

JOINT ELECTRICITY REGULATORY COMMISSION



Tariff Order

Truing up for FY 2022-23, Annual Performance Review of FY 2023-24, Aggregate Revenue Requirement and Determination of Transmission Tariff for FY 2024-25

For

Electricity Department, Transmission Division, UT of Dadra and Nagar Haveli and Daman and Diu

**Petition No. 124 of 2024
10th June, 2024**

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List of Abbreviations

Abbreviation	Full Form
A&G	Administrative and General
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
CERC	Central Electricity Regulatory Commission
Cr	Crores
ED,DNH	Electricity Department, UT of Dadra and Nagar Haveli
FY	Financial Year
GFA	Gross Fixed Assets
HT	High Tension
JERC	Joint Electricity Regulatory Commission for the state of Goa and Union Territories
LT	Low Tension
MYT	Multi Year Tariff
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Limited
MCLR	Marginal Cost of Lending Rate
R&M	Repair and Maintenance
RoE	Return on Equity
SBI MCLR	State Bank of India Marginal Cost of Lending Rate
SLDC	State Load Despatch Centre
STOA	Short Term Open Access
TVS	Technical Validation Session
UT	Union Territory
MTOA	Medium Term Open Access
LTOA	Long Term Open Access

Before the
Joint Electricity Regulatory Commission
For the State of Goa and Union Territories, Gurugram

CORAM

Sh. Alok Tandon, Chairperson

Smt. Jyoti Prasad, Member (Law)

Petition No. 124/2024

Date: 10th June, 2024

In the matter of

Approval for the True-up of FY 2022-23, Annual Performance Review (APR) for FY 2023-24, Aggregate Revenue Requirements (ARR) for FY 2024-25 & Transmission Tariff for FY 2024-25.

And in the matter of

Electricity Department, Transmission Division, UT of Dadra and Nagar Haveli.

Petitioner

ORDER

1. This Order is passed in respect of Petition filed by the Electricity Department, Transmission Division, Dadra and Nagar Haveli (herein after referred to as "The Petitioner" or "Electricity Department, Transmission Division, Dadra and Nagar Haveli" or "The Licensee") for approval of True-up of FY 2022-23, Annual Performance Review (APR) for FY 2023-24, Aggregate Revenue Requirements (ARR) and Transmission Tariff for FY 2024-25 before the Joint Electricity Regulatory Commission (herein after referred to as "The Commission" or "JERC").
2. The Commission scrutinised the said Petition and generally found it in order. The

Commission admitted the Petition on 15th January, 2024. The Commission thereafter requisitioned further information/ clarifications on the data gaps observed to take a prudent view of the said Petition. The Commission also held a Technical Validation Session to determine sufficiency of data and the veracity of the information submitted. Further, suggestions/comments were invited from the public/stakeholders. The Public Hearings were held on 6th February 2024 at 10:00 a.m. at Silvassa & 4:00 p.m. at Daman and on 8th February at 10:00 a.m. at Diu to enable the stakeholders to raise issues, if any, related to the Petition filed by the Petitioner.

3. The Commission, based on the Petitioner's submission, relevant JERC (MYT) Regulations, 2021, facts of the matter and after proper due diligence has approved the True-up of FY 2022-23, APR of FY 2023-24 and ARR along with the Transmission Tariff for FY 2024-25.
4. A Summary has been provided as follows:
 - i. The Commission while truing up of FY 2021-22 in Tariff Order dated 30th March, 2023 had determined the cumulative revenue gap of Rs. 3.88 Crore at the end of FY 2021-22.
 - ii. The Commission in this Order has trued up for FY 2022-23 and has approved Aggregate Revenue Requirement of Rs. 36.53 Crore vis-à-vis actual revenue of Rs. 44.59 Crore, resulting in standalone revenue (surplus) of Rs. 8.06 Crore for FY 2022-23.
 - iii. Further, for FY 2023-24, the Commission has approved revised Aggregate Revenue Requirement of Rs 32.24 Crore and projected revenue of Rs. 30.23 Crore at existing tariff, which has resulted in standalone revenue gap of Rs. 2.01 Crore.
 - iv. The following table provides ARR, Revenue, Standalone gap/(surplus) for FY 2024-25 and cumulative gap/(surplus) remaining at the end of FY 2024-25:

Table 1 Cumulative Revenue gap/ (Surplus) at end of FY 2024-25 (Rs Crore)

S. No.	Particular	Formula	FY 2022-23	FY 2023-24	FY 2024-25
1	Net revenue Requirement	A	36.53	32.24	31.67
2	Revenue from Power Transmission	B	44.59	30.23	-
3	gap/(Surplus)	C = B-A	(8.06)	2.01	31.67
4	Previous Year gap/(Surplus)	D	3.88	-	(4.18)
5	Cumulative gap/(Surplus)	E = C+D	(4.18)	2.01	27.49
4	Interest Rate	F	9.50%	9.50%	9.50%
5	Carrying Cost	G = F*D	-	-	0.79
6	Total gap/(Surplus) including Carrying Cost	H = G+E	(4.18)	2.01	26.69

- v. Considering the Aggregate Revenue Requirement for FY 2024-25 and the transmission capacity, the transmission charges have been approved in “Chapter 5: Transmission Tariff for FY 2024-25” of this Order for long-term/medium-term consumers and short-term open access consumers as shown below:

Table 2 Transmission Tariff for of FY 2024-25

S. No.	Particular	Formula	FY 2024-25
1	Net revenue Requirement (Rs. Crore)	A	26.69
2	Transmission System Capacity (MW)	B	1,294
3	Long-term/Medium-term Open Access Transmission Charges (Rs/MW/month)	C = $((A/B)/12)*10^7$	17,189
4	Short-term open access Transmission Charges (Rs/MW/Day)	D = $((A/B)/365)*10^7$	565

- vi. The open access consumers shall pay charges in accordance with charges determined above and Regulation 4.1 of the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017 as amended from time to time.
5. This Order shall come into effect from 16th June, 2024 and shall remain applicable till further Orders.
6. The Petitioner shall publish the tariff as determined by the Commission in this

Order within one week of receipt of the Order in three daily newspapers in the respective local languages of the region, besides English, having wide circulation in their respective areas of supply and also upload the Tariff Order on its website.

7. The attached documents giving detailed reasons, grounds and conditions are integral part of this Order.

Ordered accordingly.

Sd/-
(Jyoti Prasad)
Member (Law)

Sd/-
(Alok Tandon)
Chairperson

Place: Gurugram, Haryana

Date: 10th June, 2024

Certified Copy



(S.D. Sharma)
Secretary (I/c), JERC

Chapter 1: Introduction

1.1 About Joint Electricity Regulatory Commission (JERC)

In exercise of powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all the Union Territories except Delhi to be known as “Joint Electricity Regulatory Commission for the Union Territories” vide notification no. 23/52/2003-R&R dated 2nd May, 2005. Later with the joining of the State of Goa, the Commission came to be known as “Joint Electricity Regulatory Commission for the State of Goa and Union Territories” (hereinafter referred to as “the JERC” or “the Commission”) vide notification no. 23/52/2003-R&R (Vol. II) dated 30th May, 2008.

JERC is a statutory body responsible for regulation of the Power Sector in the State of Goa and the Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Dadra & Nagar Haveli and Daman & Diu and Puducherry, consisting of generation, transmission, distribution, trading and use of electricity. Its primary objective includes taking measures conducive to the development of the electricity industry, promoting competition therein, protecting interest of consumers and ensuring supply of electricity to all areas.

1.2 About Dadra and Nagar Haveli

Dadra and Nagar Haveli (hereinafter referred to as “DNH”) is spread over 491 sq. km, has 72 villages with a population of 3,42,853 as per Census 2011. The natural attractions of this region have made it a popular tourist destination in the Western region of India. Additionally, due to liberalized policies of Central Government of tax benefits, DNH has also developed into a highly industrialized area.

The rapid development of DNH has led to a tremendous increase in the demand for power. Currently, 97% of total sales are to HT and LT industrial consumers. The peak demand of this territory is expected to reach around 776 MW (By March 2023). DNH has also achieved 100% electrification and 100% metering which further contributes to the increasing demand for power.

1.3 About Electricity Department, Transmission Division, UT of Dadra and Nagar Haveli

The Dadra and Nagar Haveli Electricity Reforms Transfer Scheme 2013 was notified by the Administration of Dadra and Nagar Haveli vide notification no. 1-1(594) ELE/2013/697 dated 7th March, 2013. Further, the Administration vide notification no. 1-1(656)/ELE/2012/700 dated 8th March, 2013 for implementing the Dadra and Nagar Haveli Electricity Reforms Transfer Scheme 2013 notified the effective date as 1st April, 2013.

As per the Clause 4(1) of the notified transfer scheme:

“Subject to the provision of this scheme on and with effect from such date as may be notified by the Administration as effective date of transfer:

(a) The functions of Distribution and associated divisions of department as set out in Schedule A shall stand out and vested with DNH Power Distribution Corporation Limited without any further act or things to be done by the Administration or the Company or any other person.”

As per the Schedule ‘B’ of the notified Transfer Scheme, the assets at 66/11 kV and below were transferred to DNHPDCL.

Further, as per para at serial no. 8:

“(8) The functions, duties, personnel, assets, liabilities and proceedings as set out in schedule ‘C’ shall not be transferred to the company and vest with the Electricity Department.”

As per Schedule ‘C’:

“Unless otherwise specified by the Administration, the assets, liabilities, personnel and proceedings in relation to following shall not be transferred to the Company:

- 1. Function of generation of electricity except non-conventional source of energy.*
- 2. Functions of transmission of electricity.*
- 3. Functions of policy making, Planning and Coordination.*
- 4. Functions which are not transferred to the Company under this scheme.”*

Accordingly, as the functions of transmission of electricity has not been vested on DNH Power Distribution Corporation Limited, the Electricity Department, Transmission Division of UT of Dadra and Nagar Haveli (hereinafter referred to as

“ED-DNH Transmission”) has been entrusted with the function of transmission of electricity in its license area. The details of operational transmission infrastructure are as below:

Existing Transmission Network

The present transmission system of ED-DNH comprises 38.18 circuit km of 220 kV double circuit (D/C) lines. Currently, the State receives power from the 400/220 kV Vapi Substation and the 400/220 kV Kala Substation, both operated by Power Grid Corporation of India Limited (PGCIL).

The transformation capacity details of ED-DNH are outlined as follows:

TABLE 1-1 DETAILS OF EXISTING SUBSTATIONS

S. No.	Sub-station	Configuration	Total
1	400 KV Ambheti-Vapi Sub-Station (CTU-Power Grid)	3 X 315 MVA	945 MVA
2	400 KV Kala Sub-Station (CTU-Power Grid)	2 X 315 + 1 X 500 MVA	1130 MVA
3	220 KV Kharadpada Sub-Station	2 X 100 + 2 X 160 MVA	520 MVA
4	220 KV Khadoli Sub-Station	3 X 160 MVA	480 MVA
5	220/66 KV Vagchipa Sub-Station	2 X 160 MVA	320 MVA
6	220 KV switching stations at Sayli and New Kharadpada and Bhilosa	03 Nos	
Total Capacity (220KV Level)			1320 MVA

The key duties being discharged by ED-DNH Electricity Transmission Department are:

- Ensure reliable supply energy to DNHDDPDCL which in turn supplies power to the end consumers across the state.
- Development of transmission network to meet the growing needs of the DNHDDPDCL.
- Provide short term open access depending upon the margins in the existing facilities.
- Functioning of SLDC

1.4 Multi Year Tariff Regulations, 2021

Electricity Department, Transmission Division's tariff determination is governed by "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution MYT) Regulations, 2021, hereinafter referred to as per JERC "MYT Regulations, 2021". The MYT Regulations, 2021 provide a framework for calculating tariffs on a cost-plus basis initially for a period of three years and allow the licensee to recover operational expenses including depreciation, interest on working capital, debt, and return on equity amongst others. The MYT Regulations, 2021 segregate the items impacting tariffs into controllable and uncontrollable factors. Items that are uncontrollable are passed through to the consumers. Further, the MYT Regulations, 2021 identifies the uncontrollable and controllable factors applicable to transmission as follows:

Uncontrollable factors include:

- (a) Force Majeure events;
- (b) Change in Law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- (c)
- (d) Interstate transmission loss;
- (e)
- (f)
- (g)
- (h) Inflation;
- (i)
- (j) Variation in market interest rates for long-term loans;
- (k) Employee expenses limited to one time payment owing requirements of a pay Commission and terminal liability of employees;
- (l) Taxes and Statutory levies;
- (m) Taxes on income;
- (n) Income from the realization of bad debts written off:

Controllable factors include:

- (a) Variations in capitalization on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;
- (b) Variation in Interest and Finance Charges, Return on Equity, and Depreciation on account of variation in capitalization, as specified in clause (a) above;
- (c)
- (d) Intrastate transmission loss for transmission licensee,
- (e) Availability of transmission system;
- (f) Variations in performance parameters;
- (g)
- (h) Variations in labour productivity;
- (i) Variation in O&M Expenses, except to the extent of inflation;
- (j) Bad debts written off;

1.5 Approval of Business Plan and MYT Order for 3rd MYT Control Period

In accordance with the Regulation 8.1 and 17 of the MYT Regulations 2021, the Petitioner filed the Petition for approval of Business Plan for 3rd Multi-Year Control Period from FY 2022-23 to FY 2024-25 on 6th December, 2021. The Commission issued the Business Plan Order for the MYT Control Period (hereinafter referred to as 'Business Plan Order') on 31st March, 2022. Further, the Commission vide Order dated 31st March, 2022 approved the MYT Order for approval of True-up of FY 2020-21, Annual Performance Review for FY 2021-22, Aggregate Revenue Requirements (ARR) for 3rd MYT Control Period (FY 2022-23 to FY 2024-25) and Transmission Tariff Order for FY 2022-23.

1.6 Filing and Admission of the Present Petition

In accordance with the Regulation 9.1 of the MYT Regulations, 2021 the Petitioner filed the Petition for approval of True-up of FY 2022-23, Annual Performance Review for FY 2023-24, Aggregate Revenue Requirements (ARR) for FY 2024-25 and Transmission Tariff for FY 2024-25.

After initial scrutiny/analysis, the present Petition was admitted on 15th January, 2024 and marked as Petition No. 124/2024.

1.7 Interaction with the Petitioner

A preliminary scrutiny/analysis of the Petition was conducted, and certain deficiencies were observed. Accordingly, deficiency notes were issued to the Petitioner. Further, additional information/clarifications were solicited from the Petitioner on key data gaps. The Petitioner submitted its response on the issues through various letters/emails. The Commission conducted the Technical Validation Session (TVS) with the Petitioner at the Commission's office in Gurugram, during which the discrepancies in the Petition were conveyed and additional information required by the Commission was sought. The Petitioner submitted replies to the issues raised in this session and provided documentary evidence to substantiate its claims regarding various submissions.

