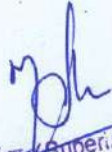




**Petition for True-up for the FY 2021-22,
APR for the FY 2023-24 and ARR & Tariff Proposal FY
2024-25**

**Submitted by:
Electricity Department
Andaman & Nicobar Administration
December-2023**


अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

GENERAL HEADINGS OF PROCEEDINGS

BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA & UNION TERRITORIES

FILE No: _____

CASE No: _____


IN THE MATTER OF : Petition for Approval of Petition for Approval of True-
up for the FY 2021-22, APR for the FY 2023-24 &ARR &
Tariff Proposal FY 2024-25.

AND

IN THE MATTER OF THEPETITIONER : The Electricity Department, Vidyut Bhawan, Port Blair-
744101, U.T. of Andaman & Nicobar

.....Petitioner

Electricity Department of Union Territory of Andaman & Nicobar Administration (hereinafter referred to as 'ANED'), files Petition for Approval of True-up for the FY 2021-22, APR for the FY 2023-24& ARR & Tariff Proposal FY 2024-25.


अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair



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Andaman and Nicobar Administration

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 Second Party : NA
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BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
 FOR THE STATE OF GOA & UNION TERRITORIES

FILE No: _____

CASE No: _____

IN THE MATTER OF : Petition for Approval of True-up for the FY 2021-22, APR for the
 FY 2023-24 & ARR & Tariff Proposal FY 2024-25.

AND

IN THE MATTER OF THE : The Electricity Department, Vidyut Bhawan, Port Blair-744101, U.T.
 PETITIONER of Andaman & Nicobar
Petitioner

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अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair



Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

I, Smti. Madhuri Shukla, D/o Late N. K. Sharma, (aged 53 years), (occupation) Government Service residing at Junglighat, Port Blair, Andaman & Nicobar Islands, the deponent named above do hereby solemnly affirm and state on oath as under: -

1. That the deponent is the Superintending Engineer (Tech) of Electricity Department of Andaman & Nicobar Administration and is acquainted with the facts deposed to below.
2. I, the deponent named above do hereby verify that the contents of the accompanying petition are based on the records of Andaman & Nicobar Electricity Department maintained in the ordinary course of business and believed by them to be true and I believe that no part of it is false and no material has been concealed there from.

Details of enclosures:

- a) Petition for Approval of True-up for the FY 2021-22, APR for the FY 2023-24& ARR & Tariff Proposal FY 2024-25.
- b) Fee for Tariff Petition is being transferred through RTGS.

For The Electricity Department of A&N

Petitioner

Place: Port Blair, Andaman & Nicobar

Dated: 28/12/23




 अधीक्षक अभियंता / Superintending Engineer.
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

I, Rinku Narayan Advocate, Dist. & Semi-Cau Port, Blair hereby declare that the person making this affidavit is known to me through the perusal of records and I am satisfied that he is the same person alleging to be deponent himself.

Advocate

Solemnly affirmed before me on this 28th day of December 2023 at 4 a.m. /p.m. by the deponent who has been identified by the aforesaid Advocate. I have satisfied myself by examining the deponent that he understood the contents of the affidavit which has been read over and explained to him. He has also been explained about section 193 of Indian Penal Code that whoever intentionally gives false evidence in any of the proceedings of the Commission or fabricates evidence for purpose of being used in any of the proceedings shall be liable for punishment as per law.

Serial no
163/xxi/2023

Affirmed before me after the contents were read over & explained in simple Hindi / English language, on this 28th day of December 2023

RINKU NARAYAN
ADVOCATE & NOTARY PUBLIC
PORT BLAIR, A & N ISLANDS



अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA & UNION TERRITORIES

FILE No: _____

CASE No: _____

IN THE MATTER OF

Petition for Approval of True-up for the FY 2021-22,
APR for the FY 2023-24&ARR & Tariff Proposal FY
2024-25.

AND

IN THE MATTER OF THE
PETITIONER

The Electricity Department, Vidyut Bhawan, Port
Blair-744101, U.T. of Andaman & Nicobar.

.....Petitioner

PETITIONER, UNDER JOINT ELECTRICITY REGULATORY COMMISSION FOR THE STATE OF GOA AND UNION TERRITORIES (MULTI YEAR TARIFF) REGULATIONS, 2021 FILES FOR INITIATION OF PROCEEDINGS BY THE HON'BLE COMMISSION FOR APPROVAL OF PETITION FOR APPROVAL OF TRUE-UP FOR THE FY 2021-22, APR FOR THE FY 2023-24& ARR & TARIFF PROPOSAL FY2024-25 OF ELECTRICITY DEPARTMENT OF ANDAMAN & NICOBAR ADMINISTRATION (HEREIN AFTER REFERRED TO AS "ANED").

THE ELECTRICITY DEPARTMENT OF ANDAMAN & NICOBAR ADMINISTRATION RESPECTFULLY SUBMITS:

1. The Petitioner, The Electricity Department of Andaman & Nicobar Administration has been allowed to function as Distribution Utility for UT of Andaman & Nicobar.
2. Pursuant to the enactment of the Electricity Act, 2003, ANED is required to submit its Aggregate Revenue Requirement (ARR) and Tariff Petitions as per procedures outlined in section 61, 62 and 64, of EA 2003, and the governing regulations thereof.
3. The Joint Electricity Regulatory Commission (JERC) for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021 requires filing of True-up for the FY 2021-22, APR for current year i.e FY 2023-24 and ARR& tariff proposal, for FY 2024-25 which shall comprise but not be limited to detailed category-wise sales and demand, power procurement, capital investment, financing, physical targets, cost components, expected revenue from tariff & proposed tariff etc.

