW Bhivpuri Hydro and 72 MW Khopoli Hydro. Accordingly, there will be no tariff proposed for Unit 5 and Bhira.
- The 150 MW Unit 4 which has served its useful life and beyond has been decommissioned in FY 2016-17 and is no longer in service
- With respect to Unit 6, we wish to submit that on account of its high cost of generation, the unit was kept under economic shut down. For FY 2018-19 the Hon'ble Commission has not considered the tie up of power from Unit 6 with BEST and Tata Power-D. Considering the discussions with beneficiaries, it is understood that it may not get tied up in future also. Accordingly, Unit 6 has not been considered for projection of operational parameters. Further, it is important to note that as per the Daily Order dated 21st January 2016, the Case No. 133 of 2015 in the matter of "Committee Report submitted by CE(STU) in compliance to directives given in Order in Case No 172 of 2014

- for recommendations for a protocol to resort to idle capacity and apportionment and commercial settlement, in case of disruption in Mumbai’s embedded generation” is reserved for final Order. Depending on the outcome of the Order, Tata Power-G will approach the Hon’ble Commission for appropriate treatment of Unit 6.
- - Accordingly, the projected tariff for FY 2018-19 & FY 2019-20 is as shown in Table below:

Table 1-20: Annual Fixed Charges (FY 2018-19 and FY 2019-20)

Unit	Rs Crores	
	FY 2018-19 (Projected)	FY 2019-20 (Projected)
Unit 5	470.10	-
Unit 7	171.25	171.18
Unit 8	265.29	287.40
Bhivpuri	72.62	74.54
Khopoli	104.96	108.00
Bhira	113.55	-

Table 1-21: Energy Charges (FY 2018-19 and FY 2019-20)

Unit		Rs/kWh	
		FY 2018-19 (Projected)	FY 2019-20 (Projected)
Unit 5	APM	2.12	-
Unit 5	Oil	14.03	-
Unit 5	Coal	3.38	-
Unit 7	APM	1.64	1.64
Unit 7	RLNG	6.26	6.27
Unit 8	Coal	3.34	3.34
Unit 8	Oil	0.03	0.03
Bhivpuri	-	1.91	1.96
Khopoli	-	3.05	3.14
Bhira	-	0.77	-

1.7 Gap / (Surplus) for FY 2015-16, FY 2016-17 and Provisional Gap / (Surplus) for FY 2017-18

21. Based on the above calculations, the Revenue for FY 2015-16, FY 2016-17 and FY 2017-18, the net entitlement and the Gap / (Surplus) for FY 2015-16, FY 2016-17 and FY 2017-18 is shown in the Tables below:

Table 1-22: Net Gap / (Surplus) of Unit 4 to 7 & Hydros for FY 2015-16, FY 2016-17 and Provisional Gap/(Surplus) for FY 2017-18

	<i>Rs. Crores</i>		
Particulars	FY 2015-16	FY 2016-17	FY 2017-18
Unit 4 to 7 & Hydros			
Revenue	2367.77	2258.53	2441.21
Power Supply	2351.33	2,232.92	2,415.59
Non-Tariff Income	16.43	25.62	25.62
Expenditure			
Fuel Related Expense	1254.48	1,082.34	1,245.34
Aux Consumption Benefit	0.30	0.04	-
O&M Charges	484.18	510.99	515.99
Depreciation	140.36	151.35	151.38
Interest on Long Term Loans	79.18	68.53	56.90
Interest and Finance Charges	0.73	0.45	-
Interest on Working Capital	71.49	41.75	33.44
Hydro Colony Consumption	0.72		-
Income Tax	111.74	129.27	129.27
Return on Equity	235.21	245.61	244.53
Total Expenditure	2378.38	2230.34	2376.86
Incentive (PLF, Hydro)	26.52	51.45	0.00
Total Expenditure including incentive	2404.90	2281.79	2376.86
Less:			
Unit 4 Fixed Charges	12.63	12.20	12.20
Allocation to Unit 8 towards shared capacity	12.50	12.50	12.50
Total ARR	2379.77	2257.08	2352.15
Net Gap/(Surplus)	12.00	-1.45	-89.06

Table 1-23: Net Gap / (Surplus) of Unit 8 for FY 2015-16, FY 2016-17 and Provisional Gap/(Surplus) for FY 2017-18

<i>Rs. Crores</i>			
Particulars	FY 2015-16	FY 2016-17	FY 2017-18
Revenue	763.04	805.73	888.75
Power Supply	760.14	805.25	888.27
Non-Tariff Income	2.90	0.48	0.48
Expenditure			
Fuel Related Expense	471.08	496.98	543.34
Aux Consumption Benefit	8.70	4.05	0.00
O&M Charges	51.75	64.42	62.48
Depreciation	60.93	61.41	61.73
Interest on Long Term Loans	58.86	50.81	44.83
Interest and Finance Charges	15.62	13.34	0.00
Interest on Working Capital	0.72	0.57	10.53
Income Tax	18.30	21.08	21.08
Return on Equity	54.29	55.82	56.11
Total Expenditure	740.26	768.49	800.09
Incentive (PLF, Hydro)	3.36	0.07	0.00
Total Expenditure including incentive	743.62	768.56	800.09
Add:			
Expenditure towards shared capacity of Unit 4 to 7	12.50	12.50	12.50
Total ARR	756.12	781.06	812.59
Net Gap/(Surplus)	-6.91	-24.67	-76.16