The following table provides the list of interactions with the Petitioner along with the dates:

TABLE 1-2 LIST OF INTERACTIONS WITH THE PETITIONER

S. No.	Subject	Date
1	Receipt of Petition by the Commission	19 th December, 2024
2	Admission of the Petition by the Commission	15 th January, 2024
3	1 st Deficiency Note issued by the Commission	24 th January, 2024
4	Reply to the 1st Deficiency Note received by the Commission	22 th February, 2024
5	Technical Validation Session (TVS) with Petitioner at JERC Office	5 th March, 2024

1.8 Notice for Public Hearing

Public notices were published by the Petitioner for inviting suggestions/comments from Stakeholders on the Tariff Petition as given below:

TABLE 1-3 DETAILS OF PUBLIC NOTICES PUBLISHED BY THE PETITIONER

S. No.	Name of Newspaper	Date	Place
1	Silvasa Mirror (English)	20 th January, 2024	Silvassa
2	Nishpaksha Jansansar (Hindi)	20 th January, 2024	Silvassa
3	Janadesh (Gujarati)	20 th January, 2024	Silvassa
4	Ashali Azadi (Hindi)	20 th January, 2024	Daman
5	Vartaman Pravah (Gujarati)	20 th January, 2024	Daman

The Commission placed the petition on its website (www.jercuts.gov.in) for information and study for all the stakeholders.

The Commission also issued a notice for public hearing in the following newspapers in order to solicit wider participation by the stakeholders:

TABLE 1-4 LIST OF NEWSPAPERS (COMMISSION)

S. No.	Name of Newspaper	1 st Notice Date	2 nd Notice Date	Place
1	Silvasa Mirror (English)	20 th January, 2024	04 th February, 2024	Silvassa
2	Nishpaksha Jansansar (Hindi)	20 th January, 2024	04 th February, 2024	Silvassa
3	Janadesh (Gujarati)	20 th January, 2024	04 th February, 2024	Silvassa
4	Ashali Azadi (Hindi)	20 th January, 2024	04 th February, 2024	Daman
5	Janadesh (Gujarati)	-	04 th February, 2024	Daman
6	Vartaman Pravah (Gujarati)	20 th January, 2024	04 th February, 2024	Daman

The Commission received objections/suggestions from the consumers/consumer and examined the objections/suggestions received from the stakeholders and fixed the date for the Public Hearing on 6th February 2024 at 10:00 a.m. at Silvassa at 4:00 p.m. at Daman and on 8th February at 10:00 a.m. at Diu.

The Commission also published the notice for Public Hearing on the Commission's website www.jercuts.gov.in intimating the date and venues in order to solicit participation by the public/consumers/stakeholders to give their comments and suggestion in respect of the petition filed for determination of tariff.

1.9 Adherence to the Model Code of Conduct

The Commission has noted that in view of the General Elections 2024, the Model Code of Conduct (MCC) was imposed by the Election Commission of India. The MCC was effective from 16th March 2024 to 06th June 2024.

Therefore, in view of enforcement of Model Code of Conduct, the Commission decided to issue the tariff order once the Model Code of Conduct is over.

Chapter 2: Summary of Suggestions/Comments received, response from the Petitioner and the Commission's views

2.1 Regulatory Process

On admitting the Petition, the Commission directed the Petitioner to make copies of the Petition available to the public, upload the petition on its website and also publish the same in the newspapers in abridged form inviting comments from the public as per the provisions of the MYT Regulations, 2021.

The Public hearing was held on 6th and 8th February, 2024 from 10.30 AM onwards on Petition for the True-up of FY 2022-23, Annual Performance Review (APR) of FY 2023-24 and Aggregate Revenue Requirement (ARR) for FY 2024-25. During the Public Hearing, the stakeholders/consumers submitted their comments on the petition. Also, the Commission has considered the comments /suggestions of the stakeholders who have forwarded their comments through e-mail/letter to the Commission. Other participants from the general public, who had not submitted written comments earlier were also given an equal opportunity to present their views/suggestions in respect to the Petition.

The list of the stakeholders is attached as Annexure 1 to this Order.

2.2 Suggestions/Comments, Response of the Petitioner and Commission's Views

The Commission appreciates the efforts of various stakeholder's in providing their suggestions/comments/observations towards the Electricity transmission sector. The Commission has noted the concerns of all the stakeholders and has considered them while finalizing the Tariff Order. The submissions of the stakeholders, response of the Petitioner and views of the Commission are summarized below:

Issue 1: Capital Expenditure Plan Stakeholder's Comment

The stakeholder stated that upgradation of to 220 kV network should be done in proportion to load growth and also it should justify the N-1 system. But from capital expenditure plan it appear that upgradation of network has not been done in line

with above criteria. If third party audit gets done, then it will find that the 220 kV network is running with full load.

The federation is requesting to Hon'ble Commission that DNHPCL be given direction, to get system study done and upgrade the 220 kV network accordingly.

Petitioner's Submission

It is submitted that the Department is regularly taking up various measures for the upgradation of the 66/11 kV substations. Further, the establishment of 1 no. of new 66/11 kV GIS substation and augmentation of 3 no.s of 66/11 kV substations has been approved by the Hon'ble Commission and the same shall be implemented by the Department.

Commission's Analysis

The Commission noted the response of the Petitioner. However, the Petitioner is directed to provide detailed information on the timeline, budget allocation, and technical specifications for each project as approved by the Commission through its respective Order. Additionally, the Petitioner should ensure that all necessary regulatory requirements are complied within the implementation process.

Issue 2: Transmission Losses

Stakeholder's Comment

Data provided for transmission loss (Annexure T33, page 88) does not match with the figures furnished by the Petitioner for power purchase for FY 2022-23 & FY 2023-24. The total MUs purchased, mentioned by DNHDDPCL in their petition is 10253.48 MUs for FY 2022-23 and 11050.81 MUs FY 2023-24.

It is surprising that despite directive given by Hon'ble JERC in the matter, ED DNH does not care about transmission loss.

According to the federation, working on reduction of transmission loss should be one of the prime subjects of transmission/distribution licensee. So, it is humbly requested to consider this as an important issue.

Petitioners' Submission

It is submitted that details of voltage wise transmission losses for the FY 2022-23 have been submitted to the Hon'ble Commission. The Petitioner craves for leave to clarify any issues that the Hon'ble Commission may desire.

Commission Analysis

The Petitioner has submitted its actual transmission losses for FY 2022-23 vide replies to the deficiency notes. The Commission have considered the same and the details are provided under Chapter 6 of this Order.

**Issue 3: Power Supply Continuity and Outage
Stakeholder's Comment**

The stakeholder stated that there are major issues for consumers taking power supply at Extra High Voltage connected directly from transmission licensees. Further there is an issue in reliability of power supply and at times, issues of outage of power supply. The stakeholder requests to check the performance of transmission licensee and that the licensee be mandated to maintain details of their performance on their website.

Petitioner's Submission

It is submitted that the Department regularly undertakes repair and maintenance works of its power transmission network. Hence, load shedding is undertaken for repair and maintenance work and the consumers are intimated in advance for the same.

Secondly, the expenses regarding the R & M works is borne by the department. The R & M expenses related to express feeder are borne by the owner of the express feeder and the said expenses have not been claimed by the department.

Commission's Analysis

The Commission has noted the suggestion of the stakeholder and directs the Petitioner to upload maintenance schedule on its website regularly.

Chapter 3: Truing-Up for FY 2022-23

3.1 Background

The Commission had issued the Tariff Order dated 30th March, 2023 for Truing-up for FY 2021-22, APR of FY 2022-23 and ARR and determination of transmission tariff for FY 2023-24. As per Regulation 12 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021, the annual performance review and true-up of revenue and expenses of the Petitioner shall be carried out as follows:

“12 Annual Performance Review, Truing-up and tariff determination during the Control Period

12.1 The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.

12.2 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30th November of each Year, in formats specified by the Commission from time to time:

.....

12.3 The scope of the annual performance review, truing up and tariff determination shall be a comparison of the performance of the Generating Company, Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges and shall comprise of the following:

*a) **True-up:** a comparison of the audited financial and actual operational performance of the Applicant for the Financial Year for which the true up is being carried out with the approved forecast for such previous Financial Year, subject to the prudence check;*

.....”

This chapter deals with the truing-up of expenses for FY 2022-23 for Licensee. The Commission has examined and analysed each component of the ARR for FY 2022-23 in the following paragraphs.

3.2 Approach for True up of FY 2022-23

The Petitioner has submitted the audited accounts for FY 2022-23 audited by M/s. JVPG & Associates. The Commission carries out the true-up of FY 2022-23 in accordance with the principles laid down in MYT Regulations, 2021.

3.3 Operation & Maintenance (O&M) Expenses

As per Regulation 42 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2021:

'42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.'

As above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

3.3.1 Employee Expenses

Petitioner's Submission:

The Petitioner has incurred actual Employee Expense to the tune of Rs. 2.58 Crore against the approved expenses of Rs. 4.39 Crore in the Tariff Order.

Commission's Analysis:

The employee expenses comprises of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Commission had approved employee expenses of Rs. 4.39 Crore in the ARR Order. The Petitioner has submitted actual employee cost for FY 2022-23 as Rs. 2.58 Crore. In order to compute the O&M expenses for FY 2022-23, the Commission has considered Regulation 42.3 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 which specifies the following:

“42. Operation and Maintenance (O&M) expenses for Transmission Licensees

42.3 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GF_{A_{n-1}} \times (1 + WPI \text{ inflation})$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (1 + CPI \text{ inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPI \text{ inflation})$$

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WP Inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Transmission Licensee for the nth Year;

A&G_n – Administrative and General expenses of the Transmission Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Transmission Licensee for the nth Year;

GFA_{n-1} – Gross Fixed Asset of the transmission Licensee for the n-1th Year;

X_n is an efficiency factor for nth Year. Value of X_n shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate.”

As per the Regulations 42.3 provided above, the Commission has determined the revised normative Employee Expenses for FY 2022-23. The Commission has applied the Average Increase in CPI Indices over 3 Years preceding FY 2023-24 for computing revised normative employee expenses for FY 2022-23.

The CPI Inflation has been computed as follows:

TABLE 3-1 COMPUTATION OF CPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	322.50		
FY 2020-21	338.69	5.02%	
FY 2021-22	356.06	5.13%	
FY 2022-23	377.62	6.05%	
		CPI Inflation	5.40%

The following table provides the employee expenses approved by the Commission in the ARR Order, Petitioner's submission and revised estimates now computed by the Commission:

TABLE 3-2 EMPLOYEE EXPENSES APPROVED BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Revised Normative
Employee Expenses for the previous year (EMP _{n-1})	4.14	-	2.87
Growth in number of employees (G _n)	0.00%	-	0.00%
CPI Inflation	6.00%	-	5.40%
Employee Expenses (EMP _n)= (EMP _{n-1}) x (1+G _n) x (1+CPI inflation)	4.39	-	3.03
Total Employee Expenses	4.39	2.58	3.03

The aforesaid revised number is calculated based on the provisional Employee Expenses approved by Commission in its APR Order for FY 2022-23 and actual CPI inflation (5.40 %) & value of G_n (Employee Growth - 0%) for FY 2022-23 with respect to FY 2021-22. The revised normative Employee Expenses determined by the Commission works out to be higher than the actual employee expenses claimed by the Petitioner. However, for the purpose of sharing of gains/(losses), the Commission has considered the deviation in actual employee expenses with reference to the revised normative employee expenses. For FY 2022-23, the revised employee expenses works out to be higher than total actual employee expenses and hence, the Petitioner is eligible for sharing of gains on account of deviation in employee expenses. The details of the Actual Employee Expenses, Revised

Normative Employee Expenses and trued-up by Commission is summarised as under:

TABLE 3-3 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2022-23 (Rs. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative EE	Trued-up by Commission
Employee Expenses	4.39	2.58	3.03	2.58

The Commission approves Employee Expenses of Rs. 2.58 Crore for FY 2022-23.

3.3.2 Repair & Maintenance (R&M) Expenses

Petitioner's Submission:

The Petitioner has incurred actual R&M Expense to the tune of Rs. 3.97 Crore against the approved expenses of Rs. 2.87 Crore in the Tariff Order.

Commission's Analysis:

Regulation 42.3 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 states as shown below:

“.....

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, bench marking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

.....”

As provided in clause 42.3 of the MYT Regulations, 2021 the Commissions has considered the value of 'K' factor as 0.95% as approved in MYT Order for the third control period.

The 'K' factor multiplied with the opening GFA of the Year. The resultant amount is then escalated by Average Increase in WPI Indices over 3 Years preceding FY 2023-24 to arrive upon the R&M Expenses for FY 2022-23.

The WPI Inflation has been computed as follows:

TABLE 3-4 COMPUTATION OF WPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	121.80		
FY 2020-21	123.38	1.29%	
FY 2021-22	139.41	13.00%	
FY 2022-23	152.53	9.41%	
WPI Inflation			7.90%

The following table provides the R&M expenses approved by the Commission in the APR Order, Petitioner's submission and revised estimates now computed by the Commission:

TABLE 3-5 R&M EXPENSES APPROVED BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Revised Normative
K-Factor	0.95%	-	0.95%
GFA _{n-1} (Opening GFA)	296.18	-	297.58
WPI Inflation (%)	2.42%		7.90%
R&M Expenses	2.87	3.97	3.05

The revised normative R&M Expenses determined by the Commission work out to be lower than the actual R&M Expenses claimed by the Petitioner. However, for the purpose of sharing of gains/(losses), the Commission has considered the deviation in actual R&M expenses with reference to the revised normative R&M expenses. For FY 2022-23, the revised R&M expenses works out to be lower than Actual R&M expenses and hence, the Petitioner is not eligible for gains on account of R&M expenses.

The following table provides the R&M expenses approved by the Commission in the APR Order, Petitioner's submission, revised normative R&M expenses and now trued-up by the Commission.

TABLE 3-6 R&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative R&M	Trued-up by Commission
R&M Expenses	2.87	3.97	3.05	3.05

The Commission approves R&M Expenses of Rs. 3.05 Crore for FY 2022-23.

3.3.3 Administrative and General (A&G) Expenses

Petitioner's Submission:

The Petitioner has incurred actual A&G Expense to the tune of Rs. 7.45 Crore against the approved expenses of Rs. 2.01 Crore in the Tariff Order. The Petitioner further submitted that the variation in the A&G expense is mainly due to one-time payment of Rs. 5.48 Crore to PGCIL on account of setting up new SLDC system for the transmission utility. The aforesaid amount has been claimed by the Petitioner under A&G expenses for FY 2022-23.

Commission's Analysis:

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc.

The Commission observed that the Petitioner has included one-time payment of Rs. 5.48 Crore on account of setting up SCADA for the utility through PGCIL under the A&G expenses. The Commission is of the view that setting up a new SCADA system is not a routine administrative and general expenses. It is a strategic capital investment aimed at improving the overall infrastructure and operational capabilities. In view of the above, the said expenses have not been considered as operational related expenditures and the same has been deducted from A&G

expense and treated as past arrear to PGCIL. Therefore, after adjusting the aforesaid amount, the allowable A&G expense for FY 2022-23 works out to Rs. 1.96 Crore.

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for FY 2022-23 in the previous sections, the following table provides the A&G expenses approved by the Commission in the APR Order, Petitioner's submission, revised normative A&G expenses and now trued-up by the Commission:

TABLE 3-7 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative EE	Trued-up by Commission
A&G Expenses	2.01	7.45	1.18	1.18

The Commission approves A&G Expenses of Rs. 1.18 Crore for FY 2022-23.

