

**THE TATA POWER COMPANY LIMITED**  
Bombay House, 24, Homi Mody Street, Mumbai 400 001  
Website: [www.tatapower.com](http://www.tatapower.com)

**PUBLIC NOTICE**

**Suggestions and objections on TPC-Generation Business' (TPC-G) Petition for approval of (i) ARR for FY 2011-12 as per MERC (Terms and Conditions of Tariff) Regulations, 2005 and (ii) MYT Petition for the Second Control Period (FY 2012-13 to FY 2015-16) as per MERC (Multi Year Tariff) Regulations, 2011  
(Case No. 177 of 2011)**

1. THE TATA POWER COMPANY LIMITED's Generation Business (TPC-G) has filed the Petition for approval of (i) ARR for FY 2011-12 as per MERC (Terms and Conditions of Tariff) Regulations, 2005 and (ii) MYT Petition for the Second Control Period (FY 2012-13 to FY 2015-16) as per MERC (Multi Year Tariff) Regulations, 2011 before the Maharashtra Electricity Regulatory Commission (MERC). The Commission has admitted the Petition on **18 January, 2013** and directed TPC-G to publish a Public Notice under Section 64(2) of the Act.
2. The Commission has passed an Order on 9 August, 2012 approving the MYT Business Plan for TPC-G for the second Control Period from FY 2012-13 to FY 2015-16. In the said Order, the Commission directed TPC-G to file MYT Petition for the Second Control Period from FY 2012-13 to FY 2015-16 as per the MERC (Multi Year Tariff) Regulations, 2011. As regards the ARR for FY 2011- 12, the Commission directed TPC-G to file the same as per MERC (Terms and Conditions of Tariff) Regulations, 2005. In compliance with these directions, TPC-G has filed the present Petition before the Commission.

3. The Salient features of the Petition are provided below:

**ARR for FY 2011-12**

**Table 1(a): Aggregate Revenue Requirement of TPC-G (Unit 4 to 7 & Hydro) as per MERC Tariff Regulations, 2005 (Rs. crore)**

S No.	Particulars	FY 2010-11	FY 2011-12
		Approved in Order dated 15 February, 2012	Actual/Normative
1	Fuel Related Expenses	2342.91	3377.62
2	Operation and maintenance Expenses	356.85	407.71
2.1	Employee Expenses	141.84	166.82
2.2	Administration and General Expenses	91.8	85.48
2.3	Repair and Maintenance Expenses	123.21	155.41
3	Depreciation, including advance against depreciation	67.74	75.15
4	Interest on Long-term Loan Capital	49.62	70.13
5	Other Interest and Finance Charges, including Working Capital Interest	61.47	116.74
6	Income Tax	57.81	74.95
7	Allocation of Load Control Centre (LCC) Cost	1.55	2.37
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>2937.95</b>	<b>4124.66</b>
9	Add: Return on Equity capital	175.08	184.41
10	Less: Other Income	34.92	15.06
<b>11</b>	<b>Aggregate Revenue Requirement</b>	<b>3078.11</b>	<b>4294.01</b>

**Table 1(b): Aggregate Revenue Requirement of TPC-G (Unit 8) as per MERC Tariff Regulations, 2005 (Rs. crore)**

S No.	Particulars	FY 2010-11 (150 MW)	FY 2011-12 (H1, 150 MW)	FY 2011-12 (H2, 250 MW)	FY 2011-12 (200 MW)
		Approved in Order dated 15 February, 2012	Actual/Normative	Actual/Normative	Actual/Normative
1	Fuel Related Expenses	282.39	135.35	323.09	458.43
2	Operation and maintenance Expenses	7.3			36.63
2.1	Employee Expenses				
2.2	Administration and General Expenses				
2.3	Repair and Maintenance Expenses				
3	Depreciation, including advance against depreciation	23.58			32.17
4	Interest on Long-term Loan Capital	44.2			60.02
5	Other Interest and Finance Charges, including Working Capital Interest				13.37
6	Income Tax	10.46			20.27
7	Allocation of Load Control Centre (LCC) Cost				
	...				
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>367.93</b>			<b>620.89</b>
9	Add: Return on Equity capital	26.41			35.50
10	Add: Shared Capacity Allocation from Unit 4 to 7				10.00
11	Less: Other Income	3.07			1.04
<b>12</b>	<b>Aggregate Revenue Requirement</b>	<b>391.27</b>			<b>665.35</b>