Electricity Department, Union Territory of Andaman & Nicobar Islands


जयंतिक अनियंता / Superintendent
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

4. ANED is submitting its Petition for Approval of True-up for the FY 2021-22, APR for the FY 2023-24 & ARR & Tariff Proposal for the FY 2024-25 to Hon'ble Commission on the basis of the principles outlined in tariff regulations notified by the Joint Electricity Regulatory Commission.
5. ANED prays to the Hon'ble Commission to admit the attached Petition for Approval of True-up for the FY 2021-22, APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25 and would like to submit that:

PRAYERS TO THE HON'BLE COMMISSION:

1. The petition provides, inter-alia, ANED's approach for formulating the present petition, the broad basis for projections used, summary of the proposals being made to the Hon'ble Commission, performance of ANED in the recent past, and certain issues impacting the performance of ANED in the Licensed Area.
2. Broadly, in formulating the Petition for Approval of True-up for the FY 2021-22, APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25 the principles specified by the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Tariff) Regulation, 2021 ("MYT Regulations") have been considered as the basis.
3. ANED may also be permitted to propose suitable changes to the petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission.

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

In view of the above, the petitioner respectfully prays that Hon'ble Commission may:

- Approve the True-up for the FY 2021-22, APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25 for ANED formulated in accordance with the guidelines outlined as per the regulation of Joint Electricity Regulatory Commission relating to Distribution Licensee and the principles contained in Tariff Regulations;
- Condone any inadvertent delay/ omissions/ errors/ rounding off differences/shortcomings and ANED may please be permitted to add/ change/ modify/ alter the petition;
- Permit ANED to file additional data/ information as may be necessary;
- Pass such further and other orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

The Electricity Department of Andaman & Nicobar administration

Petitioner

Place: Port Blair, Andaman & Nicobar Islands

Dated: 28/12/2023

Electricity Department, Union Territory of Andaman & Nicobar Islands



अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

LIST OF ABBREVIATIONS

Abbreviation	Description
A&G	Administration & General
ARR	Annual Revenue Requirement
CD	Contract Demand
CoS	Cost of Supply
Crs	Crore
D/E	Debt Equity
ANED	Electricity Department of Andaman & Nicobar
FY	Financial Year
GFA	Gross Fixed Assets
HT	High Tension
JERC	Joint Electricity Regulatory Commission
KV	Kilovolt
KVA	KilovoltAmps
kWh	kilo Watt hour
LT	Low Tension
LTC	Leave Travel Concession
MU	Million Units
MVA	Million VoltAmps
MW	Mega Watt
O&M	Operation & Maintenance
PLF	Plant Load Factor
MCLR	Marginal Cost Lending Rate
R&M	Repairs and Maintenance
RoE	Rate of Return
Rs.	Rupees
S/s	Sub Station
SBI	State Bank of India
T&D	Transmission & Distribution
UT	Union Territory
MYT	Multi Year Tariff

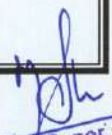
Electricity Department, Union Territory of Andaman & Nicobar Islands


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair



Petition for True-up for the FY 2021-22

**Submitted by:
Electricity Department
Andaman & Nicobar Administration
December-2023**


अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department,
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

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Petition for Approval of True-up for the FY2021-22

1. INTRODUCTION

1.1. Historical Perspective

The Department of Electricity of Andaman & Nicobar Administration ("ANED") is responsible for power supply in the union territory. Power requirement of ANED is met by own generation station as well as power purchase.

Andaman & Nicobar Islands is cluster of islands scattered in the Bay of Bengal. These islands are truncated from rest of India by more than 1000 kms. The total area of the territory is 8249 sq. kms having population of 3,79,944 as per 2011 Census provisional records & average growth rate is 6.68%. The tempo of economic development has tremendously accelerated along with all-round expansion in the areas/sectors viz. (i) Shipping Services, (ii) Civil Supplies, (iii) Education, (iv) Fisheries, (v) Tourism & Information Technology, (vi) Health, (vii) Industries, (viii) Rural Development, (ix) Social Welfare, (x) Transport, (xi) Increase in District Headquarters (xii) Central Government Department, (xiii) Public Undertaking & other offices, (xiv) Services & Utilities, (xv) Defense Establishment (xvi) Commercial Organizations/Business Centre's etc. Thus, these islands have reached at the take-off stage of total economic transformation. All these economic and infrastructure developments require power as a vital input & to play a key role for achieving overall transformations.

1.2. Power Scenario

1.2.1. The key duties being discharged by ANED are:

- ❖ Laying and operating of such electric line, sub-station and electrical plant that is primarily maintained for the purpose of distributing electricity in the area of Andaman & Nicobar Islands, notwithstanding that such line, sub-station or electrical plant are high pressure cables or overhead lines or associated with such high-pressure cables or overhead lines; or used incidentally for the purpose of transmitting electricity for others, in accordance with Electricity Act. 2003 or the Rules framed there under.
- ❖ Operating and maintaining sub-stations and dedicated transmission lines connected there with as per the provisions of the Act and the Rules framed there under.
- ❖ Generation of electricity for the supply of electricity required within the boundary of the UT and for the distribution of the same in the most economical and efficient manner;
- ❖ Supplying electricity, as soon as practicable to any person requiring such supply, within its competency to do so under the said Act;
- ❖ Preparing and carrying out schemes for distribution and generally for promoting the use of electricity within the UT.

1.2.2. The current demand is primarily dependent on the domestic and commercial which contributed approx. 80% to the total sales of ANED in FY 21-22.

Petition for Approval of True-up for the FY2021-22

1.3. JERC Formation

In exercise of the powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all Union Territories to be known as "Joint Electricity Regulatory Commission for Union Territories" as notified on 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" as notified on 30th May 2008.