3.3.4 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the Tariff Order, Petitioner's Submission, revised Normative O&M Expenses and O&M Expenses trued-up by Commission:

TABLE 3-8 O&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative EE	Trued-up by Commission
Employee Expenses	4.39	2.58	3.03	2.58
R&M Expenses	2.87	3.97	3.05	3.05
A&G Expenses	2.01	7.45	1.18	1.18
Total O&M Expenses	9.27	14.00	7.26	6.81

3.3.5 Sharing of Gains/(Losses) for O&M Expenses

As regards to mechanism of pass through of gains and losses on account of controllable factors Regulation 13.2 and 15 of the MYT Regulations, stipulates as follows:

15 Mechanism for sharing of gains or losses on account of controllable factors

15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

As per the above provisions, the O&M expenses as per MYT Regulations, 2021 are controllable and the approved aggregate gain to the Transmission Licensee on account of controllable factors shall be shared equally between Licensee and Consumers. The overall gains/losses on account of O&M expenses is tabulated as under:

TABLE 3-9 SHARING OF GAINS/(LOSSES) FOR O&M EXPENSES FOR FY 2022-23 (RS. CRORE)

Particulars	Revised Normative EE	Petitioner's Submission	Trued-up by Commission	Sharing of Gains/(Losses)
Employee Expenses	3.03	2.58	2.58	0.22
R&M Expenses	3.05	3.97	3.05	-
A&G Expenses	1.18	7.45	1.18	-
Total O&M Expenses	7.26	14.00	6.81	0.22

Since, trued-up O&M Expenses are lower than the Normative Expenses, the overall gain of Rs. 0.22 Crore will be shared with the Consumers.

Accordingly, the Commission approves the sharing of Gain on account of Operation & Maintenance Expenses to the tune of Rs. 0.22 Crore for the true-up of FY 2022-23.

3.4 Capital Expenditure and Capitalization

Petitioner's Submission:

The Petitioner has incurred actual capitalization to the tune of Rs. 3.46 Crore during the FY 2022-23, as against NIL approved by the Commission in its Tariff Order dated 30th March, 2022.

Commission's Analysis:

The opening gross fixed assets for FY 2022-23 has been considered same as the closing GFA approved by the Commission in its truing-up for FY 2021-22. The closing GFA as approved in true-up for FY 2021-22 is Rs. 297.97 Crore. The Commission has duly verified the audited annual accounts for FY 2022-23, under which overall capitalization is to the tune of Rs. 3.46 Crore.

TABLE 3-10 APPROVED CAPITALISATION FOR FY 2022-23 (RS. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Opening GFA	297.97	297.97
Addition to GFA	3.46	3.46
Deletion to GFA	-	-
Closing GFA	301.43	301.04

Accordingly, the Commission allows overall capitalization for truing-up of FY 2022-23 to the tune of Rs. 3.46 Crore.

3.5 Depreciation**Petitioner's Submission:**

The Petitioner has submitted that the depreciation has been worked out after applying the depreciation rates, as per the MYT Regulations, 2021. For computation of depreciation, Petitioner has considered the opening balance of the GFA for FY 2022-23 as per the audited annual accounts and subsequently added the assets capitalized during FY 2022-23. The same has been tabled below:

TABLE 3-11 DEPRECIATION CLAIMED BY THE PETITIONER FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Approved in APR Order	Actual Claimed
Opening GFA	296.18	297.59	297.97
Addition during the year	0.00	0.00	3.46
Closing GFA	296.18	297.59	301.43
Average GFA	296.18	297.59	299.70
Depreciation during the year	15.32	15.39	13.11

Further, Petitioner requested to approve the actual depreciation of Rs. 13.11 Crores.

Commission's Analysis:

As per Regulation 31 of the MYT Regulations, 2021:

"31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) percent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

.....

"31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system."

Accordingly, the Commission has considered and applied the depreciation rates as specified in the CERC (Terms and Conditions of Tariff) Regulations, 2019 that are applicable for FY 2022-23. The Commission, after verification of the asset class wise fixed asset addition in the books of accounts, has arrived at the depreciation values as follows:

TABLE 3-12 DEPRECIATION APPROVED BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Claimed by Petitioner	Approved in Truing-Up
Opening GFA	296.19	297.97	297.58
Less: GFA of Land	-	-	5.21
Modified Opening GFA	296.19	297.97	292.37
Addition during the Year	-	3.46	3.46
Disposal during the year	-	-	-
Closing GFA	296.19	301.43	295.83
Average GFA	296.19	299.70	294.10
Depreciation Rate (%)	5.17%	4.37%	4.46%
Depreciation	15.32	13.11	13.11

Accordingly, the Commission approves Depreciation of Rs. 13.11 Crore for the truing-up of FY 2022-23.

3.6 Interest and Finance Charges

Petitioner's Submission:

The Petitioner has considered the opening loan balance for FY 2022-23 equal to the closing balance of loan approved by the Commission in its truing-up Order for FY 2021-22. The normative loan addition in FY 2022-23 has been computed as 70% of the capitalization for FY 2022-23. The repayment of loans has been considered equal to the depreciation during FY 2022-23.

Further, the Petitioner has considered the rate of interest of 8.10 % (Using State Bank of India Prime Lending Rate (SBI PLR) as on 01.04.2022 plus 100 basis points). Accordingly, the interest and finance charges submitted by the Petitioner as shown in the table below:

TABLE 3-13 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in ARR Order	Approved in APR Order	Actual
Opening Loan	26.54	27.49	27.49
Loan for additional Capex (70:30 debt equity)	0.00	0.00	2.42

Particulars	Approved in ARR Order	Approved in APR Order	Actual
Loan Repayment	15.32	15.39	13.11
Closing Loan	11.22	12.10	16.80
Interest cost on Avg. Loans	1.51	1.58	1.79

The Petitioner requested to approve the interest on loan computed for FY 2022-23.

Commission's Analysis:

The Commission has considered the opening balance of normative loan for FY 2022-23 equal to the approved closing balance of normative loan of Rs. 27.49 Crore in its truing-up Order dated 30th March, 2023 for FY 2021-22. Addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the MYT Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest shall be equal to the SBI MCLR as on 1st April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid regulation is stipulated as under:

"29 Interest on Loan

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India

*(SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.
...”*

As there is no actual loan borrowed by the Petitioner, thus, in line with the fourth proviso of Regulation 29.4 of the MYT Regulations, 2021, the Commission has considered the rate of interest of 8.00 % (Using SBI MCLR as on 1st April, 2022 plus 100 basis points).

The following table provides the Interest on Loan, approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

TABLE 3-14 INTEREST APPROVED BY THE COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Claimed by Petitioner	Approved in Truing-Up
Opening Normative Loan	26.54	27.49	27.49
Addition of Load due to Capitalization	-	2.42	2.42
Repayment of Loan	15.32	13.11	13.11
Closing Normative Loan	11.22	16.80	16.80
Average	18.88	22.15	22.15
Rate of Interest (%)	8.00%	8.10%	8.00%
Interest Expenses	1.51	1.79	1.77

Accordingly, the Commission approves Interest on Loans of Rs. 1.77 Crore for the truing-up of FY 2022-23.

3.7 Interest on Working Capital

Petitioner’s Submission:

The Petitioner has submitted the computation of interest on working capital based on the principles outlined in the MYT Regulations, 2021, by considering the below parameters:

a) Receivables equivalent to 45 days of annual fixed cost.

b) Maintenance spares @15% of operation and maintenance expenses including security expenses.

c) Operation and maintenance expenses, including security expenses for one month.

The Petitioner has considered rate of interest on working capital as 9.01 % (SBI Base Rate plus 200 basis points).

TABLE 3-15 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
Receivables equivalent to 45 days of Annual Fixed Cost	4.29	4.03	4.65
Maintenance spares @15% of operation and maintenance expenses	1.39	1.08	2.10
Operation and maintenance expense for one month	0.77	0.60	1.17
Total Working Capital	6.45	5.71	7.92
Interest on Working Capital	0.58	0.51	0.72

The Petitioner requested to approve the interest on working capital computed for FY 2022-23.

Commission's Analysis:

The Regulation 43 of the MYT Regulations, 2021 stipulates as follows:

"...43. Norms of Working Capital for Transmission Licensee

"43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations."

Further, Regulation 34 (C) of the CERC (Terms and Conditions of Tariff) Regulations, 2019 specifies:

(c) For Hydro Generating Station (including Pumped Storage Hydro Generating Station) and Transmission System:

i. Receivables equivalent to 45 days of annual fixed cost;

ii. Maintenance spares @ 15% of operation and maintenance expenses including security expenses

iii. Operation and maintenance expenses, including security expenses for one month

The Regulation 32 of the MYT Regulation, 2021 stipulates the following:

“.....

32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.

.....” (Emphasis supplied)

Accordingly, the Commission has computed the working capital requirement for the Petitioner for FY 2022-23. The interest on working capital has been computed considering the interest rate as SBI MCLR on 1st April, 2022 plus 200 basis points-9.00%.

Based on the O&M expenses and other expenses now approved in the Truing up, the working capital and interest thereon calculated is detailed in the table below:

TABLE 3-16 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2022-23 (Rs. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission	Approved for True-up
Receivables equivalent to 45 days of Annual Fixed Cost	4.29	4.65	3.83
Maintenance spares @15% of operation and maintenance expenses	1.39	2.10	1.02
Operation and maintenance expense for one month	0.77	1.17	0.57

Particulars	Approved in Tariff Order	Petitioner Submission	Approved for True-up
Total Working Capital	6.45	7.92	5.42
Interest rate	9.00%	9.01%	9.00%
Interest on Working Capital	0.58	0.72	0.49

Accordingly, the Commission approves the interest on working capital of Rs. 0.49 Crore for FY 2022-23.

3.8 Return on Equity

Petitioner's Submission:

The Petitioner has considered normative debt-equity ratio of 70:30 on the assets capitalized during the FY 2022-23 as per the JERC Tariff Regulations, 2018. Hence, a normative equity on the assets is considered and claimed the RoE of 15.50% (CERC tariff regulations, 2019) for FY 2022-23. Accordingly, the ROE for the FY 2022-23 is computed as below:

TABLE 3-17 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2022-23 (Rs. CRORE)

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
Opening Equity	52.95	53.37	53.37
Addition in Equity on account of new capitalization (70:30 debt-equity)	0.00	0.00	1.04
Closing Equity	52.95	53.37	54.41
Average Equity	52.95	53.37	53.89
Return on Equity	8.21	8.27	8.35

The Petitioner requests the Commission to approve the Return on Equity computed for the FY 2022-23.

Commission's Analysis:

The Commission has considered the normative opening balance of equity for FY 2022-23 equal to the approved closing balance of normative equity of Rs. 53.37 Crore in its truing-up Order dated 30th March, 2023. Addition to equity during the

year is considered at 30% of net value of assets added during the year.

Further, the Regulation 30 (2) of the CERC (Terms and Conditions of Tariff) Regulations, 2019, states that:

“(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating stations, transmission system including communication system and run of the river hydro generating station ...”

Accordingly, the Commission has worked out return on equity for FY 2022-23. The following table provides the Return on Equity approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

TABLE 3-18 RETURN ON EQUITY APPROVED FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Claimed By Petitioner	Approved for Truing-Up
Opening Equity	52.95	53.37	53.37
Equity Addition	0.00	1.04	1.04
Closing Equity	52.95	54.41	54.41
Average Equity	52.95	53.89	53.89
Rate of Return	15.50%	15.50%	15.50%
Total Return on Equity	8.21	8.35	8.35

Accordingly, the Commission approves return on equity for FY 2022-23 to the tune of Rs. 8.35 Crore.

3.9 Non-Tariff Income

Petitioner’s Submission:

The Petitioner has submitted Rs. 0.22 Crore towards Non-Tariff Income for FY 2022-23 as against the approved Rs. 0.13 Crore by the Commission in its Tariff Order dated 30th March, 2022.

Commission’s Analysis:

The Regulation 44 of the MYT Regulations, 2021 stipulates the following:

“44. Non-Tariff Income

44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:

Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.

44.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap in excess of the 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contactors and others.*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”

As per the Audited Annual Accounts for FY 2022-23, the Commission has approved the Non-tariff Income to the tune of Rs. 0.22 Crore as detailed in the table below:

TABLE 3-19 NON-TARIFF INCOME APPROVED BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved in Truing-Up
Non-Tariff Income	0.13	0.22	0.22

3.10 Transmission System Availability

Petitioner's Submission:

The Petitioner has submitted its transmission system availability of 99.38% for FY 2022-23.

Commission's Analysis:

As per MYT Regulations, 2021, incentive on achieving the higher transmission system availability shall be in accordance with the CERC Tariff regulations, 2019.

The Commission has considered the certificates submitted by the Petitioner certifying the transmission system availability duly verified by the SLDC for FY 2022-23 to the tune of 99.38% against the target of 98%. The Commission has computed the incentive on achieving higher transmission system availability for FY 2022-23 in accordance with the CERC Tariff Regulations, 2019, as Rs. 0.51 Crore. Accordingly, the Commission has approved incentive for higher transmission system availability of Rs. 0.51 Crore for the true-up of FY 2022-23.

3.11 Aggregate Revenue Requirement for the FY 2022-23

Petitioner's Submission:

The Petitioner has summarized the ARR for FY 2022-23 in comparison with values approved by the Commission in the Tariff Order.

TABLE 3-20 AGGREGATE REVENUE REQUIREMENT CLAIMED FOR FY 2022-23 (Rs. Crore)

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
O&M Expense	9.27	7.21	14.00
Depreciation	15.32	15.39	13.11
Interest cost on long-term capital Loans	1.51	1.58	1.79
Interest on Working Capital Loans	0.58	0.51	0.72
Return on Equity	8.21	8.27	8.35
Total	34.89	32.96	37.97
Less: Non-Tariff Income	0.13	0.15	0.22
ARR	34.76	32.81	37.75

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
Add: True up of previous years including carrying cost	3.96	-	-
Net Revenue Requirement	38.72	32.81	37.75

Petitioner requested to approve the ARR submitted hereinabove.

Commission's Analysis:

The Commission has reviewed the performance of the Petitioner under Regulation 12 of the MYT Regulations, 2021, for FY 2022-23. The Commission has computed the gains/(losses) for FY 2022-23 based on the truing up for each of the components discussed in the above paragraphs. The Commission based on the Aggregate Revenue Requirement (ARR) approved in the APR, the actuals claimed in truing up and as approved by the Commission in truing up, has computed the Gains/(Losses) in accordance with the MYT Regulations, 2021 as given in the Table below:

TABLE 3-21 AGGREGATE REVENUE REQUIREMENT APPROVED BY COMMISSION FOR FY 2022-23 (Rs. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Trued-Up by Commission
O&M Expense	9.27	14.00	6.81
Depreciation	15.32	13.11	13.11
Interest cost on long-term capital Loans	1.51	1.79	1.77
Interest on Working Capital Loans	0.58	0.72	0.49
Return on Equity	8.21	8.35	8.35
Arrear Payment to PGCIL	-	-	5.48
Sharing of Gains/(Loss)	-	-	0.22
Incentive for higher transmission system availability	-	-	0.51
Aggregate Revenue Requirement	34.89	37.97	36.75
Less: Non-Tariff Income	0.13	0.22	0.22
Net ARR	34.76	37.75	36.53

The Commission approves net Aggregate Revenue Requirement of Rs. 36.53 Crore in the true-up of FY 2022-23.