**Note: Unit 8 ARR is for 200 MW**

**Table 2(a): Truing up for FY 2011-12 as per MERC Tariff Regulations, 2005 (Unit 4 to 7 & Hydro)**

Sr. No.	Particulars	Approved	Entitlement as per the Regulations	Efficiency Gains / (Loss) from Controllable factors shared with Consumers	Net Entitlement (Including Transfer to Reserves) after Impact of Gains / (Loss) from Controllable factors
<b>I</b>	<b>Revenue</b>				<b>4,194.54</b>
	- Power Supply				4,179.48
	- Non-Tariff Income		15.06		15.06
<b>II</b>	<b>Expenditure</b>				
1	Fuel Related Expenses		3,444.02	22.13	3,421.88
2	Aux. Benefit		28.13	9.38	18.75
3	Operation & Maintenance Expenses		402.46	0.40	402.06
4	Depreciation		75.15		75.15
5	Interest on Long-term Loan Capital		70.13		70.13
6	Other Charges		0.03		0.03
7	Interest on Working Capital		116.71		116.71
8	Add Colony Consumption of Hydro		2.66		2.66
9	Income tax		74.95		74.95
10	Return on Equity		184.41		184.41
11					
<b>12</b>	<b>Total Expenditure</b>		<b>4,398.66</b>	<b>31.91</b>	<b>4,366.75</b>
13	Incentive (PLF, Hydro Cap. Index, Hydro Peak Gen.)		30.42		30.42
<b>14</b>	<b>Total Incl. Incentive</b>		<b>4,429.08</b>		<b>4,397.17</b>
<b>III</b>	<b>(Gap)/Surplus</b>				<b>(202.63)</b>
<b>IV</b>	<b>Less Unallocated fixed cost portion of Unit 4</b>				<b>2.63</b>
<b>V</b>	<b>Less Allocation from Unit 8 for Shared Capacity</b>				<b>12.50</b>
<b>V</b>	<b>Net (Gap)/Surplus</b>				<b>(187.50)</b>

**Table 2(b): Truing up for FY 2011-12 as per MERC Tariff Regulations, 2005 (Unit 8)**

Sr. No.	Particulars	Approved	Entitlement as per the Regulations	Efficiency Gains / (Loss) from Controllable factors shared with Consumers	Net Entitlement (Including Transfer to Reserves) after Impact of Gains / (Loss) from Controllable factors
<b>I</b>	<b>Revenue</b>				<b>697.85</b>
	- Power Supply				696.82
	- Non-Tariff Income		1.04		1.04
<b>II</b>	<b>Expenditure</b>				
1	Fuel Related Expenses		486.92	9.50	477.42
2	Aux. Benefit		11.34	3.78	7.56
3	Operation & Maintenance Expenses		29.92	-2.24	32.16
4	Depreciation		32.17		32.17
4	Interest on Long-term Loan Capital		60.02		60.02
5	Interest on Working Capital		13.36		13.36
6	Other Finance Charges		0.01		0.01
7	Income tax		20.27		20.27
8	Return on Equity		35.50		35.50
<b>9</b>	<b>Total Expenditure</b>		<b>689.51</b>	<b>11.04</b>	<b>678.47</b>
11	PLF Incentive		1.95		1.95
<b>12</b>	<b>Total Incl. Incentive</b>		<b>691.46</b>		<b>680.42</b>
<b>III</b>	<b>(Gap)/Surplus</b>				<b>17.44</b>
<b>IV</b>	<b>Add: Expenditure towards shared capacity of Unit 4 to 7</b>				<b>10.00</b>
<b>V</b>	<b>(Net Gap)/Surplus</b>				<b>7.44</b>

