

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**

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Case No. 86 of 2011

IN THE MATTER OF

Maharashtra State Electricity Transmission Company Ltd's (MSETCL) Petition for approval of Aggregate Revenue Requirement for FY 2011-12, Annual Performance Review for FY 2010-11 and Truing up for FY 2009-10.

Shri V. P. Raja, Chairman

Shri Vijay. L. Sonavane, Member

ORDER

Date: July 26, 2011

The Maharashtra State Electricity Transmission Company Ltd. (MSETCL) for the sake of brevity), submitted its Petition vide an affidavit dated June 07, 2011 for approval of Aggregate Revenue Requirement for FY 2011-12, Annual Performance Review for FY 2010-11 and Truing up for FY 2009-10 in accordance with the MERC (Terms & Conditions of Tariff) Regulations, 2005. The prayers by MSETCL in the petition are as follows:-

“1. Admit this Petition.

2. Grant an expeditious hearing of this petition.

3. Allow true-up of expenses of FY 2009-10 based on the audited accounts and approve the revenue gap of Rs. 553.86 Crore, this amount has been arrived after duly sharing the efficiency gain with the transmission system users of MSETCL according to the principles of the Commission set out in tariff regulations.

4. Approve the provisional true-up of expenses for FY 2010-11 and ARR for 2011-12 to the extent claimed by MSETCL in accordance with the submissions and rationale given in this Petition.

5. The delay in filing of the petition may please be condoned, as it happened due to reasons not entirely in MSETCL's control.

6. Provide the workable excel model used by the Hon'ble Commission for approval of tariff of MSETCL.

7. Condone any shortcomings/deficiencies and allow MSETCL to submit additional information/ data at a later stage as may be required."

2. The Commission subsequent to the filing of the petition, issued a notice to MSETCL with copies marked to consumer representatives, i.e., Prayas (Energy Group), Mumbai GrahakPanchayat, The Vidharbha Industries Association and Thane Belapur Industries Association, conveying the admissibility hearing to be held for the petition on July 11, 2011 at 10.30 hours in the office of the Commission. The scheduled admissibility hearing was conducted wherein representatives of MSETCL were present. However, no consumer representatives were present in the admissibility hearing.
3. The Commission during the hearing had apprised MSETCL that it has already communicated vide Letter No. MERC/ Tariff/ 20112012/ 00951 dated July 07, 2011 that MSETCL is required to submit separate petition for final Truing up for the FY 2009-10 and Provisional Truing up for FY 2010-11 as per MERC (Terms and Conditions of Tariff) Regulations, 2005 latest by July 25, 2011. The Commission had also directed MSETCL to submit the Business Plan as per the provisions of MERC (Multi Year Tariff) Regulation, 2011.
4. The present petition seeks approval of Aggregate Revenue Requirement for FY 2011-12, Annual Performance Review for FY 2010-11 and Truing up for FY 2009-10 in accordance with the MERC (Terms & Conditions of Tariff) Regulations, 2005. Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011 specifies as follows:—

“1.3 (a) These Regulations shall be applicable for determination of tariff in all cases covered under these Regulations from April 1, 2011 and onwards up to FY 2015-16 i.e., till March 31, 2016.”

The Commission is separately taking a view on the process to be followed for the approval of Aggregate Revenue Requirement for FY 2011-12.

5. However, final Truing up for the FY 2009-10 and Provisional Truing up for FY 2010-11 can be taken up under the MERC (Terms & Conditions of Tariff) Regulations, 2005 as per the provisions of Regulation 101.2 of MERC (Multi Year Tariff) Regulations, 2011 which provides that any proceedings before the Commission pertaining to the period till FY 2010-11, including review petitions to be governed by MERC (Terms & Conditions of Tariff) Regulations, 2005. Thus, a separate petition would be required to be filed for final Truing up for the FY 2009-10 and Provisional Truing up for FY 2010-11. This is what the Commission had communicated vide Letter No. MERC/ Tariff/ 20112012/ 00951 dated July 07, 2011 requiring MSETCL to submit separate petition for final Truing up for the FY 2009-10 and Provisional Truing up for FY 2010-11 as per MERC (Terms and Conditions of Tariff) Regulations, 2005 latest by July 25, 2011.

6. The Commission again reiterates its directions that separate petition needs to be submitted by MSETCL for the Business Plan as per the provisions of MERC (Multi Year Tariff) Regulation, 2011.

With the above, Case No. 86 of 2011 stands dismissed.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V.P.Raja)
Chairman