3.12 Revenue for FY 2022-23

Petitioner's Submission:

The Petitioner has submitted an actual revenue to the tune of Rs. 44.59 for FY 2022-23, against Rs. 38.72 Crore approved by the Commission vide its Tariff Order dated 30th March, 2022.

TABLE 3-22 REVENUE FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Actual
Revenue at existing tariff	38.72	44.59
Total revenue	38.72	44.59

Commission's Analysis:

The Commission has observed that the revenue recovered by the Petitioner in FY 2022-23 as per the audited annual accounts was to the tune of Rs. 44.59 Crore excluding the non-tariff income. Accordingly, the Commission approves revenue from approved tariff for FY 2022-23 of Rs. 44.59 Crore.

3.13 Revenue Gap/(Surplus) for FY 2022-23

Petitioner's Submission:

The Petitioner has submitted the Aggregate Revenue Requirement for FY 2022-23 to the tune of Rs. 37.75 Crore, against the approved Aggregate Revenue Requirement of Rs. 38.72 Crore for FY 2022-23. Petitioner has compared the revised Aggregate Revenue Requirement against the revised income under various heads including revenue with existing tariff of Rs. 44.59 Crore. Accordingly, total revenue (surplus) of Licensee for FY 2022-23 is computed at Rs. 6.83 Crore as depicted in the Table below:

TABLE 3-23 REVENUE GAP/(SURPLUS) FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
Aggregate Revenue Requirement	38.72	32.81	37.75
Total Revenue	0.00	38.72	44.59

Particulars	Approved in Tariff Order	Approved in APR Order	Actual
Revenue Gap/(Surplus)	38.72	(5.91)	(6.83)
Previous year's Gap/(Surplus) carried over	-	4.04	3.88
Holding Cost	-	0.09	0.12
Total Revenue Gap/ (Surplus)	-	(1.78)	(3.07)

The Petitioner requested to consider the revenue (surplus) of Rs 3.07 crore for FY 2022-23 as part of truing up process.

Commissions Analysis:

Based on the component-wise approved in aforesaid paragraphs of this Chapter, the Commission has approved overall Net ARR for FY 2022-23 as per table below:

TABLE 3-24 REVENUE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2022-23 (RS. CRORE)

Particulars	Approved in Order	Petitioner's Submission	Trued-up by Commission
Aggregate Revenue Requirement	32.81	37.75	36.53
Revenue from transmission of power	38.72	44.59	44.59
Revenue Gap/(Surplus)	(5.91)	(6.83)	(8.06)
Previous year's Gap/(Surplus) carried over	4.04	3.88	3.88
Holding Cost	0.09	0.12	-
Net Revenue Gap/(Surplus)	(1.78)	(3.07)	(4.18)

The Commission, accordingly, considers the trued-up Revenue (Surplus) of Rs. 4.18 Crore for FY 2022-23 for determination of tariff for FY 2024-25.

Chapter 4: Annual Performance Review for FY 2023-24

4.1 Background

The Commission had issued the Order on determination of transmission tariff for FY 2023-24 on 30th March, 2023 (hereinafter referred to as the “ARR Order” for the purpose of APR of FY 2023-24). The Annual Performance Review for FY 2023-24 is to be carried out as per the provisions of the MYT Regulations, 2021.

Regulation 12.1 of the MYT Regulations, 2021 states as follows:

“The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.”

Further Regulation 41.2 of the MYT Regulations, 2021 states as follows:

“41.2 The annual Transmission Charges of the Transmission licensee shall be determined by the Commission on the basis of application for determination of Aggregate Revenue Requirement made by Transmission licensee...”

As per Regulation 41.3 of the MYT Regulations, 2021:

“The Aggregate Revenue Requirement for a Transmission Licensee shall comprise of the following components:

- a) Return on Equity;*
- b) Depreciation;*
- c) Interest and Finance Charges on Loan Capital;*
- d) Interest on Working Capital and deposits from Transmission System Users;*
- e) Operation and maintenance expenses;*
- f) Income Tax*

Less:

- g) Income from Open Access Charges, in accordance with Joint Electricity Regulatory*

Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017 as amended from time to time;

h) Non-Tariff Income;

i) Income from Other Business...”

The Commission has accordingly carried out the Annual Performance Review for FY 2022-23 as per the provisions of JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021.

4.2 Approach for APR of FY 2023-24

The review of the ARR has been done by assessing various cost elements like capital expenditure, O&M expense. Interest on long term loans, depreciation & interest on working capital. The components of ARR have been approved based on the prudence check of the actual information provided by the Petitioner & the principles laid down in MYT Regulations, 2021.

4.3 Operation & Maintenance (O&M) Expenses

As per Regulation 42 of the MYT Regulations, 2021:

“42. Operation and Maintenance (O&M) expenses for Transmission Licensees

42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:

a) Employee expenses - salaries, wages, pension contribution and other employee costs;

b) Administrative and General expenses including insurance charges if any; and

c) Repairs and Maintenance expenses.”

42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered

appropriate by the Commission.”

42.3 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GF_{An-1} \times (1 + WPI_{inflation})$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (1 + CPI_{inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPI_{inflation})$$

‘K’ is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPIinflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPIinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Transmission Licensee for the nth Year;

A&G_n – Administrative and General expenses of the Transmission Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Transmission Licensee for the nth Year;

GF_{An-1} – Gross Fixed Asset of the transmission Licensee for the n-1th Year;

X_n is an efficiency factor for nth Year. Value of X_n shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee’s filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate.

42.4 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies.

Additionally, any variation due to changes recommended by the pay Commission shall be allowed separately by the Commission, subject to prudence check.

42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.”

The components comprising of the O&M – employee expenses, R&M expenses and A&G expenses have been discussed separately as follows.

4.3.1 Employee Expenses

Petitioner’s Submission:

The Petitioner has submitted revised estimates for employee expenses at Rs. 2.72 Crore against Rs. 3.21 Crore as approved by the Commission in its Tariff Order dated 30th March, 2023.

TABLE 4-1 EMPLOYEE EXPENSES CLAIMED BY THE PETITIONER FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Employee Cost	3.21	2.72

Commission’s Analysis:

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Commission had approved employee expenses of Rs. 3.21 Crore in the ARR Order. The Petitioner has submitted revised estimates for FY 2023-24 as

Rs. 2.72 Crore. In order to compute the O&M expenses for FY 2023-24, the Commission has considered Regulation 6 of the MYT Regulations, 2021 which specifies the following:

“6. Values for Base Year

6.1 The values for the Base Year of the Control Period shall be determined on the basis of the audited accounts or provisional accounts of last three (3) Years, and other factors considered relevant by the Commission:

Provided that, in absence of availability of audited accounts or provisional accounts of last three (3) Years, the Commission may benchmark the parameters with other similar utilities to establish the values for Base Year:

Provided further that the Commission may change the values for Base Year and consequently the trajectory of parameters for Control Period, considering the actual figures from audited accounts.....”

Regulation 6 provides that the Commission may change the values for Base Year considering the actual figures from audited accounts. As the Commission in this Order has carried out the truing up for FY 2022-23 based on the audited accounts, the Commission has considered the trued-up expenses for FY 2022-23 as base expenses and applied the Average Increase in CPI Indices over 3 Years preceding FY 2023-24 for approving the revised trajectory of employee expenses FY 2023-24.

The CPI Inflation has been computed as follows:

TABLE 4-2 COMPUTATION OF CPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	322.50		
FY 2020-21	338.69	5.02%	
FY 2021-22	356.06	5.13%	
FY 2022-23	377.62	6.05%	
		CPI Inflation	5.40%

The following table provides the employee expenses approved by the Commission in the ARR Order, Petitioner's submission and revised estimates now approved by the Commission:

TABLE 4-3 EMPLOYEE EXPENSES APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Employee Expenses for the previous year (EMPn-1)	3.04	-	2.58
Growth in number of employees (Gn)	0.00%	-	-3.13%
CPI Inflation	5.89%	-	5.40%
Employee Expenses (EMPn)= (EMPn-1) x (1+Gn) x (1+CPI inflation)	3.21	-	2.63
Total Employee Expenses	3.21	2.72	2.63

Accordingly, the Commission approves employee expenses of Rs. 2.63 Crore for the APR of FY 2023-24.

4.3.2 Administrative & General (A&G) Expenses

Petitioner's Submission:

The Petitioner has submitted revised estimates for A&G expenses at Rs. 2.07 Crore against Rs. 1.26 Crore as approved by the Commission in its Tariff Order dated 30th March, 2023.

Commission's Analysis:

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc. The Commission has determined A&G expenses for FY 2023-24 by escalating trueed-up A&G expenses for FY 2022-23 by average CPI Inflation for (FY 2020-21 to FY 2022-23).

Similar to the methodology followed while estimating the Employee Expenses, the

Commission has considered the trued-up A&G expenses for FY 2022-23 as Base Year expenses and escalated the same with Average Increase in CPI Indices over 3 Years preceding FY 2023-24 for approving the revised trajectory of A&G expenses for FY 2023-24.

The following table provides the A&G expenses approved by the Commission in the ARR Order, Petitioner's submission and revised estimates now approved by the Commission:

TABLE 4-4 A&G EXPENSES APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
A&G Expenses for the previous year (A&Gn-1)	1.19	-	1.18
CPI Inflation	5.89%	-	5.40%
A& G Expenses	1.26	2.07	1.24

Accordingly, the Commission approves A&G expenses of Rs. 1.24 Crore for the APR of FY 2023-24.

4.3.3 Repair and Maintenance (R&M) Expenses

Petitioner's Submission:

The Petitioner has submitted revised estimates for R&M expenses at Rs. 2.76 Crore against Rs. 2.98 Crore as approved by the Commission in its Tariff Order dated 3rd March, 2023.

Commission's Analysis:

Regulation 42.3 of the MYT Regulations, 2021 states as shown below:

".....

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, bench marking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

.....”

As provided in clause 42.3 of the MYT Regulations, 2021 the Commissions has considered the value of ‘K’ factor as 1.33% as per actual R&M expenses approved by Commission in truing-up of FY 2022-23.

The ‘K’ factor multiplied with the GFA approved for opening GFA of the Year. The resultant amount is then escalated by Average Increase in CPI Indices over 3 Years preceding FY 2023-24 to arrive upon the R&M Expenses for FY 2023-24.

The WPI Inflation has been computed as follows:

TABLE 4-5 COMPUTATION OF WPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	121.80		
FY 2020-21	123.38	1.29%	
FY 2021-22	139.41	13.00%	
FY 2022-23	152.53	9.41%	
		WPI Inflation	7.90%

The following table provides the R&M expenses approved by the Commission in the ARR Order, Petitioner’s submission and revised estimates now approved by the Commission:

TABLE 4-6 R&M EXPENSES APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner’s Submission	Approved by Commission
K-Factor	0.95%	-	0.95%
GFA _{n-1} (Opening GFA)	297.59	-	301.04
WPI Inflation (%)	5.32%		7.90%
R&M Expenses	2.98	2.76	3.09

Accordingly, the Commission approves R&M expenses of Rs. 3.09 Crore for the APR of FY 2023-24.

4.3.4 Total Operation and Maintenance (O&M) Expenses

The following table provides the O&M expenses approved by the Commission in the ARR Order, Petitioner's submission and revised estimates of O&M expenses now approved by the Commission:

TABLE 4-7 O&M EXPENSES APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Employee Expenses	3.21	2.72	2.63
A&G Expenses	1.26	2.07	1.24
R&M Expenses	2.98	2.76	3.09
Total O&M Expenses	7.45	7.55	6.96

Accordingly, the Commission approves O&M expenses of Rs. 6.96 Crore for the APR of FY 2023-24.

4.4 Capital Expenditure and Capitalization

Petitioner's Submission:

The Petitioner has submitted that the capital expenditure has been considered as per the ongoing works in the UT and based on the estimated expenditure to be incurred during the FY 2023-24. The details of the capital expenditure schemes proposed to be implemented and put to use during FY 2023-24 are provided in the table below:

TABLE 4-8 CAPITAL EXPENDITURE PROPOSED BY THE PETITIONER FOR FY 2023-24 (RS. CRORE)

S. No.	Name of the Scheme	FY 2023-24
1	Augmentation of 220/66KV Vaghchipa sub-station from 2x160 MVA to 3x160MVA with associates 220KV bay and 66KV Bay in the UT of DNH and DD.	5.00
2	Supply installation testing and Commissioning of OPGW 24F cable along with hard ware & accessories for replacement existing earth wire of 220 KV Kala to Khadoli to New Kharadpada sub-station for real time SCADA data availability at SLDC-DNH.	0.25

The Capital expenditure and capitalization for FY 2023-24 claimed by the Petitioner is summarized below:

TABLE 4-9 CAPITAL EXPENDITURE & CAPITALISATION FOR FY 2023-24 (RS. CRORE)

Particulars	FY 2023-24
Capital Expenditure	5.25
Capitalisation	0.00

Commission's Analysis:

The Petitioner has claimed NIL capitalization for FY 2023-24. In this regard, Commission vide Letter dated 23rd January, 2024 has asked the Petitioner to provide the current status of schemes proposed to be capitalized in FY 2023-24 along with physical and financial progress. In response to the Query of the Commission, the Petitioner vide letter dated 2nd February, 2024 submitted that the capitalization for FY 2023-24 shall be revisited and submitted at the time of truing up for the FY 2023-24.

TABLE 4-10 APPROVED CAPITALISATION FOR FY 2023-24 (RS. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Capital Expenditure	5.25	5.25
Capitalization	0.00	0.00

Accordingly, the Commission approves Capital Expenditure and Capitalization as claimed by the Petitioner for FY 2023-24.

4.5 Depreciation

Petitioner's Submission:

The Petitioner has submitted that it has determined the depreciation by applying category-wise depreciation rates notified in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2019 on the opening balance of Gross Fixed assets and average of the addition for FY 2023-24. Accordingly, the depreciation for the FY 2023-24 has been submitted as below:

TABLE 4-11 DEPRECIATION CLAIMED BY THE PETITIONER FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Opening GFA	297.59	301.43
Addition during the year	1.28	0.00
Closing GFA	298.87	301.43
Average GFA	298.23	301.43
Depreciation during the year	15.43	15.57

Commission's Analysis:

Regulation 31 of the MYT Regulations, 2021 specifies the following:

“31. Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the

Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

.....” (Emphasis supplied)

Accordingly, depreciation rates have been considered based on CERC (Terms and Conditions of Tariff), 2019.

Further, depreciation for FY 2023-24 has been computed on average Gross Fixed Assets (GFA) after considering the net addition approved for the year.

The following table provides the calculation of depreciation approved by the Commission for FY 2023-24:

TABLE 4-12 DEPRECIATION APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Depreciation Rate	Opening GFA	Addition	Deletion	Closing GFA	Average GFA	Depreciation
Plant and Machinery	5.28%	291.36	-	-	291.36	291.36	15.38
Buildings	3.34%	3.97	-	-	3.97	3.97	0.13
Furniture & Fixtures	6.33%	0.51	-	-	0.51	0.51	0.03
Land	0.00%	5.21	-	-	5.21	5.21	0.00
Total		301.04	-	-	301.04	301.04	15.55

Accordingly, the Commission approved depreciation of Rs. 15.55 Crore for the APR of FY 2023-24.