**Table 3(a): Operational Parameters (Availability and PLF)**

S No.	Station	Availability/Capacity Index (%)		PLF (%)	
		FY 2010-11	FY 2011-12	FY 2010-11	FY 2011-12
		Actual	Actual	Actual	Actual
<b>A</b>	<b>Hydro Stations</b>				
	Khopoli	98.68%	98.20%		
	Bhivpuri	95.22%	97.92%		
	Bhira	98.05%	99.60%		
<b>B</b>	<b>Thermal</b>				
	Trombay Unit 4	97.74%	100.00%	9.17%	0.12%
	Trombay Unit 5	92.03%	88.22%	83.63%	80.66%
	Trombay Unit 6	92.03%	97.88%	51.79%	54.64%
	Trombay Unit 7	96.47%	97.86%	99.49%	99.16%
	Trombay Unit 8 (200 MW)	93.89%	85.07%	95.56%	84.90%

**Table 3(b): Operational Parameters (Station Heat Rate and Aux. Cons.)**

S No.	Station	Station Heat Rate (kcal/kWh)		Auxiliary Consumption (%)	
		FY 2010-11	FY 2011-12	FY 2010-11	FY 2011-12
		Actual	Actual	Actual	Actual
<b>A</b>	<b>Hydro Stations</b>				
	Khopoli			0.55%	3.34%
	Bhivpuri			0.86%	3.54%
	Bhira			0.48%	2.85%
<b>B</b>	<b>Thermal</b>				
	Trombay Unit 4	2762.75	4743.96	12.13%	363.47%
	Trombay Unit 5	2613.46	2473.10	4.63%	5.41%
	Trombay Unit 6	2559.25	2502.63	4.05%	4.52%
	Trombay Unit 7	1972.85	1959.95	2.14%	1.98%
	Trombay Unit 8 (200 MW)	2385.60	2314.26	6.71%	6.42%

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

Station	FY 2010-11	FY 2011-12
	Actual	Actual
Hydro	1303.19	1485.33
Thermal (U4 to U7)	7310.93	7175.35
Thermal (U8-250 MW)	1171.35	1395.86

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

Station	FY 2010-11				FY 2011-12			
	Approved in Case No. 96 of 2009				Actual			
	FC		VC	Total	FC		VC	Total
	Rs Cr.	Rs/kWh	Rs/kWh	Rs/kWh	Rs Cr.	Rs/kWh	Rs/kWh	Rs/kWh
<b>Hydro Station</b>								
Khopoli	67.78	1.35		1.35	84.62	3.15		
Bhivpuri	50.74	0.97		0.97	63.64	2.68		
Bhira	72.84	0.35		0.35	96.36	0.98		
<b>Thermal</b>								
Trombay Unit 4 (Fuel Oil)	12.59	0.13	8.01	8.14	9.34	-22.53	14.21	-8.32
Trombay Unit 4 (Gas)			2.44	2.57				
Trombay Unit 4 (RLNG)			4.14	4.27			7.56	7.56
Trombay Unit 5 (Fuel Oil)	240.19	0.73	7.49	8.21	313.76	0.94	11.30	12.24
Trombay Unit 5 (Gas)			2.28	3.01			2.19	3.13
Trombay Unit 5 (Coal)			2.22	2.94			3.43	4.37
Trombay Unit 5 (RLNG)			3.87	4.60			6.44	7.38
Trombay Unit 6 (Gas)	206.79	0.61	2.18	2.79	225.15	0.98	2.12	3.10
Trombay Unit 6 (Fuel Oil)			7.16	7.77			11.19	12.17
Trombay Unit 6 (RLNG)			3.70	4.31			5.24	6.22
Trombay Unit 7 (Gas)	106.79	0.87	1.69	2.57	153.27	1.00	1.82	2.81
Trombay Unit 7 (RLNG)			2.88	3.75			4.36	5.36
Trombay Unit 8 (Coal)	138.8	1.44	2.27	3.71	198.86	1.42	3.68	5.11
Trombay Unit 8 (Secondary Fuel Oil)								
<b>Total – Trombay</b>	<b>705.16</b>	<b>0.72</b>	<b>3.37</b>	<b>4.09</b>	<b>900.38</b>	<b>1.05</b>	<b>4.17</b>	<b>5.22</b>

