

**MAHARASHTRA STATE POWER GENERATION COMPANY LIMITED**  
**[Plot No. G-9, Prakashgad, Bandra (E), Mumbai – 400051]**

Website: [www.mahagenco.in](http://www.mahagenco.in)

**PUBLIC NOTICE**

**Suggestions/Objections on MSPGCL's Petition for final Truing up for FY 2010-11, Annual Revenue Requirement and Tariff for FY 2011-12 & FY 2012-13 as per the MERC (Terms and Conditions of Tariff) Regulations, 2005**  
**(Case No. 6 of 2012)**

1. The **MAHARASHTRA STATE POWER GENERATION COMPANY LIMITED (MSPGCL)** has filed the Petition for final Truing up for FY 2010-11, Annual Revenue Requirement and Tariff for FY 2011-12 & FY 2012-13 before the Maharashtra Electricity Regulatory Commission (MERC) under the provisions of Electricity Act, 2003 and the MERC (Terms and Conditions of Tariff) Regulations, 2005. The Commission has admitted the Petition on March 05, 2012 and directed MSPGCL to publish a Public Notice under Section 64 (2) of the Act.

2. The salient features of the Petition are provided below:

**Table 1.1: Truing up for the existing (Old) Plants FY 2010-11 (Rs. Crore)**

<b>Particulars</b>	<b>MERC Approved (A)#</b>	<b>Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)*</b>	<b>True –up Amount (A-B)</b>
<b>Expenses Side True-up</b>			
Cost of Generation	8,170.00	7,182.65	987.35
Lease Rentals	314.81	309.27	5.54
O & M Expenses	1,143.64	1,414.46	-270.82
Depreciation including AAD	202.89	341.60	-138.71
Interest & Finance Charges on Long Term Loans	127.94	72.05	55.89
Interest on working capital	352.87	323.67	29.20
Less : Sharing of normative IOWC gain			18.55
Income tax	70.36	171.45	-101.09
Return on Equity	358.88	351.36	7.52
Misc debits	0	19.08	-19.08
Prior period expenses		24.07	-24.07
<b>Total</b>	<b>10,741.39</b>	<b>10,209.67</b>	<b>550.27</b>
<b>Revenue Side True-up</b>			
Revenue from Sale of Power (net of incentive)	11289.26	9792.15	-1,497.11
NTI	97.17	77.95	-19.22

Particulars	MERC Approved (A)#	Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)*	True –up Amount (A-B)
<b>Total Revenue Allowed</b>	<b>11386.43</b>	<b>9870.10</b>	<b>-1,516.33</b>
<b>Net True-up Amount</b>			<b>-966.06</b>
Additional True up Amount (if any- Specify)	0	1.16	-1.16
<b>True-up Amount</b>			<b>-967.22</b>

\* Does not include the ARR for vintage units post their exclusion from PPA route during the year

# Approved numbers based on the MERC order dated September 12, 2010 in Case no. 102 of 2009.

**Table 1.2: Truing up for Paras Unit - 3 and Parli Unit 6 FY 2010-11 (Rs. Crore)**

Particulars	Paras Unit 3			Parli Unit 6		
	MERC Approved (A)	Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)	True –up Amount (A-B)	MERC Approved (A)	Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)	True –up Amount (A-B)
<b>Expenses Side True-up</b>						
Cost of Generation/	291.64	269.02	22.62	289.86	331.44	-41.58
O & M Expenses	38.53	38.83	-0.30	38.53	38.825	-0.30
Depreciation including AAD	95.75	95.75	0.00	103.67	98.56	5.11
Interest & Finance Charges on Long Term Loans	83.4	83.23	0.17	81.89	79.82	2.07
Sharing of 1/3 rd loss (interest)			-2.56			-2.16
Interest on working capital	16.55	17.29	-0.74	16.37	19.22	-2.85
Income tax	11.89	-	11.89	11.67		11.67
Return on Equity	59.66	59.94	-0.28	58.54	66.18	-7.64
Misc debits	0	0	0	0	0	0
Prior period expenses	0	0	0	0	0	0
<b>Total</b>	<b>597.42</b>	<b>564.05</b>	<b>30.82</b>	<b>600.53</b>	<b>634.04</b>	<b>-35.67</b>
<b>Revenue Side True-up</b>						
Revenue from Sale of Power	798.46	643.09	-155.37	819.43	<b>665.11</b>	-154.32
Non-Tariff Income	2.41	2.41	0	1.50	3.65	2.15
<b>Total Revenue Allowed</b>	<b>800.87</b>	<b>645.50</b>	<b>-155.37</b>	<b>820.93</b>	<b>668.76</b>	<b>-152.17</b>
<b>Prior period true-up due to CA certified Cost revision</b>				0.00	39.41	-39.41
<b>Net True-up Amount</b>			<b>-124.56</b>			<b>-227.25</b>