4.6 Interest and Finance Charges

Petitioner's Submission:

The Petitioner has considered normative debt-equity ratio of 70:30 as per the MYT Regulations, 2021. Further, the Petitioner has considered interest rate of 9.50% to compute the interest on long-term loans similar to the prevailing 1-year SBI MCLR plus 100 basis points. The following table provides the Interest on Loan projected for FY 2023-24.

TABLE 4-13 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Opening Loan	12.10	16.80
Loan for additional Capex (70:30 debt equity)	0.90	0.00
Loan Repayment	13.00	15.57
Closing Loan	-	1.23
Interest cost on Avg. Loans	0.48	0.86

The Petitioner requested to approve the interest on loans as computed for FY 2023-24.

Commission's Analysis:

The Regulation 29 of the MYT Regulations, 2021 specifies the following:

"29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalisation or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the decapitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2022, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalisation approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in

effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

.....” (Emphasis supplied)

As discussed under the GFA and Capitalization Section, the Commission has considered NIL capitalisation for FY 2023-24.

Since, the Petitioner has no actual loans, the rate of interest will be in accordance with the Regulation 29 of the MYT Regulations, 2021 and shall be the 1-year SBI MCLR as on 1st April of the relevant year plus 100 basis points. For projection, the latest available 1-year SBI MCLR as on 1st April, 2022 plus 100 basis points (9.50%) has been considered for FY 2023-24.

The closing loan balance in Truing-Up of FY 2022-23 has been considered as the opening loan balance for FY 2023-24. The normative loan addition for FY 2023-24 has been considered as NIL. The Interest on Loan has been calculated on the average loan during the year.

The following table provides the Interest on Loan approved by the Commission 2023-24:

TABLE 4-14 INTEREST APPROVED BY THE COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Claimed by Petitioner	Approved in Truing-Up
Opening Normative Loan	12.10	16.80	16.80
Add: Normative Loan during the year	0.90	0.00	0.00
Less: Normative Repayment equal to Depreciation	13.00	15.57	15.55
Closing Normative Loan	0.00	1.23	1.25
Average Normative Loan		9.02	9.03
Rate of Interest (%)	8.00%	9.50%	9.50%
Interest on Loan	0.48	0.86	0.86

Accordingly, the Commission approves Interest on Loans of Rs. 0.86 Crore for the APR of FY 2023-24.

4.7 Interest on Working Capital

Petitioner's Submission:

The Petitioner has calculated interest on working capital based on the principles outlined in the MYT Regulations, 2021, by considering the below parameters (as in CERC Tariff Regulations, 2019):

- a) Receivables equivalent to 45 days of annual fixed cost;
- b) Maintenance spares @15% of operation and maintenance expenses including security expenses;
- c) Operation and maintenance expenses including security expenses for one month

The Petitioner has considered rate of interest on working capital as 10.50% for FY 2023-24

The following table provides the Interest on Working Capital claimed by the Petitioner for FY 2023-24:

TABLE 4-15 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Receivables equivalent to 45 days of Annual Fixed Cost	3.95	4.05
Maintenance spares @15% of operation and maintenance expenses	1.12	1.13
Operation and maintenance expense for one month	0.62	0.63
Total Working Capital	5.68	5.81
Interest on Working Capital	0.51	0.61

The Petitioner requests the Commission to approve the interest on working capital as computed above.

Commission's Analysis:

The Regulation 43 of the MYT Regulations, 2021 stipulates as follows:

"...43. Norms of Working Capital for Transmission Licensee

"43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations."

Further, Regulation 34 (C) of the CERC (Terms and Conditions of Tariff) Regulations, 2019 specifies:

(c) For Hydro Generating Station (including Pumped Storage Hydro Generating Station) and Transmission System:

- i. Receivables equivalent to 45 days of annual fixed cost;*
- ii. Maintenance spares @ 15% of operation and maintenance expenses including security expenses*
- iii. Operation and maintenance expenses, including security expenses for one month*

The Regulation 32 of the MYT Regulation, 2021 stipulates the following:

".....

32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st

*April of the Financial Year in which the Petition is filed plus 200 basis points.
.....” (Emphasis supplied)*

In accordance with the MYT Regulation, 2021, the Commission has computed the Working Capital for the FY 2023-24. The interest rate has been considered as 1-year SBI MCLR as on 1st April, 2022 (8.50%) plus 200 basis points.

The following table provides the Interest on Working Capital Approved by the Commission for each year of the control period.

TABLE 4-16 INTEREST ON WORKING CAPITAL APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Claimed By Petitioner	Approved By Commission
Receivables equivalent to 45 days of Annual Fixed Cost	3.95	4.05	3.99
Maintenance spares @15% of operation and maintenance expenses	1.12	1.13	1.04
Operation and maintenance expense for one month	0.62	0.63	0.58
Total Working Capital Requirement	5.68	5.81	5.62
<i>Rate of Interest (%)</i>	<i>9.00%</i>	<i>10.50%</i>	<i>10.50%</i>
Interest on Working Capital	0.51	0.61	0.59

Accordingly, the Commission approves Interest on Working Capital of Rs. 0.59 Crore for the APR of FY 2023-24.

4.8 Return on Equity

Petitioner’s Submission:

The Petitioner has considered normative debt-equity ratio of 70:30 is considered on the assets capitalized during the FY 2023-24 as per the MYT Regulations, 2021. As per the Regulations, “For New Projects, the debt-equity ratio as on the Date of Commercial Operation shall be 70:30 of the amount of capital cost approved by the Commission under Regulation 24, after prudence check for determination of tariff:”

Hence, a normative equity on the assets created after FY 2013-14 is considered and claimed the RoE of 15.50% for FY 2023-24 in this Petition. The RoE submitted is shown in the table below:

TABLE 4-17 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Opening Equity	53.57	54.41
Additions on account of new capitalisation	0.38	0.00
Closing Equity	53.76	54.41
Average Equity	53.37	54.41
Return on Equity	8.30	8.43

The Petitioner requested to approve the return on equity computed for FY 2023-24.

Commission's Analysis:

The Regulation 30 of the CERC (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "CERC Tariff Regulations, 2019"), stipulates the following:

"...30. Return on Equity: (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with Regulation 18 of these regulations.

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of-river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run-of-river generating station with pondage:

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope excluding additional capitalization due to Change in Law, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system;

....

Accordingly, the Commission has considered a rate of return on equity of 15.50%. The opening equity for FY 2023-24 has been considered equal to the closing equity approved in truing-up of FY 2022-23. The normative equity addition during FY 2023-24 has been considered as NIL for FY 2023-24. The following table provides the return on equity approved for 2023-24:

TABLE 4-18 RETURN ON EQUITY APPROVED FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission	Approved by Commission
Opening Equity	53.57	54.41	54.41
Additions on account of new capitalisation	0.38	0.00	0.00
Closing Equity	53.76	54.41	54.41
Average Equity	53.37	54.41	54.41
Rate of return	15.50%	15.50%	15.50%
Return on Equity	8.30	8.43	8.43

Accordingly, the Commission approves return on equity of Rs. 8.43 Crore for FY 2023-24.

4.9 Non-Tariff Income

Petitioner's Submission:

The Petitioner has considered Non-Tariff income of Rs. 0.15 Crore for FY 2023-24 based on the actual non-tariff income during the first six months.

Commission's Analysis:

The Regulation 44 of the MYT Regulations, 2021 stipulates the following:

"44. Non-Tariff Income

44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:

Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.

44.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap in excess of the 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contactors and others.*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”

The Commission approves the NTI of Rs 0.15 Crore as claimed by the Petitioner, which shall be trued-up on actual basis at the time of processing of True-Up Petition for the corresponding financial year.

The following table provides the Non-Tariff Income approved by the Commission for FY 2023-24:

TABLE 4-19 NON-TARIFF INCOME APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Petitioner's Submission	Approved in Truing-Up
Non-Tariff Income	0.15	0.15

4.10 Aggregate Revenue Requirement for the FY 2023-24

Petitioner's Submission:

Based on the expenses as detailed above, the Petitioner submitted the net aggregate revenue requirement for FY 2023-24 as shown in the following table:

TABLE 4-20 AGGREGATE REVENUE REQUIREMENT CLAIMED FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in MYT Order	Approved in Tariff Order	Petitioner Submission
O&M Expense	9.66	7.45	7.55
Depreciation	15.48	15.43	15.57
Interest cost on long-term capital Loans	0.45	0.48	0.86
Interest on Working Capital Loans	0.58	0.51	0.61
Return on Equity	8.35	8.30	8.43
Total	34.52	32.17	33.02
Less: Non-Tariff Income	0.13	0.16	0.15
Aggregate Revenue Requirement	34.39	32.01	32.87
Add: True up of previous years including carrying cost	-	-1.78	0.00
Net Revenue Requirement	34.3	30.23	32.87

Petitioner requested to approve the ARR submitted hereinabove.

Commission's Analysis:

On the basis of the detailed analysis of the cost parameters of the ARR, as shown above, the net revenue requirement for FY 2023-24 is approved by the Commission as provided in the following table:

TABLE 4-21 AGGREGATE REVENUE REQUIREMENT APPROVED FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
O&M Expense	7.45	7.55	6.96
Depreciation	15.43	15.57	15.55
Interest cost on long-term capital Loans	0.48	0.86	0.86
Interest on Working Capital Loans	0.51	0.61	0.59
Return on Equity	8.30	8.43	8.43
Total	32.17	33.02	32.39
Less: Non-Tariff Income	0.16	0.15	0.15
Aggregate Revenue Requirement	32.01	32.87	32.24

The Commission approves net ARR of Rs. 32.24 Crore for FY 2023-24 on standalone basis.

4.11 Revenue from Existing Tariff

Petitioner's Submission:

The estimated revenue from approved tariff for FY 2023-24 by the Petitioner is 30.23 crore.

TABLE 4-22 REVENUE AT EXISTING TARIFF FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner Submission
Revenue from transmission of power	30.23	30.23
Total Revenue	30.23	30.23

Commission's Analysis:

The Commission has considered the revenue from transmission business as submitted by the Petitioner for the APR of FY 2023-24.

TABLE 4-23 REVENUE APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Revenue from Transmission of power	30.23	30.23	30.23

4.12 Revenue Gap/(Surplus) for FY 2023-24

Petitioner's Submission:

As part of the review of FY 2023-24 Electricity Department, Transmission Division has arrived at the Aggregate Revenue Requirement of Rs. 32.87 Crore.

TABLE 4-24 REVENUE GAP/(SURPLUS) FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in Tariff Order	Petitioner's Submission
Aggregate Revenue Requirement	30.23	32.87
Revenue from transmission of power	30.23	30.23
Revenue Gap/(Surplus)	-	2.64
Previous year's Gap/(Surplus) carried over		(3.07)
Holding Cost		0.02
Net Revenue Gap/(Surplus)		(0.46)

The Petitioner requested to consider the revenue (surplus) of Rs 0.46 crore for FY 2023-24.

Commissions Analysis:

On the basis of the detailed analysis of the cost parameters of the ARR, as shown above in this chapter and revenue approved as shown above, the standalone gap/(surplus) for FY 2023-24 is approved by the Commission as provided in the following table:

TABLE 4-25 REVENUE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Aggregate Revenue Requirement	30.23	32.87	32.24
Revenue from transmission of power	30.23	30.23	30.23
Revenue Gap/(Surplus)	-	2.64	2.01

As per Regulation 12.5 of the MYT Regulations, 2021, the (gap)/surplus of the trued-up year only shall be carried forward in the tariff for the year for which tariff is to be determined. The relevant excerpt of the aforesaid regulation is stipulated as under:

12.5 Upon completion of the exercise, the Commission shall pass an order recording:

a) Components of approved cost pertaining to the uncontrollable factors, which were not recovered during the previous Year, to be passed through in tariff as per Regulation 14 of these Regulations:

Thus, in accordance with above clause, the Commission has not considered the gap/(surplus) for the APR of FY 2023-24 to be carried forward in the ARR of FY 2024-25.

Chapter 5: Aggregate Revenue Requirement for FY 2024-25

5.1 Background

The determination of Aggregate Revenue Requirement has been done in accordance with the Joint Electricity Regulatory Commission for the State of Goa and Union territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations.

5.2 Approach for determination of ARR of FY 2024-25

The review of the ARR has been done by assessing various cost elements like capital expenditure, O&M expense. Interest on long term loans, depreciation & interest on working capital. The components of ARR have been approved based on the prudence check of the actual information provided by the Petitioner & the principles laid down in JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021.

5.3 Operation & Maintenance (O&M) Expenses

As per Regulation 42 of the MYT Regulations, 2021:

“42. Operation and Maintenance (O&M) expenses for Transmission Licensees

42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:

a) Employee expenses - salaries, wages, pension contribution and other employee costs;

b) Administrative and General expenses including insurance charges if any; and

c) Repairs and Maintenance expenses.”

42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered

appropriate by the Commission.”

42.3 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GF_{An-1} \times (1 + WPI_{inflation})$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (1 + CPI_{inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPI_{inflation})$$

‘K’ is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPIinflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPIinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Transmission Licensee for the nth Year;

A&G_n – Administrative and General expenses of the Transmission Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Transmission Licensee for the nth Year;

GF_{An-1} – Gross Fixed Asset of the transmission Licensee for the n-1th Year;

X_n is an efficiency factor for nth Year. Value of X_n shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee’s filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

Provided that in case the Distribution Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, O&M Expenses shall be determined on case to case basis.

42.4 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies.

Additionally, any variation due to changes recommended by the pay Commission shall be allowed separately by the Commission, subject to prudence check.

42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.”

The components comprising of the O&M – employee expenses, R&M expenses and A&G expenses have been discussed separately as follows.

5.3.1 Employee Expenses

Petitioner’s Submission:

The Petitioner has projected the employee cost for FY 2024-25 as per principles laid in MYT regulations, 2021, based on the average increase in the consumer price index (CPI) of 5.48% for immediately preceding three years. Total employee cost for the FY 2024-25 is provided in the table below:

TABLE 5-1 EMPLOYEE EXPENSES PROJECTED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)

Particulars	Approved in Business Plan	Projected by Petitioner
Employee Cost	4.93	2.87

Commission's Analysis:

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. In order to compute the O&M expenses for FY 2024-25, the Commission has considered Regulation 6 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 which specifies the following:

“6. Values for Base Year

6.1 The values for the Base Year of the Control Period shall be determined on the basis of the audited accounts or provisional accounts of last three (3) Years, and other factors considered relevant by the Commission:

Provided that, in absence of availability of audited accounts or provisional accounts of last three (3) Years, the Commission may benchmark the parameters with other similar utilities to establish the values for Base Year:

Provided further that the Commission may change the values for Base Year and consequently the trajectory of parameters for Control Period, considering the actual figures from audited accounts.....”