The Hon'ble Commission is a two-member body designated to function as an autonomous authority responsible for regulation of the power sector in the State of Goa and Union Territories of Andaman & Nicobar, Lakshadweep, Chandigarh, Daman & Diu, Dadra Nagar & Haveli and Puducherry. The powers and the functions of the Hon'ble Commission are as prescribed in the Electricity Act 2003. The Head Office of the Commission presently is located in the district town of Gurgaon, Haryana and falls in the National Capital Region.

The Joint Electricity Regulatory Commission for the State of Goa and Union Territories started to function with effect from August 2008 with the objectives and purposes for which the Commission has been established. Presently the Hon'ble Commission is framing various regulations as mandated in the Electricity Act 2003 to facilitate its functioning. Some of the Regulations notified by the Hon'ble Commission include the following:

- JERC Conduct of Business Regulations 2009;
- JERC Establishment of Forum for Redressal of Grievances of Consumers Regulations 2009;
- JERC Appointment and Functioning of Ombudsman Regulations 2009;
- JERC Recruitment, Control and Service Conditions of Officers and Staff Regulations 2009;
- JERC Treatment of other businesses of Transmission Licensees and Distribution Licensees Regulations, 2009.
- JERC State Advisory Committee Regulations, 2009.
- JERC Appointment of Consultants Regulation, 2009.
- JERC Open Access in Transmission and Distribution Regulations, 2009.
- JERC Electricity Supply Code Regulations 2010
 - (a) 1st Amendments
 - (b) 2nd Amendments
 - (c) Corrigendum dt. 6th Jan. 2014
- JERC State Grid Code Regulations 2010
- JERC Electricity Trading Regulations 2010
- JERC Procurement of Renewal Energy Regulations 2010 along with amendments.
- JERC (Distribution Code) Regulations 2010
- JERC (Procedure for filling Appeal before the Appellate Authority) Regulations 2013
- JERC for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015
- JERC (Solar Power -Grid Connected Ground Mounted and Solar Rooftop and Metering) Regulations, 2015
- JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017
- JERC for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021.

Petition for Approval of True-up for the FY2021-22

1.4. Filing of Petition for Approval of True-up for the FY 2021-22.

ANED is hereby filing the instant petition for approval of True-up for the FY 2021-22 in accordance with the provisions of MYT Regulations, 2021. The petitioner has attempted to comply with the various guidelines in the Act and regulations within the limitations of availability of data.

Petition for Approval of True-up for the FY2021-22

2. True up of FY 2021-22

1.1 Preamble

ANED submits that the audit of the accounts for the FY 2021-22 has been completed by AG. The audited account for the year is attached as Annexure.

This chapter summarizes each of the components of ARR for FY 2021-22 and thereby working out the revenue gap for the year.

1.2 Energy Sales for the FY 2021-22

2.2.1 ANED submits before the Hon'ble Commission the category wise actual and approved sales for FY 2021-22 in the table below:

Table - 2.2.1 Category wise sales for the FY 2021-22			
Category	As approved by Commission	Review as per Accounts	Deviation
Domestic	156.42	155.95	0.47
Commercial	61.02	60.93	0.09
Industrial	10.98	11.17	-0.19
Bulk Supply	29.63	29.27	0.36
Public Lighting	5.53	5.46	0.07
Irrigation Pumps & Agriculture	1.73	1.41	0.32
Electric Vehicle		1.47	-1.47
Total	265.31	265.68	-0.37

2.2.2 It is requested to the Hon'ble Commission to approve the actual sales as submitted in the above table for FY 2021-22.

1.3 Number of consumers

2.3.1 ANED submits before the Hon'ble Commission, the category wise actual consumer numbers for FY 2021-22 in comparison to the approved numbers below:

Petition for Approval of True-up for the FY2021-22

Table - 2.3.1 Category wise No. of Consumers for the FY 2021-22			
Category	As approved by Commission	Review as per Accounts	Deviation
Domestic	121211	122421	-1210
Commercial	21711	21928	-217
Industrial	441	439	2
Bulk Supply	69	69	0
Public Lighting	753	750	3
Irrigation Pumps & Agriculture	531	562	-31
Electric Vehicle		2	-2
Total	144716	146171	-1455

2.3.2 It is requested to the Hon'ble Commission to approve the number of consumers as submitted in the above table for FY 2021-22.

1.4 Connected Load

2.4.1 ANED submits before the Hon'ble Commission the category wise actual connected Load for FY 2021-22 in comparison to the approved numbers below:

Table - 2.4.1 Category wise connected load approved for the FY 2021-22			
Category	As approved by Commission	Review as per Accounts	Deviation
Domestic	221250	217672	3578
Commercial	101610	105213	-3603
Industrial	14512	14102	410
Bulk Supply	15803	17240	-1437
Public Lighting	2986	3078	-92
Irrigation Pumps & Agriculture	1216	1397	-181
Electric Vehicle		800	-800
Total	357377	359502	-2125

2.4.2 It is requested to the Hon'ble Commission to approve the connected Load as submitted in the above table for FY 2021-22.

Petition for Approval of True-up for the FY2021-22

1.5 Energy Balance

2.5.1 The Hon'ble Commission approved the T&D loss for the FY 2021-22 as 13.34%. The comparison of energy balance statement and the loss levels based on audited accounts and approved figures are shown in the table below:

Table - 2.5.1 Energy Requirement for the FY 2021-22			
Energy Balance	As approved by Commission	Review as per Accounts	Deviation
ENERGY REQUIREMENT			
Energy Sales			
LT Supply	265.31	265.68	-0.37
HT Supply	0.00	0.00	
Total Energy Sales	265.31	265.68	-0.37
Overall T & D Losses %	13.34	19.45	-6.11
Overall T & D Losses (MUs)	40.84	64.17	-23.33
Total Energy Requirement	306.15	329.84	-23.69
Power Purchase	261.82	247.95	13.87
Own Generation	44.33	81.89	-37.56
Total Energy Availability	306.15	329.84	-23.69
ENERGY SURPLUS/(GAP)	0.00	0.00	0.00

2.5.2 ANED requests the Hon'ble Commission to approve the Distribution Loss as submitted above for FY 2021-22.

Table - 2.5.2 T&D Loss for the FY 2021-22			
Particulars	As approved by Commission	Review as per Accounts	Deviation
T&D Losses (%)	13.34	19.45	-6.11

Petition for Approval of True-up for the FY2021-22

1.6 Cost of fuel and Power Purchase

2.6.1 The energy requirement of ANED is met from own generation & power purchase from the IPPs. There is no availability of power from Central Generating Stations or from other sources/ open market/ power exchanges etc.