**Table 1.3: Truing up for Paras Unit - 4 and Parli Unit 7 FY 2010-11 (Rs. Crore)**

Particulars	Paras Unit 4			Parli Unit 7		
	MERC Approved (A)	Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)	True –up Amount (A-B)	MERC Approved (A)	Actual as per Audited Accounts/ Tariff Norms for FY 2010-11 (B)	True –up Amount (A-B)
<b>Expenses Side True-up</b>						
Cost of Generation/	142.85	166.55	-23.70	153.35	199.50	-46.15
O & M Expenses	22.47	22.65	-0.18	25.68	25.88	-0.20
Depreciation including AAD	27.33	27.39	-0.06	30.4	30.41	-0.01
Interest & Finance Charges on Long Term Loans	62.79	58.74	4.05	61.98	58.76	3.22
Sharing of 1/3 rd loss (interest)			-3.80			-3.48
Interest on working capital	9.14	9.61	-0.47	9.87	11.18	-1.31
Income tax	4.75		4.75	6.79		6.79
Return on Equity	23.82	23.82	0.00	34.08	34.08	0.00
Misc debits	0	0	0	0	0	0
Prior period expenses (specify)	0	0	0	0	0	0
<b>Total</b>	<b>293.15</b>	<b>308.76</b>	<b>-19.41</b>	<b>322.15</b>	<b>359.81</b>	<b>-41.14</b>
<b>Revenue Side True-up</b>						
Revenue from Sale of Power	293.15	286.24	-6.91	322.15	312.37	-9.78
Non Tariff Income	0	2.41	2.41	0	0.53	0.53
<b>Total Revenue Allowed</b>	<b>293.15</b>	<b>288.65</b>	<b>-4.50</b>	<b>322.15</b>	<b>312.90</b>	<b>-9.25</b>
<b>Net True-up Amount</b>			<b>-23.91</b>			<b>-50.39</b>

**Table 2.1: Aggregate Revenue Requirement for MSPGCL's existing (Old) Stations  
(Rs. Crore)**

Particulars	FY 2011-12	FY 2012-13
	Estimates	Projections
Fuel Related Expenses/Lease Rentals	8595.13	9658.79
Other Fuel Related Expenses	217.70	226.40
Operation & Maintenance Expenses	1453.75	1573.22
Depreciation, including advance against depreciation	289.16	317.32
Interest on Long-term Loan Capital including Finance Charges	101.30	184.97
Interest on Working Capital	415.15	462.31
Prior period expenses	0	0
Income Tax	69.24	69.12
Other Expenses (Specify)	35.47	0.00
<b>Total Revenue Expenditure</b>	<b>11176.90</b>	<b>12492.13</b>
Return on Equity Capital	346.05	345.41
Less Other Income	115.84	120.11
<b>Aggregate Revenue Requirement</b>	<b>11407.11</b>	<b>12717.44</b>

**Table 2.2: Aggregate Revenue Requirement of MSPGCL for Paras Unit 3, Parli Unit 6, Paras Unit 4 & Parli Unit 7 (Rs. Crore)**

Particulars	Paras Unit 3		Parli Unit 6		Paras Unit 4		Parli Unit 7	
	FY 2011-12	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12	FY 2012-13
	Estimates	Projections	Estimates	Projections	Estimates	Projections	Estimates	Projections
Fuel Related Expenses/Lease Rentals	252.98	272.37	280.17	321.69	269.80	270.38	269.12	329.41
Other Fuel Related Expenses	8.94	9.30	27.26	28.35	9.54	9.92	14.54	15.12
Operation & Maintenance Expenses	41.93	45.29	41.93	45.29	41.93	45.29	41.93	45.29
Depreciation, including advance against depreciation	101.78	101.78	98.56	98.56	77.39	77.39	67.34	67.34
Interest on Long-term Loan Capital	71.75	60.62	72.58	71.51	139.77	131.08	100.30	92.64
Interest on Working Capital	19.69	20.28	21.38	23.10	20.69	21.00	19.79	22.08
Misc debits	0	0	0	0	0	0	0	0
Income Tax	12.04	12.04	13.82	13.82	8.17	8.17	10.23	10.23
Prior period expenses	0	0	0	0	0	0	0	0
<b>Total Revenue Expenditure</b>	509.12	521.68	555.71	602.34	567.29	563.24	523.26	582.13
Return on Equity Capital	60.16	60.16	69.07	69.07	40.83	40.83	51.12	51.12
Less Other Income	2.51	2.61	3.79	3.94	2.39	2.48	0.88	0.92
<b>Aggregate Revenue Requirement</b>	566.78	579.23	620.98	667.46	605.74	601.59	573.50	632.33
<b>Increase in ARR due to revised CA certified cost in case of Parli 6</b>			7.81	7.41				
<b>Total ARR</b>	566.78	579.23	628.79	674.87	605.74	601.59	573.50	632.33