**Note: Fixed cost presented is as per Case No 96 of 2009**

**Table 6: Summary of Amounts recoverable from each Distribution Utility (Rs Crore) on account of ATE Judgments and other past recoveries.**

Sr. No.	Particulars		BEST	Rinfra	TPC-D	Total
			Rs Cr	Rs Cr	Rs Cr	Rs Cr
1	Amount due to the impact of Hon'ble ATE Judgment		63.68	50.37	37.04	151.09
2	Recovery for FY 2008-09 pertaining to the additional capitalization permitted in Order in Case No. 71 of 2010		0.05	0.03	0.03	0.11
3	Recovery for FY 2008-09 pertaining reinstatement of amount de-capitalised in FY 2008-09		1.50	0.94	0.89	3.33
4	Gap/Surplus of FY 2009-10 and FY 2010-11 and impact of De-capitalisation (Replacement Scheme)		55.00	33.17	35.69	123.86
<b>5 = 1+2+3+4 Net Past recoverable amount ( As approved by the Ho'ble Commission dated 15th February 2012)</b>			<b>120.23</b>	<b>84.51</b>	<b>73.65</b>	<b>278.39</b>
6	Carrying Cost for FY 2011-12	14.39%	17.31	12.16	10.60	40.07
7	Carrying Cost for FY 2012-13	14.73%	17.72	12.45	10.85	41.02
8	Recovery pertaining to FY 2011-12 Unit 4 to 7 plus Hydro		110.09	0.00	105.07	215.16
9	Recovery pertaining to FY 2011-12 Unit 8		-4.15	0.0	-4.39	-8.53
10	Carrying Cost for FY 2012-13	14.73%	15.61		14.84	30.45
<b>10 = Total</b>			<b>276.80</b>	<b>109.13</b>	<b>210.62</b>	<b>596.56</b>
<b>5+6+7+8+9</b>						
11	Impact of ATE judgement 31st August 2012		118.24	78.97	70.23	267.45
<b>12 Total Recovery till date</b>			<b>395.04</b>	<b>188.10</b>	<b>280.85</b>	<b>864.01</b>

**Multi Year Tariff for second Control Period from FY 2012-13 to FY 2015-16**

**Table 7: Fuel Price Projection**

Particulars	FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16	
	Rs. / Tonne	Rs./Mkcal	Rs. / Tonne	Rs./Mkcal	Rs. / Tonne	Rs./Mkcal	Rs. / Tonne	Rs./Mkcal
APM Gas	15526.414	1183.4085	15526.414	1183.4085	15526.414	1183.4085	15526.414	1183.4085
RLNG	38135.333	2923.1995	46774.544	3585.4237	46774.544	3585.4237	46774.544	3585.4237
Oil	50748.135	4842.7467	52962.02	5054.0112	52962.02	5054.0112	52962.02	5054.0112
Coal	7828.6358	1561.2699	7521.7721	1500.0718	7521.7721	1500.0718	7521.7721	1500.0718

**Table 8: Projections for Gross Generation and Net Generation**

Unit/Station	Gross Generation (MU)				Net Generation (MU)			
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Bhira	912.75	812.08	912.75	912.75	896.50	797.63	896.50	896.50
Bhivpuri	228.19	203.02	228.19	228.19	224.13	199.41	224.13	224.13
Khopoli	219.06	194.90	219.06	219.06	215.16	191.43	215.16	215.16
Unit 4	60.00	84.00	216.00	62.40	48.60	71.28	193.92	51.41
Unit 5	4124.47	3724.25	4155.87	3881.76	3889.38	3507.31	3918.99	3652.84
Unit 6	1873.14	2456.66	2137.32	3313.72	1773.29	2328.40	2026.18	3109.77
Unit 7	1527.01	1360.19	1527.01	1527.01	1487.30	1322.81	1487.29	1487.27
Unit 8	1710.40	1927.36	1850.00	1926.00	1565.02	1763.53	1692.75	1762.29