2.6.2 ANED submits before the Hon'ble Commission, the actual cost of fuel and also cost of power purchase from various IPPs and other generators for FY 2021-22 in the table below:

Table - 2.6.2 Fuel Cost & Power Purchase Cost for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission.	Review as per Accounts	Deviation
1	2	3	4	5
1	Cost of fuel	631.64	857.39	-263.40
2	Cost of power purchase		37.65	
	Total	631.64	895.04	

2.6.3 The Hon'ble Commission is requested to approve the fuel cost and power purchase cost as submitted above for FY 2021-22.

1.7 GFA, Capitalisation & Depreciation

2.7.1 GFA: The Opening Balance of GFA, additions and closing balance of GFA for FY 2021-22 as per annual accounts is submitted in the table below:

Table - 2.7.1 Gross Fixed Asset for FY 2021-22				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	475.41	3.50	478.91
2	Buildings	82.55	0.00	82.55
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.66	0.04	2.70
6	Land & Land Rights	0.00	0.00	0.00
	Total	566.10	3.55	569.65

2.7.2 Depreciation: As per Regulation 30 of JERC Tariff Regulations, 2021 depreciation for the assets shall be calculated annually at the rates specified in the Regulations. The same have been applied on different asset categories.

Petition for Approval of True-up for the FY2021-22

2.7.3 ANED would like to submit that the depreciation arrived in annual accounts for FY 2021-22 is based on the rates specified by Hon'ble Commission in its Tariff Regulations.

2.7.4 The following table shows the depreciation arrived by ANED for FY 2021-22 based on the approved depreciation rates specified by the Hon'ble Commission for different asset class. The same is reflecting in the annual audited accounts for respective years.

Table - 2.7.4 Depreciation for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Depreciation	18.47	17.51	0.96
	Total	18.47	17.51	

2.7.5 The Hon'ble Commission is requested to approve the actual depreciation for FY 2021-22 as submitted in the table above.

1.8 Operation & Maintenance expenses

2.8.1 Operation & Maintenance Expenses consists of three elements viz. Employee Expenses, A&G Expense and R&M Expense:

- Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses.
- Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.
- Repairs and Maintenance Expenses go towards the day-to-day upkeep of the distribution network of the Company and form an integral part of the Company's efforts towards reliable and quality power supply as well as in the reduction of losses in the system.

2.8.2 Regulation 61 of JERC MYT Regulations, 2021 provides for trajectory of norms for each of the component of O&M Expense viz., Employee Expenses, R&M Expense and A&G Expense. The Hon'ble Commission has approved the O&M expenses for the FY 2021-22 in the MYT order for the control period FY 2019-20 to FY 2021-22. ANED has provided the component wise details of approved & actual figures for the FY 2021-22 in the subsequent section.

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Table - 2.8.2 Employee Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Employee Cost	108.40	146.97	-38.57
	Total	108.40	146.97	

Table - 2.8.2.1 R&M Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	2
1	2	3	4	5
1	Repair & Maintenance Cost	65.95	36.21	29.74
	Total	65.95	36.21	

Table - 2.8.2.2 A&G Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Administration & General Expenses	40.21	2.54	37.67
	Total	40.21	2.54	

2.8.3 ANED requests the Hon'ble Commission to kindly approve the actual O&M cost during the year for FY 2021-22 as reflecting in audited annual accounts.

1.9 Interest & Finance charges

1.9.1 The Regulation 29 of JERC MYT Regulations, 2021 provides for Interest and Finance Charges on Loan. ANED has submitted that all the capital assets are created out of the budgetary allocation from the Government of India.

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1.9.2 It is submitted that the ANED has finalized the Fixed Asset Register for the year & the GFA figures have been considered as per the audited FAR. The closing normative loan for the previous year has been taken as opening balance. Further, in line with the Tariff Regulations, 70% of GFA addition during the year as per the audited Fixed Asset Register has been considered to arrive at the normative loan for the FY 2021-22. Further, normative repayment has been considered to be equal to the depreciation for the year. SBI MCLR (1 Year) plus 100 basis points in accordance with Regulation 29 of JERC MYT Regulations, 2021 has been considered. SBI MCLR (1 Year) as on 01.04.2021 was of 7%. Accordingly, 8.00% (7.00% +1%) has been considered as rate of interest for the year.

1.9.3 Interest on loan for the FY 2021-22 has been arrived at based on the above normative loan & in accordance with the MYT Regulations. The table below shows the Interest and Finance Charges vis-a-vis approved by the Hon'ble Commission for FY 2021-22.

Table - 2.9.3 Interest and Finance Charges for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Opening Normative Loan/WIP	126.02	126.02	0.66
2	Add: Normative Loan during the year/GFA during the year	19.85	2.48	
3	Less: Normative Repayment	18.47	17.51	
4	Less: Normative Repayment for the year	0.00	0.00	
5	Closing Normative Loan/ GFA	127.40	110.99	
6	Average Normative Loan	126.71	118.51	
7	Rate of Interest (@ SBI SBAR rate)	8.00%	8.00%	
8	Interest on Normative Loan	10.14	9.48	

2.9.6 The Hon'ble Commission is requested to approve the Interest & Finance Charges at as submitted above for FY 2021-22.