**Table 3.1: Trajectory of Operational Parameters (Availability and PLF)**

Sl. No.	Station	Availability (%)			PLF (%)		
		FY 2010-11	FY 2011-12	FY 2012-13	FY 2010-11	FY 2011-12	FY 2012-13
		Audited	Estimates	Projections	Audited	Estimates	Projections
1	Bhusawal	68.07	63.72	72.00	67.81	63.72	72.00
2	Chandrapur	54.88	66.57	75.00	54.63	66.57	75.00
3	Khaperkheda	79.18	80.04	74.00	78.97	80.04	74.00
4	Koradi	58.68	66.27	72.04	58.51	66.27	72.04
5	Nasik	69.96	70.13	75.00	69.75	70.13	75.00
6	Paras	41.08	NA	NA	41.08	NA	NA
7	Parli	63.14	51.33	72.00	62.73	51.32	72.00
8	Uran	74.15	80.95	81.54	74.15	80.95	81.54
9	Paras Unit 3	70.92	62.93	78.00	70.92	62.93	78.00
10	Parli Unit 6	75.81	57.81	78.00	75.81	57.81	78.00
11	Paras Unit 4	66.44	66.80	78.00	66.44	66.80	78.00
12	Parli Unit 7	64.70	52.21	78.00	64.70	52.21	78.00
13	Hydro	NA	NA	NA	NA	NA	NA

**Table 3.2: Trajectory of Operational Parameters (Station Heat Rate and Auxiliary Consumption)**

Sl. No	Station	Station Heat Rate (kCal/kWh)			Auxiliary Consumption		
		FY 2010-11	FY 2011-12	FY 2012-13	FY 2010-11	FY 2011-12	FY 2012-13
		Audited	Estimates	Projections	Audited	Estimates	Projections
1	Bhusawal	2836.28	2814.48	2850.00	11.30%	11.06%	10.80%
2	Chandrapur	2763.59	2659.26	2715.11	10.03%	9.67%	9.25%
3	Khaperkheda	2658.00	2608.52	2690.00	9.76%	9.80%	9.85%
4	Koradi	3,217.00	2,842.90	2,868.00	12.10%	12.21%	11.47%
5	Nasik	2914.00	2862.00	2850.00	10.56%	11.01%	11.80%
6	Paras	4135.00	NA	NA	14.82%	NA	NA
7	Parli	3062.60	2988.57	3014.00	11.70%	12.36%	11.32%
8	Uran	1991.47	2043.88	2029.44	1.91%	2.15%	2.40%
9	Paras Unit 3	2633.00	2567.19	2529.98	10.50%	10.30%	9.00%
10	Parli Unit 6	2556.90	2630.46	2557.43	10.82%	11.43%	9.50%
11	Paras Unit 4	2703.59	2555.29	2509.69	10.76%	10.7%	9.00%
12	Parli Unit 7	2582.11	2657.87	2557.43	10.85%	11.25%	9.50%
13	Hydro	NA	NA	NA	0.64%	0.55%	0.64%