Regulation 6 provides that the Commission may change the values for Base Year considering the actual figures from audited accounts. As the Commission in this Order has carried out the APR for FY 2023-24, the Commission has considered the APR expenses for FY 2023-24 as base expenses and applied the Average Increase in CPI Indices over 3 Years preceding FY 2024-25 for approving the revised trajectory of employee expenses FY 2024-25.

The CPI Inflation has been computed as follows:

TABLE 5-2 COMPUTATION OF CPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	322.50		
FY 2020-21	338.69	5.02%	
FY 2021-22	356.06	5.13%	

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2022-23	377.62	6.05%	
		CPI Inflation	5.40%

The following table provides the employee expenses as Petitioner's submission and approved by the Commission:

TABLE 5-3 EMPLOYEE EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)

S. No.	Particulars	Petitioner's Submission	Approved by Commission
1	Employee Expenses for the previous year (EMPn-1)	-	2.63
2	Growth in number of employees (Gn)	-	0.00%
3	CPI Inflation	-	5.40%
4	Employee Expenses (EMPn)= (EMPn-1) x (1+Gn) x (1+CPI inflation)	-	2.77
5	Total Employee Expenses	2.87	2.77

Accordingly, the Commission approves employee expenses of Rs. 2.77 Crore for the ARR of FY 2024-25.

5.3.2 Repairs & Maintenance Expenses

Petitioner's Submission:

The Petitioner has projected R&M expenses of Rs. 2.76 Crore in line to the principles laid in MYT Regulations, 2021, considering the WPI inflation as 1.99%. Total repair & maintenance cost of the Petitioner is summarized in the table below:

TABLE 5-4 R&M EXPENSES PROJECTED BY PETITIONER FOR FY 2024-25 (RS. CRORE)

Particulars	FY 24-25 Approved in Business Plan	Projected by Petitioner
R&M	2.93	2.76

Commission's Analysis:

Regulation 42.3 of the MYT Regulations, 2021 states as shown below:

“
‘K’ is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, bench marking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;
”

As provided in clause 42.3 of the MYT Regulations, 2021 the Commissions has approved the value of ‘K’ factor as 1.33% as per actual R&M expenses approved by Commission in truing-up of FY 2022-23.

The ‘K’ factor multiplied with the GFA approved for opening GFA of the Year. The resultant amount is then escalated by Average Increase in CPI Indices over 3 Years preceding FY 2024-25 to arrive upon the R&M Expenses for FY 2024-25.

The WPI Inflation has been computed as follows:

TABLE 5-5 COMPUTATION OF WPI INFLATION (%)

FY	Average (Apr-March)	Increase in CPI Index	Average increase in CPI indices over 3 years
FY 2019-20	121.80		
FY 2020-21	123.38	1.29%	
FY 2021-22	139.41	13.00%	
FY 2022-23	152.53	9.41%	
		WPI Inflation	7.90%

The following table provides the R&M expenses as per Petitioner’s submission and approved by the Commission:

TABLE 5-6 R&M EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
K-Factor	-	0.95%
GFA _n -1 (Opening GFA)	-	301.04
WPI Inflation (%)	-	7.90%
R&M Expenses	2.76	3.09

Accordingly, the Commission approves R&M expenses of Rs. 3.09 Crore for the ARR of FY 2024-25.

5.3.3 Administration & General Expenses

Petitioner's Submission:

The Petitioner has computed A&G expense to the tune of Rs. 2.19 Crore as per the principles laid in MYT Regulations, 2021, considering CPI inflation as 5.48%. The A&G expense projected for the FY 2024-25 is provided in the table below:

TABLE 5-7 ADMINISTRATION & GENERAL EXPENSES PROJECTED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)

Particulars	FY 24-25 Approved in Business Plan	Projected by Petitioner
A&G Expenses	2.26	2.19

Petitioner requests the Hon'ble Commission to approve the A&G expense projected for the FY 2024-25.

Commission's Analysis:

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc.

Similar to the methodology followed while estimating the Employee Expenses, the Commission has considered the APR A&G expenses for FY 2023-24 as Base Year expenses and escalated the same with Average Increase in CPI Indices over 3 Years

preceding FY 2024-25 for approving the revised trajectory of A&G expenses for FY 2024-25.

The following table provides the A&G expenses as Petitioner's submission and approved by the Commission:

TABLE 5-8 A&G EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
A&G Expenses for the previous year (A&Gn-1)	-	1.24
CPI Inflation	-	5.40%
A& G Expenses	2.19	1.31

Accordingly, the Commission approves A&G expenses of Rs. 1.31 Crore for the ARR of FY 2024-25.

5.3.4 Total Operation and Maintenance (O&M) Expenses

The following table provides the O&M expenses as per Petitioner's submission and approved by the Commission:

TABLE 5-9 O&M EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)

S. No.	Particulars	Petitioner's Submission	Approved by Commission
1	Employee Expenses	2.87	2.77
2	A&G Expenses	2.19	1.31
3	R&M Expenses	2.76	3.09
4	Total O&M Expenses	7.81	7.17

Accordingly, the Commission approves O&M expenses of Rs. 7.17 Crore for the ARR of FY 2024-25.

5.4 Capital Expenditure and Capitalization

Petitioner's Submission:

Petitioner has submitted scheme wise capital expenditure plan for the FY 2024-25. The details are provided in the table below:

TABLE 5-10 CAPITAL EXPENDITURE SCHEME PROPOSED BY PETITIONER FOR FY 2024-25 (Rs. CRORE)

S. No.	Name of the Scheme	FY 2024-25
1	Augmentation of 220/66KV Vaghchiba sub-station from 2x160 MVA to 3x160MVA with associates 220KV bay and 66KV Bay in the UT of DNH and DD.	12.90
2	Supply installation testing and Commissioning of OPGW 24F cable along with hard ware & accessories for replacement existing earth wire of 220 KV Kala to Khadoli to New Kharadpada sub-station for real time SCADA data availability at SLDC-DNH.	1.39
Total		14.29

The Capital expenditure and capitalization for FY 2024-25 claimed by the Petitioner is summarized below:

TABLE 5-11 CAPITAL EXPENDITURE & CAPITALISATION FOR FY 2024-25 (Rs. CRORE)

Particulars	Total Est. Amount	FY 23-24	FY 24-25 Projected
Capital Expenditure	29.54	5.25	14.29
Capitalisation	29.54	0.00	1.64

The Petitioner requested to approve the capital expenditure and capitalization as projected above.

Commission's Analysis:

The Commission observed that the Petitioner has projected CAPEX of Rs. 14.29 Crore while Capitalization of Rs. 1.64 Crore for FY 2024-25 respectively, as detailed above and furnished the project/work-wise justification for the same.

The Commission has provisionally approved the CAPEX and Capitalization for FY 2024-25 as projected by the Petitioner in order to strengthen the sub-transmission system to provide reliable quality supply. The Commission, accordingly, approves the CAPEX to the tune of Rs. 14.29 Crore for FY 2024-25.

TABLE 5-12 APPROVED CAPITALISATION FOR FY 2024-25 (Rs. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Capital Expenditure	14.29	14.29
Capitalisation	1.64	1.64

Accordingly, the Commission approves the Capitalization of Rs. 1.64 Crore for the ARR of FY 2024-25.

5.5 Gross Fixed Assets

Petitioner's Submission:

A summary of the Opening and Closing GFA and capitalization for FY 2024-25 has been summarized in Table below:

TABLE 5-13 OPENING AND CLOSING GFA FOR FY 2024-25 (Rs. CRORE)

Particulars	Opening GFA	Additions during the year	Closing GFA
FY 2024-25 (Approved)	302.18	22.00	324.18
FY 2024-25 (Projected)	301.43	1.64	303.07

Commission's Analysis:

The Commission has considered the opening GFA for FY 2024-25 same as the closing GFA approved in APR of FY 2023-24 and addition during the year is being considered based on the approved capitalization for FY 2024-25 subject to prudence check of the actual capitalization during FY 2024-25 at the time of truing up.

The table below provides the details of capitalization and GFA approved by the Commission for the FY 2024-25:

TABLE 5-14 GROSS FIXED ASSETS APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	301.43	301.04
Addition during the Year	1.64	1.64
Closing GFA	303.07	302.68

Accordingly, the Commission approves the GFA as claimed by the Petitioner for the ARR of FY 2024-25.

5.6 Depreciation

Petitioner's Submission:

The Petitioner has submitted that it has determined the depreciation by applying category-wise depreciation rates notified in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2019 on the opening balance of Gross Fixed assets and average of the addition for FY 2024-25. Accordingly, the depreciation for the FY 2024-25 has been submitted as below:

TABLE 5-15 DEPRECIATION CLAIMED BY THE PETITIONER FOR FY 2024-25 (Rs. CRORE)

Particulars	FY 24-25 Approved in Business Plan	Projected by Petitioner
Opening GFA	302.18	301.43
Addition during the year	22.00	1.64
Closing GFA	324.18	303.07
Average GFA	313.19	302.25
Depreciation during the year	16.22	15.61

Commission's Analysis:

Regulation 31 of the MYT Regulations, 2021 specifies the following:

“31. Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

.....” (Emphasis supplied)

Accordingly, depreciation rates have been considered based on CERC (Terms and Conditions of Tariff), 2019.

Further, depreciation for FY 2024-25 has been computed on average Gross Fixed Assets (GFA) after considering the net addition approved for the year.

The following table provides the calculation of depreciation approved by the Commission for FY 2024-25:

TABLE 5-16 DEPRECIATION APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)

Particulars	Depreciation Rate	Opening GFA	Addition	Deletion	Closing GFA	Average GFA	Depreciation
Plant and Machinery	5.28%	291.36	1.64	-	293.00	292.18	15.43
Buildings	3.34%	3.97	-	-	3.97	3.97	0.13

Particulars	Depreciation Rate	Opening GFA	Addition	Deletion	Closing GFA	Average GFA	Depreciation
Furniture & Fixtures	6.33%	0.51	-	-	0.51	0.51	0.03
Land	0.00%	5.21	-	-	5.21	5.21	0.00
Total		301.04	1.64	-	302.68	301.86	15.59

Accordingly, the Commission approved depreciation of Rs. 15.59 Crore for FY 2024-25.

5.7 Interest and Finance Charges

Petitioner's Submission:

The Petitioner has considered normative debt-equity ratio of 70:30 as per the MYT Regulations, 2021. Further, the Petitioner has considered interest rate of 9.50% to compute the interest on long-term loans similar to the prevailing 1-year SBI MCLR plus 100 basis points. The following table provides the Interest on Loan projected for FY 2024-25.

TABLE 5-17 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2024-25 (RS. CRORE)

Particulars	FY 2024-25 Approved in Business Plan	Projected by Petitioner
Opening Loan	0.00	1.23
Loan for additional Capex (70:30 debt equity)	15.40	1.15
Loan Repayment	16.22	15.61
Closing Loan	0.00	-13.23
Interest cost on Avg. Loans	0.00	0.00

Commission's Analysis:

The Regulation 29 of the MYT Regulations, 2021 specifies the following:

"29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest

on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalisation or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the decapitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2022, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalisation approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

....." (Emphasis supplied)

As discussed under the GFA and Capitalization Section, the Commission has considered capitalisation of Rs. 1.64 Crore for FY 2024-25.

Since, the Petitioner has no actual loans, the rate of interest will be in accordance with the Regulation 29 of the MYT Regulations, 2021 and shall be the 1-year SBI MCLR as on 1st April of the relevant year plus 100 basis points. For projection, the latest available 1-year SBI MCLR as on 1st April, 2023 plus 100 basis points (9.50%) has been considered for FY 2024-25.

The closing loan balance in APR of FY 2023-24 has been considered as the opening loan balance for FY 2024-25. The normative loan addition for FY 2024-25 has been considered as 70% of the capitalization for FY 2024-25, which works out to be Rs. 1.15 Crore. The Interest on Loan has been calculated on the average loan during the year.

The following table provides the Interest on Loan approved by the Commission 2024-25:

TABLE 5-18 INTEREST APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Opening Normative Loan	1.23	1.25
Add: Normative Loan during the year	1.15	1.15
Less: Normative Repayment equal to Depreciation	15.61	15.59
Closing Normative Loan	-13.23	-
Average Normative Loan	-	-
Rate of Interest (%)	9.50%	9.50%
Interest on Loan	0.00	0.00

Accordingly, the Commission approves Interest on Loans as NIL for the ARR of FY 2024-25.

5.8 Interest on Working Capital

Petitioner's Submission:

The Petitioner has calculated interest on working capital based on the principles outlined in the MYT Regulations, 2021, by considering the below parameters (as in CERC Tariff Regulations, 2019):

- a) Receivables equivalent to 45 days of annual fixed cost;
- b) Maintenance spares @15% of operation and maintenance expenses including security expenses;
- c) Operation and maintenance expenses including security expenses for one month

The Petitioner has considered rate of interest on working capital as 10.50% for FY 2023-24

The following table provides the Interest on Working Capital claimed by the Petitioner for FY 2024-25:

TABLE 5-19 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2024-25 (RS. CRORE)

Particulars	FY 2024-25 Approved in Business Plan	Projected by Petitioner
Receivables equivalent to 45 days of Annual Fixed Cost	4.42	3.99
Maintenance spares @15% of operation and maintenance expenses	1.52	1.17
Operation and maintenance expense for one month	0.84	0.65
Total Working Capital	6.77	5.81
Interest on Working Capital	0.61	0.61

Commission's Analysis:

The Regulation 43 of the MYT Regulations, 2021 stipulates as follows:

"...43. Norms of Working Capital for Transmission Licensee

"43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations."

Further, Regulation 34 (C) of the CERC (Terms and Conditions of Tariff) Regulations, 2019 specifies:

(c) For Hydro Generating Station (including Pumped Storage Hydro Generating Station) and Transmission System:

i. Receivables equivalent to 45 days of annual fixed cost;

ii. Maintenance spares @ 15% of operation and maintenance expenses including security expenses

iii. Operation and maintenance expenses, including security expenses for one month

The Regulation 32 of the MYT Regulation, 2021 stipulates the following:

".....

32.3 The interest on working capital shall be a payable on normative basis

notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.

.....” (Emphasis supplied)

In accordance with the MYT Regulation, 2021, the Commission has computed the Working Capital for the FY 2024-25. The interest rate has been considered as 1-year SBI MCLR as on 1st April, 2023 (8.50%) plus 200 basis points.

The following table provides the Interest on Working Capital Approved by the Commission for each year of the control period.

TABLE 5-20 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2024-25 (RS. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Receivables equivalent to 45 days of Annual Fixed Cost	3.99	3.92
Maintenance spares @15% of operation and maintenance expenses	1.17	1.08
Operation and maintenance expense for one month	0.65	0.60
Total Working Capital	5.81	5.60
Rate of Interest (%)	10.50%	10.50%
Interest on Working Capital	0.61	0.59

Accordingly, the Commission approves Interest on Working Capitals of Rs. 0.59 Crore for the ARR of FY 2024-25.