1.10 Interest on Working Capital

2.10.1 Regulation 53 of the MYT Regulations provides the norms for calculating the working capital. The same is provided below:

"The Distribution Licensee shall be allowed interest on the estimated level of Working Capital for the Distribution Wires Business for the financial Year, computed as follows:

- Operation and maintenance expenses for one (1) month; plus*
- Maintenance spares at 40% of R&M expenses for one (1) month; plus*

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c) Receivables equivalent to two (2) months of the expected revenue from charges for use of Distribution Wires at the prevailing tariffs; less

d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees....”

2.10.2. Further, Regulation 32.4 of the MYT Regulations provides that the rate of interest on Working Capital shall be equal 1 Year State Bank of India (SBI) MCLR applicable for 1 Year period, as on 1st April of the financial Year in which the Petition is filed plus 200 basis points. SBI MCLR as on 01.04.2021 was 7.00%. Accordingly, interest rate of 9.00% (7.00%+2%) has been considered for computation of interest on working capital.

2.10.3 The table below shows the Interest on working capital vis-a-vis approved by the Hon'ble Commission for FY 2021-22.

Table - 2.10.3 Interest on Working Capital for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	O&M Expenses for 1 month	17.88	15.48	0.56
2	Maint. Of Spares 40% of R&M for 1 month	2.20	1.21	
3	Receivables for 2 months	31.32	28.47	
4	Less; Adjustment for security Deposit	0.00	0.00	
5	Net Working Capital	51.40	45.15	
6	Rate of Interest for Working Capital	9.00%	9.00%	
7	Interest on Working Capital	4.63	4.06	

2.10.4 The Hon'ble Commission is requested to approve the Interest on working capital as submitted above for FY 2021-22.

1.11 Interest on Security deposits

2.11.1 Regulation 29.11 of the MYT Regulations, 2021 provides that interest shall be allowed on the amount held in cash as security deposit at Bank Rate as on 1st April of year.

2.11.2 It is submitted that ANED does not collect security deposit from consumers in cash. The consumers are required to create a Term Deposit in scheduled bank equivalent to the security amount and a lien is created in favour of the ANED towards security deposit. Hence, Interest on Security deposits is not payable to the consumers. Therefore, ANED has not claimed Interest on Security deposit in the ARR.

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1.12 Return on Equity

2.12.1 ANED has calculated the Return on Equity in accordance with the regulation 28 of JERC MYT Regulations, 2021. Debt:Equity norm of 70:30 and RoE of 16% for FY 2021-22 has been considered and accordingly, the return on equity is calculated as given below.

2.12.2 The summary of the Return on Equity as approved by the Hon'ble Commission and as calculated for FY 2021-22 is tabulated below:

Table - 2.12.2 Return on Equity for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Opening Equity Amount	163.23	163.23	0.60
2	Equity Addition during year (30% of Capitalisation)	8.51	1.06	
3	Closing Equity Amount	171.74	164.29	
4	Average Equity Amount	167.49	163.76	
5	Rate of Return on Equity	16%	16%	
6	Return on Equity	26.80	26.20	

2.12.3 The Hon'ble Commission is requested to kindly allow the above Return on Equity for FY 2021-22.

1.13 Provision for Bad & Doubtful Debts

Regulation 63 - Bad and Doubtful Debt of the MYT Regulations, 2021 provides that Bad and doubtful debt shall be limited to 1% of the Annual Revenue Requirement.

2.13.1 The ANED has not written off any Bad and Doubtful debts in Accounts for the FY 2021-22. Accordingly, no claim towards Provision for Bad & Doubtful Debts has been made by the ANED in the petition for the FY 2021-22.

1.14 Non-Tariff Income

1.14.1 The Non-Tariff Income comprises metering, late payment charges, interest on staff loans, reconnection fee, and miscellaneous income among others. The actual Non-Tariff Income and that approved by the Hon'ble Commission for FY 2021-22 is provided in the table below:

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Table - 2.14.1 Non-Tariff Income for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Non-Tariff Income	3.32	5.12	-1.80
	Total	3.32	5.12	

2.14.2 The Hon'ble Commission is requested to kindly allow Non-Tariff Income for FY 2021-22 as submitted above.

1.15 Revenue from sale of Power at Existing Tariff

1.15.1 The actual Revenue from Tariff for FY 2021-22 at existing tariff is shown in the table below:

Table - 2.15.1 Revenue from Existing Tariff				
2021-22				
Sr. No	Particular	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Total Revenue	187.93	170.79	17.14
	Total	187.93	170.79	

1.15.2 The Hon'ble Commission is requested to kindly allow Revenue from Tariff for FY 2021-22 at existing tariff as submitted above.

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1.16 Aggregate Revenue Requirement

1.16.1 The Aggregate Revenue Requirement for FY 2021-22as approved by the Hon'ble Commission and the calculation for Aggregate Revenue Requirement on the basis of actual for FY 2021-22is shown below:

Table - 2.16.1 Review of ARR for FY 2021-22				
(Rs. In Crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Cost of fuel	631.64	857.39	-263.40
2	Cost of power purchase		37.65	
3	Employee costs	214.55	146.97	28.84
4	R&M expenses		36.21	
5	A&G Expenses		2.54	
6	Depreciation	18.47	17.51	0.96
7	Interest & Finance Charges	10.14	9.48	0.66
8	Interest on working Capital	4.63	4.06	0.57
9	Return on NFA /Equity	26.80	26.20	0.60
10	Interest on Security Deposit	0.00	0.00	0.00
11	Impact of allowing assets creating out of TRP fund for FY 2020-21	29.19	0.00	
12	Total revenue requirement	935.41	1138.01	-202.60
13	Less: non-tariff income	3.32	5.12	-1.80
14	Net revenue requirement (12-13)	932.09	1132.89	-200.80
15	Revenue from tariff	187.93	170.79	17.14
16	Total gap (14-15)	744.16	962.10	-217.94