**Table 3.3: Trajectory of Operational Parameters (Secondary Fuel Consumption and Transit Loss)**

Sl. No	Station	Secondary Fuel Consumption (ml/kWh)			Transit Loss		
		FY 2010-11	FY 2011-12	FY 2012-13	FY 2010-11	FY 2011-12	FY 2012-13
		Audited	Estimates	Projections	Audited	Estimates	Projections
1	Bhusawal	8.80	4.62	3.00	0.98%	1.33%	0.80%
2	Chandrapur	4.53	2.08	2.00	0.05%	0.24%	0.80%
3	Khaperkheda	1.61	2.78	2.00	0.40%	0.59%	0.80%
4	Koradi	8.78	5.69	4.46	3.93%	4.29%	0.80%
5	Nasik	9.05	5.92	3.53	1.53%	1.68%	0.80%
6	Paras	5.01	NA	NA	0.00%	NA	NA
7	Parli	8.25	11.10	2.00	-0.94%	0.65%	0.80%
8	Paras Unit 3	5.45	6.36	2.00	1.51%	0.87%	0.80%
9	Parli Unit 6	3.93	8.09	4.25	-1.06%	0.65%	0.80%
10	Paras Unit 4	6.16	6.87	2.00	0.74%	0.91%	0.80%
11	Parli Unit 7	10.81	10.19	4.24	-1.06%	0.65%	0.80%

**Table 4: Net Generation (MU)**

Sl. No	Station	Net Generation (MU)			
		FY 2010-11		FY 2011-12	FY 2012-13
		Audited	Approved	Estimates	Projections
1	Bhusawal	2157.18	2946	2090.77	2362.93
2	Chandrapur	9745.40	14898	12359.69	13951.72



Sl. No	Station	Net Generation (MU)			
		FY 2010-11		FY 2011-12	FY 2012-13
		Audited	Approved	Estimates	Projections
3	Khaperkheda	5157.72	5459	5326.93	4908.86
4	Koradi	3,109.73	6016	3,036.67	3,463.86
5	Nasik	4498.12	5394	3793.43	3650.69
6	Paras	47.56	337	NA	NA
7	Parli	2975.72	4172	2489.01	3523.73
8	Uran	5335.76	5745	4675.54	4684.83
9	Paras Unit 3	1308.79	1594.32	1239.56	1554.46
10	Parli Unit 6	1445.29	1594.32	1124.29	1545.92
11	Paras Unit 4	761.32	771.59	1310.51	1554.46
12	Parli Unit 7	778.03	815.1	1017.63	1550.16
13	Hydro	4604.76	3934	5224.58	3834.91

**Table 5: Station-wise/Unit wise Fixed and Variable Cost of Generation**

Sl. No	Station	FY 2010-11						FY 2011-12			FY 2012-13		
		Approved by MERC*			Audited			Estimates			Projections		
		FC	VC	Total	FC	VC	Total	FC	VC	Total	FC	VC	Total
		Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh
1	Bhusawal	0.49	2.22	2.71	0.91	2.75	3.66	1.04	3.32	4.36	1.1	3.45	4.55

Sl. No	Station	FY 2010-11						FY 2011-12			FY 2012-13		
		Approved by MERC*			Audited			Estimates			Projections		
		FC	VC	Total	FC	VC	Total	FC	VC	Total	FC	VC	Total
		Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh	Rs/kWh	Rs./kWh	Rs./kWh
2	Chandrapur	0.36	1.61	1.97	0.77	1.87	2.64	0.65	2.07	2.72	0.64	2.11	2.75
3	Khaperkheda	0.65	1.82	2.47	0.92	1.87	2.79	0.88	2.28	3.16	0.99	2.50	3.49
4	Koradi	0.51	1.67	2.18	1.01	2.26	3.27	0.95	2.86	3.81	0.89	3.11	4.00
5	Nasik	0.51	2.32	2.83	0.77	2.93	3.70	0.71	3.72	4.43	0.8	4.06	4.86
6	Paras	0.88	1.92	2.80	4.37	3.63	8.00	-	-	-	-	-	-
7	Parli	0.44	2.00	2.44	0.76	2.81	3.57	0.98	3.05	4.03	0.76	2.89	3.65
8	Uran	0.27	1.68	1.96	0.33	1.75	2.08	0.36	2.10	2.46	0.36	2.12	2.48
9	Paras Unit 3	1.90	1.83	3.73	2.23	2.06	4.29	2.46	2.11	4.57	1.92	1.81	3.73
10	Parli Unit 6	1.94	1.82	3.76	2.07	2.29	4.36	2.86	2.73	5.59	2.11	2.26	4.37
11	Paras Unit 4	1.95	1.85	3.80	1.83	2.19	4.02	2.49	2.13	4.62	2.07	1.80	3.87
12	Parli Unit 7	2.07	1.88	3.95	2.06	2.56	4.62	2.85	2.79	5.64	1.86	2.22	4.08
13	Hydro	0.98	0.00	0.98	0.96	0	0.96	1.08	-	1.08	1.24	-	1.24