**Table 9: Projections of Aggregate Revenue Requirement of TPC- G (Unit 4 to 7 and Hydro)**

(Rs. crore)

S. No.	Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
1	Fuel Related Expenses	4002.63	4426.65	4501.39	3321.25
2	Operation and maintenance Expenses	441.94	467.22	493.94	522.19
3	Depreciation, including advance against depreciation	96.33	114.58	146.14	162.26
4	Interest on Long-term Loan Capital	76.93	94.23	134.98	155.35
5	Other Interest and Finance Charges, including Working Capital Interest	156.73	167.70	174.80	110.58
6	Income Tax	74.95	74.95	74.95	74.95
7	Allocation of Load Control Centre (LCC) Cost				
	...				
<b>8</b>	<b>Total Revenue Expenditure</b>	<b>4849.51</b>	<b>5345.34</b>	<b>5526.22</b>	<b>4346.58</b>
9	Add: Return on Equity capital	210.98	222.54	246.73	288.72
10	Less: Other Income	-13.94	-15.60	-16.00	-16.73
11	Less: Unit 4 Fixed Charges	-3.73	-4.31	-7.50	-4.01
12	Less Share of Unit 8 from Shared Service	-12.50	-12.50	-12.50	-12.50
	...				
<b>13</b>	<b>Aggregate Revenue Requirement</b>	<b>5030.33</b>	<b>5535.46</b>	<b>5736.94</b>	<b>4602.06</b>

**Table 10: Projections of Aggregate Revenue Requirement of TPC- G (Unit 8) (Rs Crores)**

S. No.	Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
1	Fuel Related Expenses	657.40	706.68	683.66	706.07
2	Operation and maintenance Expenses	39.15	41.38	43.75	46.25
3	Depreciation, including advance against depreciation	57.96	59.98	62.15	62.59
4	Interest on Long-term Loan Capital	72.16	70.31	67.12	61.60
5	Other Interest and Finance Charges, including Working Capital Interest	20.49	20.02	20.18	20.24
6	Income Tax	20.27	20.27	20.27	20.27
7	Allocation of Load Control Centre (LCC) Cost				
8	Add: Cost of Shared Services	12.50	12.50	12.50	12.50
<b>9</b>	<b>Total Revenue Expenditure</b>	<b>879.94</b>	<b>931.14</b>	<b>909.63</b>	<b>929.53</b>
10	Add: Return on Equity capital	49.93	52.13	54.80	56.22
11	Less: Other Income	-2.13	-2.23	-2.22	-2.26
	...				
<b>12</b>	<b>Aggregate Revenue Requirement</b>	<b>927.74</b>	<b>981.04</b>	<b>962.21</b>	<b>983.48</b>