1.16.2 The Petitioner requests the Commission to approve the ARR for FY 2021-22as submitted above.

Petition for Approval of True-up for the FY2021-22

1.17 Revenue Gap for FY 2021-22

1.17.1 The Revenue Gap as approved by the Hon'ble Commission and as calculated on the basis of true up of FY 2021-22 is shown in the table below:


Table - 2.17.1 Revenue Gap at Existing Tariff FY 2021-22				
Sr. No.	Particulars	As Approved by Commission	As per Audited Accounts	Deviation
I	Net Annual Revenue Requirement	932.09	1132.89	-200.80
II	Revenue from Sale of Power	187.93	170.79	17.14
III	(Gap)/ Surplus (III)	744.16	962.10	-217.94

2.17.2 It is submitted that the entire Revenue Gap is funded by the Government as Revenue subsidy. Hence, the net Revenue Gap is NIL for the year. The Hon'ble Commission is requested to approve the same for FY 2021-22.



**APR for the FY 2023-24 and ARR & Tariff Proposal FY
2024-25**

**Submitted by:
Electricity Department
Andaman & Nicobar Administration
December-2023**


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1. INTRODUCTION

1.1. Historical Perspective

The Department of Electricity of Andaman & Nicobar Administration ("ANED") is responsible for power supply in the union territory. Power requirement of ANED is met by own generation station as well as power purchase.

Andaman & Nicobar Islands is cluster of islands scattered in the Bay of Bengal. These islands are truncated from rest of India by more than 1000 kms. The total area of the territory is 8249 sq. kms having population of 3,79,944 as per 2011 Census provisional records & average growth rate is 6.68%. The tempo of economic development has tremendously accelerated along with all-round expansion in the areas/sectors viz. (i) Shipping Services, (ii) Civil Supplies, (iii) Education, (iv) Fisheries, (v) Tourism & Information Technology, (vi) Health, (vii) Industries, (viii) Rural Development, (ix) Social Welfare, (x) Transport, (xi) Increase in District Headquarters (xii) Central Government Department, (xiii) Public Undertaking & other offices, (xiv) Services & Utilities, (xv) Defense Establishment (xvi) Commercial Organizations/Business Centre's etc. Thus, these islands have reached at the take-off stage of total economic transformation. All these economic and infrastructure developments require power as a vital input & to play a key role for achieving overall transformations.

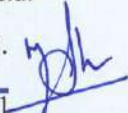
1.2. Power Scenario

1.2.1. The key duties being discharged by ANED are:

- ❖ Laying and operating of such electric line, sub-station and electrical plant that is primarily maintained for the purpose of distributing electricity in the area of Andaman & Nicobar Islands, notwithstanding that such line, sub-station or electrical plant are high pressure cables or overhead lines or associated with such high-pressure cables or overhead lines; or used incidentally for the purpose of transmitting electricity for others, in accordance with Electricity Act. 2003 or the Rules framed there under.
- ❖ Operating and maintaining sub-stations and dedicated transmission lines connected there with as per the provisions of the Act and the Rules framed there under.
- ❖ Generation of electricity for the supply of electricity required within the boundary of the UT and for the distribution of the same in the most economical and efficient manner;
- ❖ Supplying electricity, as soon as practicable to any person requiring such supply, within its competency to do so under the said Act;
- ❖ Preparing and carrying out schemes for distribution and generally for promoting the use of electricity within the UT.

1.2.2. The current demand is primarily dependent on the domestic and commercial categories which contributed major proportion to the total sales of ANED in FY 22-23.

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1.3. JERC Formation

In exercise of the powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all Union Territories to be known as "Joint Electricity Regulatory Commission for Union Territories" as notified on 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" as notified on 30th May 2008.

The Hon'ble Commission is a two-member body designated to function as an autonomous authority responsible for regulation of the power sector in the State of Goa and Union Territories of Andaman & Nicobar, Lakshadweep, Chandigarh, Daman & Diu, Dadra Nagar & Haveli and Puducherry. The powers and the functions of the Hon'ble Commission are as prescribed in the Electricity Act 2003. The Head Office of the Commission presently is located in the district town of Gurgaon, Haryana and falls in the National Capital Region.

The Joint Electricity Regulatory Commission for the State of Goa and Union Territories started to function with effect from August 2008 with the objectives and purposes for which the Commission has been established. Presently the Hon'ble Commission is framing various regulations as mandated in the Electricity Act 2003 to facilitate its functioning. Some of the Regulations notified by the Hon'ble Commission include the following:

- JERC Conduct of Business Regulations 2009;
- JERC Establishment of Forum for Redressal of Grievances of Consumers Regulations 2009;
- JERC Treatment of other businesses of Transmission Licensees and Distribution Licensees Regulations, 2009.
- JERC State Advisory Committee Regulations, 2009.
- JERC Open Access in Transmission and Distribution Regulations, 2009.
- JERC Electricity Supply Code Regulations 2010
 - (a) 1st Amendments
 - (b) 2nd Amendments
 - (c) Corrigendum dt. 6th Jan. 2014
- JERC State Grid Code Regulations 2010
- JERC Electricity Trading Regulations 2010
- JERC Procurement of Renewal Energy Regulations 2010 along with amendments.
- JERC (Distribution Code) Regulations 2010
- JERC (Procedure for filling Appeal before the Appellate Authority) Regulations 2013
- JERC for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015
- JERC (Solar Power -Grid Connected Ground Mounted and Solar Rooftop and Metering) Regulations, 2015
- JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017
- JERC for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021.