*\*Does not include the Accrued true up amount in Case 1, 72, 74, 75 of 2011*

*Legend: FC – Fixed Cost, VC – Variable Cost of Generation at Bus Bar, T- Total Cost of Generation*

3. Copies of the following documents can be obtained from the Offices of MSPGCL mentioned below, on written request:
  - a) Executive Summary of the proposals (free of cost, in Marathi or English).
  - b) Detailed Petition documents along with CD (in English) (on payment of Rs 150/- in cash or by DD/ Cheque drawn on MAHARASHTRA STATE POWER GENERATION COMPANY LIMITED payable at Mumbai).
  - c) Detailed Petition documents (in English) (on payment of Rs. 100/-).
  - d) CD of detailed Petition document (in English) (on payment of Rs. 50/-).

**Head Office:**

Chief Engineer, Regulatory & Commercial Deptt.,  
 Maharashtra State Power Generation Co. Ltd.  
 3<sup>rd</sup> Floor, Prakashgad, Prof. A. K. Marg,  
 Bandra (E), Mumbai - 400051

Other Offices of:

1. The Chief Engineer, GTPS Uran, Dist. Raigad – 400702. STD Code: (022) Phone:27222285, Fax: 27222235/27221157	2. The Chief Engineer, CSTPS, Urja Bhavan, PO. Durgapur, Dist. Chandrapur-442404. STD Code-07172, Phone: 220155, Fax: 220203	3. The Chief Engineer, Koradi TPS, Urja Bhavan, Adm. Bldg., Koradi (Nagpur)-441111, STD Code-07109, Phone-262141, Fax – 262127
4. The Chief Engineer, Khaperkheda TPS, Post-Khaperkheda, Dist. Nagpur STD Code-07113, Phone-268168, Fax-268123	5. The Chief Engineer, Parli TPS, Parli Vaijanath Dist. Beed- 431520 STD Code-02446, Phone-222356, Fax-222492	6. The Chief Engineer, Bhusawal TPS Post Deepnagar, Bhusawal, Dist. Jalgaon – 425307, STD Code-02582, Phone-250012, Fax-250308
7. The Chief Engineer, Nasik TPS Adm Bldg, PO Eklahare, Nashik-422105, STD Code – 0253, Phone-2810076, Fax-2810072	8. The Chief Engineer, TPS, Paras, Dist. Akola-444109, STD Code-07257, Phone-224848, Fax-224846	9. The Supdtg. Engineer, Small Hydro Power Circle, 925 Kasba Peth, Administrative Building, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Pune-411011. STD Code-020, Phone-24467610, Fax-24460359
10. The Dy. Chief Engineer, (TIC), Vidyut Bhavan, Katol Road, Nagpur – 440013, STD Code-0712, Phone – 2591151, Fax-2591717.		

4. The Commission has directed MSPGCL to invite suggestions and objections from the public on the above Petition through this Notice. Suggestions and objections may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13<sup>th</sup> Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai – 400 005 [Fax : 22163976 : E-mail -

[mercindia@mercindia.org.in](mailto:mercindia@mercindia.org.in)] by April 03, 2012, along with proof of service on MSPGCL.

5. Every person who intends to file objections can submit the same in English or in Marathi, in six copies, and should carry the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the objections are being filed on behalf of any organization or category of consumers. It should also be mentioned if the sender wants to be heard in person, in which case opportunity would be given by the Commission at the Public Hearing to be held **at VISTA HALL, 30<sup>TH</sup> FLOOR CENTRE ONE, WTC, CUFFE PARADE, MUMBAI 400005 on April 12, 2012 at 11:00 am**, for which no separate notice will be given.
6. MSPGCL shall reply to each of the suggestions and objections received within three days of the receipt of the same but not later than **April 09, 2012** for all the suggestions and objections received till **April 03, 2012**. Stakeholders can submit their rejoinders on replies provided by MSPGCL either during the public hearing or latest by **April 16, 2012**.
7. The detailed Petition document and the executive summary are available on MSPGCL's website [www.mahagenco.in](http://www.mahagenco.in) and the executive summary is also available on the website of the Commission [<http://www.mercindia.org.in>] in downloadable format (free of cost).

Signature

Name: ( S. S. Jadhao)

Designation: Chief Engineer (RCD)  
MSPGCL