**Table 11: Per Unit (kWh) Fixed and Variable Cost**

Unit/Station	FY 2012-13				FY 2013-14				FY 2014-15				FY 2015-16						
	FC		EC/ECR		T		FC		EC/ECR		T		FC		EC/ECR		T		
	Rs. crore	Rs./ kWh	Rs./ kWh	Rs./ kWh	Rs. crore	Rs./ kWh	Rs./ kWh	Rs./ kWh	Rs. crore	Rs./ kWh	Rs./ kWh	Rs./ kWh	Rs. crore	Rs./ kWh	Rs./ kWh	Rs./ kWh	Rs. crore	Rs./ kWh	Rs./ kWh
Unit 4	13.24	2.73	13.56	16.28	15.31	2.15	14.18	16.33	26.64	1.37	14.21	15.58	14.25	2.77	14.23	17.01			
Unit 5	383.04	0.98	4.33	5.32	357.84	1.02	4.16	5.18	381.69	0.97	4.15	5.13	402.37	1.10	4.17	5.27			
Unit 6	243.65	1.37	10.15	11.52	332.59	1.43	10.76	12.19	424.07	2.09	10.76	12.86	360.78	1.16	4.37	5.53			
Unit 7	153.24	1.03	3.00	4.03	153.78	1.16	2.81	3.97	158.39	1.06	2.81	3.87	164.30	1.10	2.80	3.91			
Bhira	120.45	0.67	0.83	1.50	123.05	1.54	1.02	2.56	108.58	1.21	0.72	1.93	109.66	1.22	0.74	1.96			
Bhivpuri	54.97	1.23	1.45	2.68	55.37	2.78	1.47	4.24	56.18	2.51	1.48	3.99	56.93	2.54	1.52	4.06			
Khopoli	75.33	1.75	2.20	3.95	76.93	4.02	2.37	6.39	78.44	3.65	3.41	7.05	167.20	7.77	3.93	11.70			
Unit 8	257.83	1.65	4.22	5.87	261.86	1.48	4.06	5.55	266.05	1.57	4.06	5.63	264.91	1.50	4.06	5.57			

FC-Fixed Cost

EC-Energy Cost for Unit 4 to Unit 8; Energy Charge Rate for Hydro Stations

T-Total

4. Copies of the following documents can be obtained on written request from the offices of The Tata Power Company mentioned below:
  - a. Executive Summary of the Petition (free of cost, in Marathi or English)
  - b. Detailed Petition documents along with CD (in English) (on payment of Rs. 150/- by Cash/DD/ Cheque drawn on “**The Tata Power Company Limited**”)
  - c. Detailed Petition documents (in English) (on payment of Rs. 100/-).
  - d. CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Offices:

Office	Address	Telephone No.
Registered Office	Mr Uday Bhide, The Tata Power Company Ltd, Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001	6717 1032
Carnac	Mr S K Raphael, The Tata Power Company Limited, Corporate Office, Accounts Department, 'B' Block, 5 <sup>th</sup> Floor, 34 Sant Tukaram Road Carnac Bunder, Mumbai 400 009	6717 1608
Mahalaxmi	Mr S A Naik, The Tata Power Company Ltd., Distribution Division, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.	6717 2214
Dharavi	Mr R M Ranade, The Tata Power Company Ltd., Dharavi Receiving Station, Near Shalimar Indl. Estate, Matunga (East), Mumbai 400 019.	6717 2634
Borivali (E)	Mr. K Navinkumar, The Tata Power Company Ltd., Tata Power House Road, Borivli (East), Mumbai 400 066	6717 3512

5. The Commission has directed TPC-G 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-400005 [Fax: 22163976 E-Mail: [mercindia@mercindia.org.in](mailto:mercindia@mercindia.org.in)] by **Monday 11 February, 2013** along with proof of service on the Shri.V.H Wagle Head Regulations The Tata Power Company Limited.
6. Every person who intends to file suggestions and 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 suggestions and 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 Rangsharda Natya Mandir, Bandra Reclamation, Bandra (W), Mumbai- 400050 on Monday, 18 February, 2013 at 10.30 Hours.** for which no separate notice will be given.

7. TPC-G shall reply to each of the suggestions and objections received within three days of the receipt of the same but not later than **Thursday 14 February, 2013** for all the suggestions and objections received till **Monday 11 February, 2013**. Stakeholders can submit their rejoinders on replies provided by TPC-G either during the public hearing or latest by **Thursday 21 February, 2013**.
8. The detailed Petition document and the summary are available on Tata Power's website [www.tatapower.com](http://www.tatapower.com) and the executive summary is also available on the web site of the Commission [www.mercindia.org.in/www.merc.gov.in](http://www.mercindia.org.in/www.merc.gov.in) in downloadable format (free of cost).

Signature

-sd/-

Name (-Vidyadhar H Wagle)  
Designation: Head Regulation  
The Tata Power Company Limited