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

1.4. Multi Year Tariff Regulations, 2021

ANED's tariff determination is now governed by "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021" (referred to as "MYT Regulations, 2021") which is applicable from FY 2022-23 to FY 2024-25. The MYT Regulations, 2021 provide a framework for calculating tariffs on a cost-plus basis for a period of three years and allow the licensee to recover operational expenses including depreciation, interest on working capital and 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 parameters as follows:

1.4.1 Uncontrollable factors

The "uncontrollable factors" comprises of the following factors:

- a) Force Majeure events;
- b) Change in law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- c) Variation in the number or mix of Consumers or quantities of electricity supplied to Consumers;
- d) Transmission loss;
- e) Variation in the cost of power purchase due to variation in the rate of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;
- f) Variation in fuel cost;
- g) Change in power purchase mix;
- h) Inflation;
- i) Transmission Charges for a Distribution Licensee;
- 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 realization of bad debts written off

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1.4.2 Controllable factors

Controllable factors include, but are not limited to the following:

- a) Variations in capitalisation 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 capitalisation, as specified in clause (a) above;
- c) Variations in technical and commercial losses of Distribution Licensee;
- d) Availability of transmission system;
- e) Variations in performance parameters;
- f) Failure to meet the standards specified in the Joint Electricity Regulatory Commission for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015, as amended from time to time;
- g) Variations in labour productivity;
- h) Variation in Operation & Maintenance expenses, except to the extent of inflation;

1.5. Filing of Petition for Approval of APR FY 2023-24 and ARR & Tariff Proposal FY 2024-25.

The True-up for FY 2021-22 is being filed for approval by the Hon'ble Commission. The Annual Accounts for FY 2022-23 is under compilation and the True-up petition for the same shall be submitted after the same is audited by the AG. The Hon'ble Commission may kindly allow the same.

ANED is hereby filing the instant petition for approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25 in accordance with the provisions of MY Regulations, 2021. ANED has considered the unaudited figures of FY 2022-23 to make the projections for FY 2023-24 & FY 2024-25. The petitioner has attempted to comply with the various guidelines in the Act and regulations within the limitations of availability of data.

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

2. Annual Performance Review for the FY 2023-24.

2.1 Background to FY 2023-24 APR

- 1.1.1 ANED filed the 3rd MYT Petition for the control period FY 2022-23 to FY 2024-25. The Hon'ble JERC issued the MYT order in respect of the above petition vide order Dt.01.08.2022. FY 2023-24 is the second year of the current control period under MYT Regulations, 2021.
- 1.1.2 Regulation 12.3 of MYT Regulation 2021 provides as follows:

"Annual Review: a comparison of the revised performance targets of the applicant for the current financial year with the approved forecast in the Tariff Order corresponding to the Control period for the current financial year subject to prudence check"

In accordance with the above Regulation, ANED is filing for Annual Performance Review for the FY 2023-24.

- 2.1.3 This chapter summarizes each of the components of ARR for FY 2023-24 and requests the Hon'ble Commission to review the performance for FY 2023-24. The Annual Performance Review for FY 2023-24 is based on actual data/ information for FY 2022-23 & first 6 months (First Half – H1) and estimation/projections for remaining 6 months (Second Half – H2) of FY 2023-24, wherever applicable. The projections for the second 6 months are arrived at based on the performance over the first half data/ information.

2.2 Approved ARR for the FY 2023-24

- 2.2.1 The summary of the ARR for FY 2023-24 as approved by the Hon'ble Commission in the Tariff Order Dt. 28.03.2023 is tabulated below:

Table - 2.2.1 Approved ARR for FY 2023-24		
(in Rs. Crores)		
Sr. No	Particulars	As approved by Commission
1	2	3
1	Cost of fuel	905.77
2	Cost of power purchase	0.00
3	Employee costs	239.97
4	R&M expenses	
5	Administration and general expenses	
6	Depreciation	19.21
7	Interest & Finance Charges	8.34
8	Interest on working Capital	6.13
9	Return on Equity	27.80
10	Provision for Bad Debit	0.00
11	Total revenue requirement	1207.22
12	Less: Non-tariff income	3.66
13	Net revenue requirement (11-12)	1203.56
14	Revenue from tariff	265.67

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15	Total gap (13-14)	937.89
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2.3 Number of consumers

- 2.3.1 Hon'ble Commission has approved the number of consumers for the FY 2023-24 in the Tariff Order Dt. 28.03.2023. However, on the basis of the actual numbers of consumers during FY 2022-23 & number of consumers added during the first half of FY 2023-24, ANED submits the revised estimates for FY 2023-24. A comparison of the revised estimates with earlier approved numbers is shown below:

Category	As approved by Commission	Estimated	Deviation
Domestic	120915	126356	-5441
Commercial	20864	22886	-2022
Industrial	391	429	-38
Bulk Supply	58	70	-12
Public Lighting	686	759	-73
Irrigation Pumps & Agriculture	657	618	39
Total	143571	151118	-7547

- 2.3.2 It is requested to the Hon'ble Commission to approve the number of consumers as submitted in the above table for FY 2023-24.

2.4 Energy Sales

- 2.4.1 Hon'ble Commission has approved the Energy Sales for the FY 2023-24 in the Tariff Order Dt. 28.03.2023. However, on the basis of the the actual energy sales during FY 2022-23 & sales during the first half of FY 2023-24 & projections for the 2nd half, ANED submits the revised estimates for FY 2023-24. A comparison of the revised estimates with earlier approved numbers is shown below:

Category	As approved by Commission	Estimated	Deviation
Domestic	162.56	162.60	-0.04
Commercial	76.23	80.73	-4.50
Industrial	12.85	12.59	0.26
Bulk Supply	33.45	26.88	6.57
Public Lighting	4.40	5.37	-0.97
Irrigation Pumps & Agriculture	1.61	1.54	0.07

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Total	291.10	289.71	1.39
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2.4.2 It is requested to the Hon'ble Commission to approve the sales as submitted in the above table for FY 2023-24.

