

PUBLIC NOTICE

Suggestions/Objections on TATA POWER-Transmission Business (TATA POWER-T) Petition for approval of truing up of FY 2011-12 and (MYT) ARR Petition for FY 2012-13 to FY 2015-16 (Case No.178 of 2011)

1. THE TATA POWER COMPANY LIMITED's Transmission Business (TATA POWER-T) has filed a Petition for approval of truing up of Aggregate Revenue Requirement (ARR) FY 2011-12 and for approval of Multi Year Tariff Aggregate Revenue Requirement (ARR) for the Second Control Period from FY 2012-13 to FY 2015-16, before the Maharashtra Electricity Regulatory Commission (MERC) under Sections 61 and 62 of the Electricity Act, 2003 (Act), under the Maharashtra Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2005 and the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011. MERC has admitted the Petition on **23 October, 2012** and directed TATA POWER-T to publish a Public Notice under Section 64(2) of the Act.
2. The MERC passed an Order on 28 June, 2012 approving the MYT Business Plan for TATA POWER-T for the new Control Period till FY 2015-16. In the said Order, the MERC has directed TATA POWER-T 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, MERC directed TATA POWER-T to file the same as per MERC (Terms and Conditions of Tariff) Regulations, 2005. In compliance with these directions, TATA POWER-T has filed the present Petition before MERC.
3. The following Table presents the summary of major capital expenditure and capitalisation proposed by TATA POWER-T over the period from FY 2011-12 to FY 2015-16.

Table 1: Capital Expenditure and Capitalisation for TATA POWER-T from FY11 to FY16 (Rs. Crore)

MERC Approval Status	Capital Expenditure						Capitalisation					
	FY 11 (approved)	FY 12 (actual/audited)	FY13	FY14	FY15	FY16	FY11 (approved)	FY12 (actual/audited)	FY13	FY14	FY15	FY16
<i>Approved</i>												
<i>DPR</i>		339.65	690.05	810.90	865.11	461.56	102.07	256.91	701.51	304.13	1,012.19	1,186.09
<i>Submitted but yet to be approved</i>												
<i>DPR</i>		-	78.18	25.15	68.57	43.20	-	-	15.00	74.32	38.07	53.71
<i>To be submitted</i>												
<i>DPR</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Not-Required</i>												
- Non DPR		31.26	34.18	16.49	6.16	6.49		17.81	32.99	20.64	6.36	6.49
- HOSS		3.81	5.00	5.00	5.00	5.00	20.41	3.81	5.00	5.00	5.00	5.00
TOTAL		374.72	807.41	857.54	944.84	516.25	122.49	278.53	754.50	404.09	1,061.62	1,251.29

4. Based on the actual expenditure during FY 2011-12 and the projections of the various elements for the period from FY 2012-13 to FY 2015-16, the ARR for different years as submitted by TATA POWER-T under the present Petition is shown in the Table below:

Table 2: Aggregate Revenue Requirement of TATA POWER-T for FY11 to FY16 (Rs. Crore)

SI No	Particulars	FY 11 (Approved)	FY12	FY13	FY14	FY15	FY16
1	Operation and Maintenance Expenses	102.35	122.82	151.14	171.83	198.61	245.91
2	Interest on Long-term Loan Capital	27.55	50.82	84.25	119.40	162.09	231.79
3	Interest on Working Capital	4.14	10.00	12.73	15.06	18.09	23.08
4	Other Finance Charges	0.46	0.01	-	-	-	-
5	Depreciation	35.51	39.51	77.51	106.25	145.36	207.51
6	Return on Equity Capital	72.08	84.38	117.37	144.13	177.94	231.58
7	Income Tax for FY11 & FY12 (as per Regulation 43.3 & Regulation 50.2 of MERC Tariff Regulations, 2005)	19.78	37.00	NA	NA	NA	NA
8	Contribution to Contingency Reserves	3.34	4.60	6.49	7.48	10.12	13.25
9	Aggregate Revenue Requirement	265.21	349.13	449.49	564.14	712.21	953.12
10	Add: Incentive	1.7	5.03	-	-	-	-
11	Gross Aggregate Revenue Requirement	266.91	354.17	449.49	564.14	712.21	953.12
12	Less: Non Tariff Income	29.69	11.85	32.84	34.56	36.39	38.32
13	Less: LCC cost allocated to TPC-G and TPC-D	-	4.53	-	-	-	-
14	Net Aggregate Revenue Requirement from Transmission Tariff	237.22	337.80	416.65	529.58	675.82	914.80
15	Tax on Income for FY13 to FY16 (as per Regulation 34 of MERC (MYT) Regulations, 2011)	NA	NA	37.00	37.00	37.00	37.00

5. The Availability of the Transmission System of TATA POWER-T for FY 2011-12 as certified by State Load Despatch Centre (SLDC) was 99.46 %. Accordingly, the incentive for FY 2011-12 on the basis of the actual availability works out to Rs. 5.03 Crore. For the period FY 2012-13 to FY 2015-16, no incentive has been considered in line with the Business Plan Order issued by MERC. However, the same would be computed and presented at the time of submission of True-up of the respective years.
6. Copies of the following documents can be obtained on written request from the offices of TATA POWER mentioned below:
 - a. Summary of the proposals (free of cost, in Marathi or English)
 - b. Detailed Petition documents along with CD (in English) (on payment of Rs. 100/- by Cash/DD/ Cheque drawn on “**The Tata Power Company Limited**”).
 - c. Detailed Petition documents (in English) (on payment of Rs. 50/-).
 - d. CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Office:

Office	Address	Tele / Fax No.
Registered Office	Mr Uday Bhide, The Tata Power Company Ltd, Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001	6717 1032
Head Office	Mr S K Raphel, The Tata Power Company Limited, Corporate office, Regulation Department, 'A' Block, 4 th Floor, 34 Sant Tukaram Road Carnac Bunder, Mumbai 400 009	6717 1242
Dharavi	Mr Karthik Krishnan, Tata Power Company Ltd., Near Shalimar Indl. Estate, Matunga (East), Mumbai 400 019.	6717 2632
Borivali (W)	Tata Power Customer Relation Centre, Ground Floor, Ekta Main Building, Link Road, Near Eskay Resort, Borivali (W), Mumbai 400092	2891 3336

7. The Commission has directed TATA POWER-T 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, 13th Floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005 [Fax: 22163976 E-Mail: mercindia@mercindia.org.in] by **Friday, 7 December, 2012** along with proof of service on **Mr Vidhyadhar Wagle, Deputy General Manager, The Tata Power Company Limited.**
8. 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 of 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 Maharashtra Electricity Regulatory Commission, Court Room, 13th Floor, Centre No. 1, world Trade Centre, Cuffe Parade, Mumbai-400 005 on Friday, 14 December, 2012 at 11:00 Hrs**, for which no separate notice will be given.
9. TATA POWER-T shall reply to each of the Suggestions and Objections received within three days of the receipt of the same but not later than **Thursday, 11 December, 2012** for all the Suggestions and Objections received till **Friday, 7 December, 2012**. Stakeholders can submit their rejoinders on replies provided by TATA POWER-T either during the public hearing or latest by **Wednesday, 17 December, 2012.**
10. The detailed Petition document and the summary are available on TATA POWER's website www.tatapower.com and the Executive Summary is also available on the website of the Commission www.mercindia.org.in in downloadable format (free of cost).

Signature

Name: V H Wagle

Designation: Deputy General Manager

The Tata Power Company Limited