1.8 Past Recoveries

22. Based on the approved Gap, the revised ARR for FY 2017-18 and actual Gap / (Surplus) of FY 2015-16 and FY 2016-17, the total amount of past recoveries including carrying cost for future Tariff is presented below:

Table 1-24: Amount to be recovered in FY 2018-19

Rs Crore

Particulars		Approved in this Order				AS per MTR Petition			
		BEST	TPC-D	R Infra	Total	BEST	TPC-D	R Infra	Total
Gap / (Surplus) of Trombay Station & Hydro for FY 2015-16	Trombay Station & Hydro	(19.42)	(18.53)	0.00	(37.95)	6.14	5.86	0.00	12.00
Gap / (Surplus) of Unit 6 based on Revenue Billed as per MTR petition for Unit 6 generation based on MSLDC directions	Unit 6 (Under MSLDC Directive)	6.56	7.92	9.64	24.12	6.58	8.62	9.64	24.84
Entry Tax amount to be recovered pertaining to past period	Trombay Station & Hydro	13.39	15.56	7.36	36.31	40.85	43.97	12.53	97.35
Gap / (Surplus) of Unit 8 for FY 2015-16	Unit 8	(16.53)	(24.79)	0.00	(41.32)	(2.77)	(4.15)	0.00	(6.91)
Total Gap / (Surplus) for FY 2015-16		(16.00)	(19.85)	17.00	(18.84)	50.81	54.30	22.17	127.28
Incremental Gap / (Surplus) for FY 2015-16						66.81	74.15	5.17	146.12
Carrying									
FY 2015-16	14.29%					4.77	5.30	0.37	10.44
FY 2016-17	10.30%					6.89	7.65	0.53	15.07
FY 2017-18	9.49%					6.34	7.04	0.49	13.87
Total Gap / (Surplus) for FY 2015-16 including Carrying Cost -I						84.81	94.13	6.56	185.50
Gap / (Surplus) of Trombay Station & Hydro for FY 2016-17						(0.74)	(0.71)	0.00	(1.45)
Gap / (Surplus) of Trombay Unit 8 for FY 2016-17						(9.87)	(14.80)	0.00	(24.67)
Entry Tax amount to be recovered pertaining to past period	Trombay Station & Hydro					19.03	19.63		38.66
Total Gap / (Surplus) for FY 2016-17						8.42	4.12	0.00	12.54
FY 2016-17	10.30%					0.43	0.21	0.00	0.65
FY 2017-18	9.49%					0.80	0.39	0.00	1.19
Total Gap / (Surplus) for FY 2015-16 including Carrying Cost -II						9.65	4.72	0.00	14.37
Gap / (Surplus) of Trombay Station & Hydro for FY 2017-18						(45.57)	(43.49)	0.00	(89.06)
Gap / (Surplus) of Trombay Unit 8 for FY 2017-18						(30.46)	(45.70)	0.00	(76.16)
Entry Tax amount to be recovered pertaining to past period	Trombay Station & Hydro					10.37	10.71	0.00	21.08
Total Gap / (Surplus) for FY 2017-18-III						(65.67)	(78.47)	0.00	(144.14)
Custom Duty Impact including Carrying Cost for Unit 4 to 7 & Hydro						72.58	20.69	0.00	93.27
Custom Duty Impact including Carrying Cost for Unit 8						27.91	12.51	0.00	40.42
Custom Duty Impact including Carrying Cost -IV						100.49	33.20	0.00	133.68
Impact of Capitalisation towards reinstatement of U8 asset - V						0.84	1.27	0.00	2.11
Total Past Recovery to be Recovered I to V						130.13	54.85	6.56	191.53

1.9 Prayers to the Hon'ble Commission

23. The Petitioner respectfully prays that the Hon'ble Commission may:

- Accept the Truing-up for FY 2015-16 and past Gap / (Surplus) as worked out in this Petition in accordance with the guidelines & principles outlined in MYT Regulations, 2011;
- Accept the Truing Up of FY 2016-17 and past Gap / (Surplus) as worked out in this Petition in accordance with the guidelines & principles outlined in MYT Regulations, 2015 and its First Amendment dated 29th November, 2017;
- Accept the Provisional Truing-up of FY 2017-18 and and past Gap / (Surplus) as worked out in this Petition in accordance with the guidelines & principles outlined in MYT Regulations, 2015 and its First Amendment dated 29th November, 2017;
- Allow the transfer of assets pertaining to Transmission from the Generation Business of Tata Power to the Transmission Business of Tata Power.
- Accept the Revised projections of Annual Revenue Requirement for FY 2018-19 & FY 2019-20 as worked out in this Petition in accordance with the guidelines & principles outlined in MYT Regulations, 2015 and its First Amendment dated 29th November, 2017;
- Allow Tata Power-G to approach the Hon'ble Commission for Tariff determination after the expiry of the extension period of existing PPAs as requested by BEST in Case No. 176 of 2017.
- Condone any inadvertent omissions / errors / rounding off differences / shortcomings and permit Tata Power- G 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.