5.9 Return on Equity

Petitioner’s Submission:

The Petitioner has considered normative debt-equity ratio of 70:30 on the assets

capitalized during the FY 2024-25 as per the MYT Regulations, 2021. Hence, a normative equity on the assets is considered and claimed the RoE of 15.50% for FY 2024-25. The details of the same have been provided below for reference:

TABLE 5-21 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)

Particulars	FY 2024-25 Approved in Business Plan	Projected by Petitioner
Opening Equity	54.75	54.41
Additions on account of new capitalisation	6.60	0.49
Closing Equity	61.35	54.90
Average Equity	58.05	54.65
Return on Equity	9.00	8.47

Commission's Analysis:

The Regulation 30 of the CERC (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "CERC Tariff Regulations, 2019"), stipulates the following:

"...30. Return on Equity: (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with Regulation 18 of these regulations.

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of-river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run-of-river generating station with pondage:

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope excluding additional capitalization due to Change in Law, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system;

.... "

Accordingly, the Commission has considered a rate of return on equity of 15.50%. The opening equity for FY 2023-24 has been considered equal to the closing equity

approved in truing-up of FY 2022-23. The normative equity addition during FY 2023-24 has been considered as NIL for FY 2023-24. The following table provides the return on equity approved for 2023-24:

TABLE 5-22 RETURN ON EQUITY APPROVED FOR FY 2024-25 (RS. CRORE)

Particulars	Claimed by Petitioner	Approved by Commission
Opening Equity	54.41	54.41
Additions on account of new capitalisation	0.49	0.49
Closing Equity	54.90	54.90
Average Equity	54.66	54.65
Rate of return	15.50%	15.50%
Return on Equity	8.47	8.47

Accordingly, the Commission approves return on equity of Rs. 8.47 Crore for FY 2024-25.

5.10 Non-Tariff Income

Petitioner's Submission:

The Petitioner has considered the non-tariff income for the FY 2024-25 at the same level as estimated for FY 2023-24 of Rs. 0.15 Crore.

Commission's Analysis:

The Regulation 44 of the MYT Regulations, 2021 stipulates the following:

“44. Non-Tariff Income

44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:

Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.

44.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;
- b) Income from sale of scrap in excess of the 10% of the salvage value;
- c) Income from statutory investments;
- d) Interest on advances to suppliers/contractors;
- e) Rental from staff quarters;
- f) Rental from contractors;
- g) Income from hire charges from contactors and others.
- h) Income from advertisements, etc.;
- i) Miscellaneous receipts like parallel operation charges;
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;
- k) Excess found on physical verification;
- l) Interest on investments, fixed and call deposits and bank balances;
- m) Prior period income, etc.:

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income."

The Commission also approves the claim of the Petitioner, which shall be trued-up on actual basis at the time of processing of True-Up Petition for the corresponding financial year.

The following table provides the Non-Tariff Income approved by the Commission for FY 2024-25:

TABLE 5-23 NON-TARIFF INCOME APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
Non-Tariff Income	0.15	0.15

Accordingly, the Commission approves the Non-Tariff Income of Rs. 0.15 Crore for the ARR of FY 2024-25.

5.11 Aggregate Revenue Requirement for the FY 2024-25

Petitioner's Submission:

The Petitioner has summarized the Aggregate Revenue Requirement for FY 2024-25.

TABLE 5-24 AGGREGATE REVENUE REQUIREMENT CLAIMED FOR FY 2024-25 (Rs. CRORE)

Particulars	FY 2024-25 Approved (31 st March, 2022)	Projected by Petitioner
O&M Expense	10.12	7.81
Depreciation	16.22	15.61
Interest cost on long-term capital Loans	0.00	0.00
Interest on Working Capital Loans	0.61	0.61
Return on Equity	9.00	8.47
Total	35.95	32.51
Less: Non-Tariff Income	0.13	0.15
Aggregate Revenue Requirement	35.82	32.35

Commission's Analysis:

On the basis of the detailed analysis of the cost parameters of the ARR, as shown above, the net revenue requirement for FY 2024-25 is approved by the Commission as provided in the following table:

TABLE 5-25 AGGREGATE REVENUE REQUIREMENT APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
O&M Expense	7.81	7.17
Depreciation	15.61	15.59
Interest cost on long-term capital Loans	0.00	0.00
Interest on Working Capital Loans	0.61	0.59
Return on Equity	8.47	8.47
Total	32.51	31.82
Less: Non-Tariff Income	0.15	0.15
Aggregate Revenue Requirement	32.35	31.67

The Commission approves net ARR of Rs. 31.67 Crore for FY 2024-25 on standalone basis.

5.12 Coverage of Revenue Gap

Petitioner's Submission:

The ARR for Transmission Division, Electricity Department for FY 2022-23, FY 2023-24 and FY 2024-25 along with the revenue and the resulting revenue gap/(surplus) have been summarized below:

TABLE 5-26 REVENUE GAP FOR FY 2024-25 (RS. CRORE)

Particulars	FY 22-23	FY 23-24	FY 24-25
	Actual	RE	Projected
Total ARR	37.75	32.87	32.35
Revenue @ Existing Tariff	44.59	30.23	0.00
Total Revenue	44.59	30.23	0.00
Revenue Gap/(Surplus) (3-1)	(6.83)	2.64	32.35
Previous years Gap/ (Surplus) carried over	3.88	(3.07)	(0.46)
Total Gap/(Surplus) (4+5)	(2.95)	(0.44)	31.90
Carrying Cost	0.12	0.02	(1.29)
Net Gap/ (Surplus) (6+7)	(3.07)	(0.46)	33.19

Commission's Analysis:

The cumulative revenue (Surplus) of Rs. 4.18 Crore at the end of FY 2022-23 has been amortised by the Commission in FY 2024-25. The total ARR approved by the Commission for FY 2024-25 including cumulative gap till FY 2022-23 is as follows:

TABLE 5-27 CUMULATIVE REVENUE GAP/(SURPLUS) APPROVED BY COMMISSION (RS. CRORE)

Particulars	Petitioner's Submission	Approved by Commission
Total ARR	32.35	31.67
Revenue @ Existing Tariff	0.00	0.00
Total Revenue	0.00	0.00
Revenue Gap/(Surplus) (3-1)	32.35	31.67
Previous years Gap/ (Surplus) carried over	(0.46)	(4.18)
Total Gap/(Surplus) (4+5)	31.90	27.49
Holding Cost	1.29	(0.79)
Net Gap/ (Surplus) (6+7)	33.19	26.69

The Commission approves net ARR of Rs. 26.69 Crore for FY 2024-25 after adjusting cumulative surplus at the end of FY 2022-23.

Chapter 6: Transmission Tariff for FY 2024-25

6.1 Transmission Capacity of System

The transmission system capacity is the contracted capacity made available to the beneficiary during the given period. The present capacity of Kharadpada substation is 509.60 MW and the present capacity of Khadoli substation is 470.40 MW. Further, the capacity of 220/66 KV Vagchhipa Substation has been added to the network during the FY 2019-20 i.e. 2X160 MVA.

The approved contracted transmission capacity of the system is as under:

TABLE 6-1 TRANSMISSION CAPACITY OF THE TRANSMISSION SYSTEM

Tariff Determination	FY 2023-24	FY 2024-25
Transmission Capacity (MW)	1294	1294

6.2 Normative Availability

Regulation 45.1 of MYT Regulations, 2021 stipulates as follows:

“45.1 The norms of operations for a Transmission Licensee shall be applicable as specified in the prevalent CERC Tariff Regulations”

Regulation 51 of the CERC Tariff Regulations, 2019 stipulates as under:

“51. Normative Annual Transmission System Availability Factor (NATAF):

(a) For recovery of Annual Fixed Cost, NATAF shall be as under:

(1) AC system: 98.00%;

.... ”

Accordingly, the Commission approves the Normative Annual Transmission System Availability Factor (NATAF) for recovery of full Annual Fixed Cost as 98%. Further, **the Commission directs the Petitioner to submit the Transmission Availability Report for Licensee on Monthly Basis to the Commission starting from the month of June 2024.**

6.3 Transmission Loss

The Commission sought the details regarding the energy audit conducted by the Petitioner for FY 2022-23. The Petitioner has submitted the energy audit report for FY 2022-23. Based on the Energy Audit Report submitted for FY 2022-23, the Commission observed that the Substation Level Energy Accounting has been done for 6 substations, only 2 substations have positive loss numbers and rest 4 have negative loss numbers. Therefore, it was not feasible for the Commission to arrive at an overall Transmission system loss for Licensee.

The Commission takes serious note of the same and directs the Petitioner to carry out calibration and periodical testing of meters being used for conducting energy audit.

6.4 Tariff Determination

Based upon the projected capacity of the transmission capacity, the tariff determined by the Petitioner is as follows:

TABLE 6-2 DETERMINATION OF TRANSMISSION TARIFF

Tariff Determination	FY 2024-25
Aggregate revenue requirement (Rs Crore)	33.19
Transmission Capacity (MW)	1294
Energy Required at periphery (MU)	7815.94
Long/Medium Term Transmission Charges (Rs./MW/Month)	21378.99
Short Term Open Access Transmission Charges (Rs./MW/Day)	712.63

Commission's Analysis:

The Regulation 47 of the MYT Regulations, 2021 states that:

"47. Sharing of charges for Intra-State Transmission Network

47.1 The Aggregate Revenue Requirement of the Transmission Licensee, as approved by the Commission, shall be shared by all long-term users and medium-term users of the transmission system on a monthly basis in the ratio of their

respective Allotted Transmission Capacity to the total Allotted Transmission Capacity, in accordance with the following formula:

$$ATC_n = (\text{Transmission ARR} / 12) \times (CC_n / SCC)$$

Where,

ATC_n = annual transmission charges payable by the nth long-term user or medium-term user of the transmission system;

Transmission ARR = Aggregate Revenue Requirement of the Transmission Licensee, determined in accordance with these Regulations;

CC_n = Allotted Transmission Capacity by the nth long-term user or medium-term user of the transmission system;

SCC = sum of Allotted Transmission Capacity by all long-term users and medium-term users of the transmission system:

Provided that the ATC_n shall be payable on a monthly basis by each long-term user or medium-term user of the transmission system and shall be collected by the State Transmission Utility (STU).

47.2 The short-term Open Access Consumers shall pay transmission charges on INR/MW/day basis determined in accordance with Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017, as amended from time to time.

.....”

Further, the Regulation 4.1 of the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017 states that:

“4.1 Transmission Charges

1. An Open Access Consumer using the Intra-State Transmission System, shall pay transmission charges to the State Transmission Utility or the Intra-State Transmission Licensee other than the State Transmission Utility for usage of their system as determined by the Commission in the Tariff Order from time to time:

Provided that transmission charges shall be payable on the basis of contracted capacity in case of Long-term and Medium-term Open Access Consumers and on

the basis of scheduled load in case of Short-term Open Access Consumers. For Open Access for a part of a Day, the transmission charges shall be payable as under:

- a. Up to six (6) hours in a Day in one (1) block: 1/4th of the charges for Long-term and Medium-term users;*
- b. More than six (6) hours and up to twelve (12) hours in a Day in one (1) block: ½ of the charges for Long-term and Medium-term users; and*
- c. More than twelve (12) hours and upto twenty-four (24) hours in a Day in one (1) block: equal to Long term and Medium-term users”*

The Commission for the approval of transmission charges for FY 2024-25 has considered the Transmission Capacity of 1294 MW during FY 2024-25, the Energy required at periphery has been adjusted with Transmission Loss approved by the Commission as discussed in Section 6.3 above.

Accordingly, the transmission charges proposed by Petitioner and approved by the Commission for long-term and medium-term consumers and short-term open access consumers for FY 2024-25 is as follows:

TABLE 6-3 TRANSMISSION TARIFF APPROVED BY COMMISSION FOR FY 2024-25

Tariff Determination	Petitioner's Submission	Approved by Commission
Aggregate revenue requirement (Rs Crore)(A)	33.19	26.69
Transmission Capacity (MW)(B)	1,294	1,294
Energy Required at Periphery (C)	7,815.94	7,815.94
Long/Medium Term Transmission Charges (Rs./MW/Month) (D)	21,378.99	17,189
Short Term Open Access Transmission Charges (Rs./MW/Day) (E)	712.63	565
Transmission Charges (Rs./kWh)(F=A/C*10)	0.04	0.03

The short-term open access consumers shall pay the charges in accordance with the charges determined above and Regulation 4.1 of the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017 as amended from time to time.

Chapter 7: Directives

Directive 1: Functioning of SLDC.

Originally issued in Tariff Order dated 30th March, 2015 and carried forward to the Tariff Order dated 20th May, 2019

The Commission in Tariff Order dated 20th May, 2019 as regard to this Directive observed as follows:

“The Commission has noted that the Petitioner has not complied with this directive as per the intent and spirit of the Act and Regulations framed thereunder. The Commission reiterates that in view of provisions of Electricity Act 2003 and already laid down sector specific Regulations, the operations of SLDC should not be entrusted with the distribution company (DNHPDCL).

Hence, the Commission takes a serious note of non-compliance and reiterates its directions with the following points:

- *To establish an independent SLDC for DNH.*
- *To segregate the accounts of SLDC business and transmission business.*
- *To file separate ARR Petitions for SLDC and transmission business compulsorily from FY 2019-20 onwards.*

Till the operational and financial segregation of SLDC is complete, the Commission directs the Petitioner to undertake necessary actions to take over operations of the SLDC from DNHPDCL within the next 3 months and report the compliance to the Commission.”

Petitioner’s Submission in Tariff Petition for FY 2023-24:

The ED-DNH would like to submit that the SLDC of both the regions i.e. Dadra and Nagar Haveli and Daman and Diu have been merged and head office has been located at Silvassa. Further, a sub SLDC has been formed at Daman. Further, complete segregation of accounts of SLDC in both Silvassa and Daman is yet to be done.

Commission’s Directive in Tariff Order dated 30th March, 2023:

The Commission reiterates its directions to segregate the accounts of SLDC business and transmission business and directs the Petitioner to confirm the segregation of accounts of SLDC within 60 days from the issuance of this Order. The Commission further directs the Petitioner to file separate ARR Petition for SLDC and transmission business separately while filing tariff petition for FY 2024-25.

Petitioner’s Submission in present Tariff Petition:

The ED-DNH would like to submit the separation of accounts of SLDC is under process.

Commission's Directive in current Tariff order:

The Commission directs Petitioner to submit the same along with the Tariff Petition of FY 2025-26. The Commission has taken a serious view on the non-compliance of the directive, hence, now the Commission directs the Petitioner to submit the compliance report of the above directive within 3 months from the issuance of this Order.

Directive 2: Intra State Load Flow Study.**Commission's Direction in Tariff Order dated 31st March, 2022:**

The Commission directs the Petitioner to conduct a fresh Intra State Load Flow Study to assess if there is any further need for 220 kV network augmentation and submit a compliance report for Commission's consideration along with ARR and Tariff petition for FY 2023-24.

Petitioner's Submission in Tariff Petition for FY 2023-24:

The ED-DNH would like to submit that the merger of the transmission departments in Daman and Silvassa will be done. Post the merger, Intra State Load Flow Study shall be submitted to the Hon'ble Commission for the whole utility.

Commission's Directive in Tariff Order dated 30th March, 2023:

The Commission directs the Petitioner to submit an action plan detailing the timeline of merger of transmission departments in Daman and Silvassa within 60 days from the issuance of this Order and conduct a fresh Intra State Load Flow Study and submit a compliance report for Commission's consideration along with ARR and Tariff petition for FY 2024-25.

Petitioner's Submission in present Tariff Petition:

The ED-DNH would like to submit that the merger of Transmission departments in Daman and Silvassa is under process. Further, the ED-DNH would submit Intra State Load Flow Study shortly to the Hon'ble Commission.

Commission's Directive in current Tariff order:

The Commission noted the same and directs the Petitioner to submit the same along with the tariff petition of FY 2025-26.

Directive 3: Energy Audit.**Originally Issued in Tariff Order dated 30th March, 2023****Commission's Directive in Tariff Order dated 30th March, 2023:**

The Commission directs the Petitioner to conduct the Energy Audit of Licensee to assess the actual transmission losses in Licensee's system and submit the report as part of ARR and Tariff petition for FY 2023-24.

Petitioner's Submission in Tariff Petition for FY 2023-24:

The ED-DNH would like to submit that the merger of the transmission departments in Daman and Silvassa will be done. Post the merger, Intra State Load Flow Study shall be submitted to the Hon'ble Commission for the whole utility.

Commission's Directive in Tariff Order dated 30th March, 2023:

The Commission directs the Petitioner to submit an action plan detailing the timeline of merger of transmission departments in Daman and Silvassa within 60 days from the issuance of this Order and conduct the Energy Audit of combined transmission system to assess the actual transmission losses and submit the report as part of ARR and Tariff petition for FY 2024-25.

Petitioner's Submission in present Tariff Petition:

The ED-DNH would like to submit that the merger of Transmission departments in Daman and Silvassa is under process. Post the merger, the Energy Audit shall be conducted and the report will be submitted to the Hon'ble Commission.

Commission's Directive in present Tariff Order:

The Commission has taken a serious note on the non-compliance of the directive. It is therefore directed that a firm action plan to be submitted within 60 days of issuance of this Order and energy audit report duly certified by the Energy Auditor to be furnished along with Tariff Petition for FY 2025-26 onward.

Directive 4: Transmission System Availability.**Originally Issued in the Tariff Order dated 30th March, 2023****Commission's Directive in Tariff Order dated 30th March, 2023:**

The Commission directs the Petitioner to submit the details of Transmission Availability Report for Licensee on monthly basis to the Commission starting from the month of April 2023.

Petitioner's Submission in present Tariff Petition:

The ED-DNH would like to submit that the month wise transmission system availability has been submitted as part of Regulatory Formats being enclosed along with this Petition.

Commission Directive:

The Commission noted the submission of the Petitioner and drops the direction.

Directive 5: Quarterly Statement of Capital Expenditure

Originally Issued in Tariff Order dated 30th March, 2023
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Commission's Directive in Tariff Order dated 30th March, 2023:
--

The Commission directs the Petitioner to submit report on progress achieved towards execution and completion of the schemes undertaken by it in the existing Control Period on quarterly basis with regard to the Capital Expenditure and Capitalization approved for the schemes in the Business Plan for existing Control Period.

Petitioner's Submission in present Tariff Petition:
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The ED-DNH shall submit the progress report of the capital expenditure schemes to the Hon'ble Commission shortly.

Commission's Directive in present Tariff Order:
--

The Commission directs the Petitioner for timely submission of quarterly progress report to the Commission.

New Directive: Creation of SLDC

The Commission directs the Petitioner for segregation of SLDC from its present business on priority. Further, a detailed report shall be furnished within 60 days from the issuance of this tariff order and a separate tariff petition should be filed from next true up of FY 2023-24.
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Annexures

Annexure 1: List of stakeholders/public attended Public Hearing

The following is the list of the stakeholders who have attended the Public Hearing on 6th & 8th February, 2024.

TABLE 1 LIST OF STAKEHOLDERS IN PUBLIC HEARING

Sr. No.	Location	Name of persons (Mr./Mrs.)	Name of Area
1.	DNH	Ashok	Galonda
2.	DNH	Dhiru m.	Silli Ranpada
3.	DNH	Ishant Sharma	Silvassa
4.	DNH	Vasant G.	Velugam
5.	DNH	Shankar	Dapada
6.	DNH	Dival	Dapada
7.	DNH	Musla Goud	Dapada
8.	DNH	Jamkiya Goud	Dapada
9.	DNH	Praful B Patel	Dadra and Nagar Haveli
10.	DNH	Sumanbhai	Dadra and Nagar Haveli
11.	DNH	Sunil Ojha	Dadra and Nagar Haveli
12.	DNH	Adv. Deepak Kurada	Dadra and Nagar Haveli
13.	DNH	Adv. Sunil Vantur	Kilvani Gram Panchayat Silli
14.	DNH	Adv. Vinay Bhoya	Dudhani
15.	DNH	Ishwar Zadesha	Luhari Kharadpada
16.	DNH	Adv. Shailesh	Kharadpada
17.	DNH	Pravin Dinkar	Galonda Panchayat
18.	DNH	Sankar Kanhat	Galonda Panchayat
19.	DNH	Rajendrabhai Patel	Athal
20.	DNH	Laxman	Bonta Khoripada
21.	DNH	Suresh	Silli
22.	DNH	Pankaj Vartha	Silli
23.	DNH	Jayanti	Dapada
24.	DNH	Amarbhai	Kharadpada
25.	DNH	Representative	Rudana
26.	DNH	Kalish	Rudana
27.	DNH	Satish Patel	Vaghchhipa
28.	DNH	Manish Patel	Silvassa
29.	DNH	Dipak Patel	Kharadpada Panchayat
30.	DNH	Maheshbhai	Naroli Panchayat
31.	DNH	Pankaj	Silli Talavpada
32.	DNH	Suresh vartha	Silli Talavpada
33.	DNH	Kishanbhai	Rakholi Patelpada
34.	DNH	Nitesh Naik	Naroli, Nani vashat
35.	DNH	Chandrika Rajesh Vaghat	Dadra and Nagar Haveli
36.	DNH	Usha Radiya	Faladi
37.	DNH	M.N. Bhanvar	Haladpada

Sr. No.	Location	Name of persons (Mr./Mrs.)	Name of Area
38.	DNH	Rajli	Faladi
39.	DNH	Kipan	Kharadpada
40.	DNH	Jayesh	Masat
41.	DNH	Rajesh Guda	Dadra and Nagar Haveli
42.	DNH	Jagdish	Samarvani
43.	DNH	Majibhai	Athola
44.	DNH	Ganpatbhai Dhudga	Velugam, Navarpada
45.	DNH	Trimbakbhai Bobat	Karchond, Bobapada
46.	DNH	Vasat	Silvassa
47.	DNH	Mahesh	Dudhani
48.	DNH	Rajesh	Velugam
49.	DNH	Datu	Velugam
50.	DNH	Prabhat	Surangi
51.	DNH	Pramod Sanghvi	Pipariya
52.	DNH	Ashok	Dadra and Nagar Haveli
53.	DNH	Ashik Mishal	Dadra and Nagar Haveli
54.	DNH	Representative	Dadra and Nagar Haveli
55.	DNH	Ishwar Goud	Dadra and Nagar Haveli
56.	DNH	Anil	Dadra and Nagar Haveli
57.	DNH	Arvind Chaudhary	Galonda
58.	DNH	Raju Goud	Vasuna
59.	DNH	Asit	Silli
60.	DNH	Rajesh S	Silvassa
61.	DNH	Representative	Ranpada
62.	DNH	Ramubhai	Galonda Panchayat
63.	DNH	Nileshbhai Bhagat	Silli Talavpada
64.	DNH	Pravin Kurkutya	Kherdi Panchayat
65.	DNH	Dhansukh	Silli Talavpada
66.	DNH	Jivan Tumbda	Galonda
67.	DNH	Pooja Kuvre	Rudana
68.	DNH	Jairam Kuvre	Rudana
69.	DNH	Vinay Kuvre	Rudana
70.	DNH	Lakhuraman	Falandi
71.	DNH	Radha	Falandi
72.	DNH	Nasima	Galonda
73.	DNH	Vrmila	Galonda
74.	DNH	Bhadli Rupji Bhanwar	Falandi
75.	DNH	Meena Kharpadi	Falandi
76.	DNH	Manish Patel	Athal
77.	DNH	Parikshit Patel	Athal
78.	DNH	Hareh Jabar	Rudana
79.	DNH	Kiran Babu	Kharadpada Panchayat
80.	DNH	Ashok Shankar Voghrodiya	Kharadpada Panchayat
81.	DNH	Dipak Sarkar	Kharadpada Panchayat
82.	DNH	Sanjay A. Dodiya	Kharadpada Panchayat
83.	DNH	Prabhu Toliya	Athal-Silvassa
84.	DNH	Ajay	Pati-Dapada Panchayat

Sr. No.	Location	Name of persons (Mr./Mrs.)	Name of Area
85.	DNH	Haresh Khurpai	Kharadpada Panchayat
86.	DNH	Vishal	Kilvani
87.	DNH	Subhash	Kilvani
88.	DNH	Luku	Kilvani
89.	DNH	Pramila	Kilvani
90.	DNH	Kanchan	Kilvani
91.	DNH	Vinod	Silvassa
92.	DNH	Vinay	Bhurkud
93.	DNH	R.N. Purohit	Silvassa
94.	DNH	Sanjay Jha	Dadra and Nagar Haveli
95.	DNH	A.K. Shivhare	Dadra and Nagar Haveli
96.	DNH	Ganeshbhai	Sili Ranpada
97.	DNH	Sanjeev Kapoor	Dadra and Nagar Haveli
98.	DNH	J.K. Vanur	Dadra and Nagar Haveli
99.	DNH	Sanjay Patel	Dadra and Nagar Haveli
100.	DNH	Anjuben Rathod	Falandi
101.	DNH	Shailesh Patel	Athal
102.	DNH	Parvesh	Sili Ranpada
103.	DNH	Vijaybhai	Pati Dapada
104.	Diu	Ratanben Kanji	Dholawadi, Diu
105.	Diu	Solanki Maniben Bhimji	Ghoghla
106.	Diu	Primiben Jenti	Dholawadi, Diu
107.	Diu	Rakinben Kanji	Dholawadi, Diu
108.	Diu	Ramiben Ramesh	Dholawadi, Diu
109.	Diu	Lakhiben Jiva	Motiwadi, Vanakbara
110.	Diu	Amreet Jiva	Motiwadi, Vanakbara
111.	Diu	Sonuben Kanji	Motiwadi, Vanakbara
112.	Diu	Parsottam Karsan	Dagachi
113.	Diu	Subhash Keshav	Malala
114.	Diu	Lalji Premji	Malala
115.	Diu	Navin	Malala
116.	Diu	Shamjibhai Lakhman	Vanakbara
117.	Diu	Mohan Kapadia	Ghoghla
118.	Diu	Nanji Parmar	Vanakbara
119.	Diu	Shantilal vaja	Malala
120.	Diu	Kishore Kumar	Patelwadi
121.	Diu	Shantilal Der	Diu
122.	Diu	Hansaben Harmeet	Ghoghla
123.	Diu	Rahul Rathod	Diu
124.	Diu	Shamji Lokmane	Ghoghla
125.	Diu	Raja Bhagwan	Vanakbara
126.	Diu	Hemlata Pramesh	Ghoghla diu
127.	Diu	Harsit Pramesh	Ghoghla Diu
128.	Diu	Arvindbhai	Ghoghla
129.	Diu	Minaxiben Ramesh	Vanakbara
130.	Diu	Dhaniben Pravin	Vanakbara
131.	Diu	Lakhiben Kasan	Vanakbara

Sr. No.	Location	Name of persons (Mr./Mrs.)	Name of Area
132.	Diu	Rajiben Babu	Vanakbara
133.	Diu	Jiviben Kanji	Vanakbara
134.	Diu	Ujiben Kanji	Vanakbara
135.	Diu	Lalitaben Shamji	Vanakbara
136.	Diu	Hasmukhbhai Somwar	Ghoghla, Diu
137.	Diu	Pankaj Panchal	Ghoghla Diu
138.	Daman	Vivek Darji	Nani Daman
139.	Daman	Manish Tandel	Nani Daman
140.	Daman	Banty Kishor	Daman
141.	Daman	Keyur Ronveliya	Daman
142.	Daman	Devabhai Dhodi	Kachigam
143.	Daman	Govindbhai Patel	Kachigam
144.	Daman	Chiman Patel	Bhimpor
145.	Daman	Soma Halpati	Naila pardi
146.	Daman	Suman	Masat chowk
147.	Daman	Lilaben Rai	Khariwad
148.	Daman	Nurshimu	Khariwad
149.	Daman	Bina	Khariwad
150.	Daman	Chandubhai Patel	Daman
151.	Daman	Gulabbhai Patel	Daman
152.	Daman	Mukesh Keshav Patel	Patlara
153.	Daman	Satish Patel	Daman
154.	Daman	Bhavin Dave	Silvassa
155.	Daman	Sunil Patel	Dabhel
156.	Daman	Sanjay Raman	Moti Daman
157.	Daman	Shailesh Patel	Dabhel
158.	Daman	Patel Umesh	Daman
159.	Daman	Patel Kiran	Kachigam
160.	Daman	Sanjay Dalal	Daman
161.	Daman	Kirit Mitra	Varkund, Nani Daman
162.	Daman	Kalpesh Patel	Daman
163.	Daman	Satyendra Kumar	Daman
164.	Daman	Harish	Daman
165.	Daman	S. Mukherjee	Daman
166.	Daman	Fakirbhai Patel	Daman
167.	Daman	Ishwar MP	Bhimpore
168.	Daman	Zakir	Devka
169.	Daman	Vinay Tandel	Nani Daman
170.	Daman	Yogesh Dandekar	Daman
171.	Daman	Leelaben	Daman
172.	Daman	Vimal Patel	Patlara
173.	Daman	Ajay Dhodi	Zari
174.	Daman	Ravi Shah & Sanjeet Singh	Daman
175.	Daman	Shantanubhai Varli	Pariyari , Moti Daman
176.	Daman	Ramanbhai Patel	Bhimpore
177.	Daman	Sureshbhai Patel	Bhimpore

Sr. No.	Location	Name of persons (Mr./Mrs.)	Name of Area
178.	Daman	Anilbhai Halpati	Varkund
179.	Daman	Rameshbhai Kamli	Varkund
180.	Daman	Subhash Patel	Dalwada
181.	Daman	Keshubhai Patel	Daman
182.	Daman	Yashwant Damania	Varkund
183.	Daman	Chetan Halpati	Daman
184.	Daman	Dhodi	Daman
185.	Daman	Dinesh Dhoda	Daman
186.	Daman	Pravin Dhodi	Magarwada
187.	Daman	Dhirubhai Dhodi	Daman
188.	Daman	Vinod Patel	Dalwada
189.	Daman	Bhikhubhai	Daman
190.	Daman	Vikram Singh Chauhan	Daman
191.	Daman	Jignesh Patel	Dabhel
192.	Daman	Zakir Khan	Gachiwad
193.	Daman	Sayna Khan	Gachiwad
194.	Daman	Dharmesh	Bheslore
195.	Daman	Shyam Shama	Daman
196.	Daman	Umed Shama	Daman
197.	Daman	Nirmal Maroo	Daman
198.	Daman	Patel Mayank	Dabhel
199.	Daman	Bhikhubhai	Daman