2.5 Connected Load

2.5.1 Hon'ble Commission has approved the connected load for the FY 2023-24 in the Tariff Order Dt. 28-03-2023. However, on the basis of the the actual connected load during FY 2022-23 & connected load added during the first half of FY 2023-24, ANED submits the revised estimates for FY 2023-24. A comparison of the revised estimates with earlier approved load is shown below:

Table - 2.5.1 Category wise connected load approved for the FY 2023-24			
Category	As approved by Commission	Estimated	Deviation
Domestic	266544	243498	23046
Commercial	117932	108931	9001
Industrial	13337	13505	-168
Bulk Supply	20854	17320	3534
Public Lighting	3111	2524	587
Irrigation Pumps & Agriculture	1428	1316	112
Total	423206	387093	36113

2.5.2 It is requested to the Hon'ble Commission to approve the connected load as submitted in the above table for FY 2023-24.

2.6 Energy Balance

2.6.1 Hon'ble Commission has approved the Energy Balance and T&D loss for the FY 2023-24 in the Tariff Order Dt. 28-03-2023. However, on the basis of the actual T&D loss for the FY 2022-23 & during the first half of FY 2023-24, revised estimates of energy requirement as submitted above and available sources of energy, ANED submits the revised Energy Balance for FY 2023-24. A comparison of the revised estimates with earlier approved numbers is shown below:

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Table - 2.6.1 Energy Requirement for the FY 2023-24			
Energy Balance	As approved by Commission	Estimated	Deviation
ENERGY REQUIREMENT			
Energy Sales			
LT Supply	291.11	289.71	1.40
HT Supply	0.00	0.00	
Total Energy Sales	291.11	289.71	1.40
Overall T & D Losses %	13.91	18.51	-4.60
Overall T & D Losses (MUs)	47.04	65.81	-18.77
Total Energy Requirement	338.15	355.52	-17.37
Power Purchase	268.66	259.39	9.27
Own Generation	69.49	96.13	-26.64
Total Energy Availability	338.15	355.52	-17.37
ENERGY SURPLUS/(GAP)	0.00	0.00	0.00

2.6.2 ANED requests the Hon'ble Commission to approve the Energy Balance and T&D Loss as submitted above for FY 2023-24.

Table - 2.6.2 T&D Loss for the FY 2023-24			
Particulars	As approved by Commission	Estimated	Deviation
T&D Losses (%)	13.91	18.51	-4.60

2.7 **Cost of fuel and Power Purchase**

2.7.1 The energy requirement of ANED is met from own generation & purchase from local Electricity Department, Union Territory of Andaman & Nicobar Islands


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HPPs, IPP & other generators. There is no availability of power from Central Generating Stations or open market/ power exchanges etc.

2.7.2 Hon'ble Commission has approved the Fuel Cost for the FY 2023-24 in the Tariff Order Dt. 28-03-2023. However, on the basis of the revised estimates of energy sales for the FY 2023-24 & cost figures during the first half of FY 2023-24, ANED submits the revised estimates of fuel cost and also cost of power procured from various IPPs and other generators for FY 2023-24. Further, comparison of the revised estimates with earlier approved numbers is also provided below.

Table- 2.7.1 Summary of Power Purchase Expenses for the FY 2023-24										
Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs.)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs.)	Total (Rs.)	Avg. Cost (Rs./units)
1	2	3	4	5	6	7	8	9	10	11
HPP (10MW)-II SRGC - (SMW Stop gap)	5	29858229	0.92	27469571	0.27	8061722	103.8	837000207	864469778	29
HPP (10MW)-IV NBEW	10	32574710	1.03	33551951	0.27	8795172	103.8	913149907	946701858	29.1
HPP (10MW)-V SS&S	10	32366900	1.01	32690569	0.27	8739063	103.8	907324477	940015046	29
Aggreko Plan/NTPC (5 MW)	5	41171031	1.1	45288134	0.27	11116178	103.8	1154126103	1199414237	29.1
Express/NTPC (10 MW) B/flat	10	70305400	1.1	77335940	0.27	18982458	103.8	1970834719	2048170659	29.1
HPP (5MW) - Aggreko	5	4380000	1.02	4467600	0.26	1151940	103.8	119599019	124066619	28.3
HPP (5MW) - SRGC	5	2920000	0.92	2686400	0.27	788400	103.8	81854842	84541242	29
Secretariat	0.75	45141.95	20	902839	0	0	0	0	902839	20
5 MW Solar PV Plant, Garacharna NTPC	5	5443985.9	9.35	50901268	0	0	0	0	50901268	9.35
20 MW SPV Power Plant, NLC	20	13493026	6.85	92427230	0	0	0	0	92427230	6.85
1 MW Rooftop Solar, SECI	1	872800.59	4.56	3979971	0	0	0	0	3979971	4.56
2.84 MW Rooftop Solar, M/s Mundra Solar PV Ltd.	2.84	2760996.6	2.2	6074193	0	0	0	0	6074193	2.2
0.31 MW Rooftop Solar, M/s Mundra Solar PV Ltd. Car Nicobar	0.31	257842.9	2.2	567254	0	0	0	0	567254	2.2
Shaheed Dweep(Neil) Private	1.8	5400110.4	0.89	4806098	0.27	1582783	103.8	164330862	169136960	31.3
Swaraj Dweep(Havelok) Private	1	3573148.7	0.93	3323028	0.27	1108865	103.8	115126800	118449828	33.1
Baratang (Hiring)	3.25	4354110	1.06	4615357	0.26	1160600	103.8	120498134	125113491	28.7
Panighat, Mayabandar Private	3.2	9339954.8	0.96	8966357	0.26	2527545	103.8	262419832	271386189	29.1
Smith Island	0.082	61719.08	73	4505493	0.27	48762	103.8	5062666	9568159	155
Gandhi Nagar	0.102	93365.41	74	6909040	0.27	55211	103.8	5732227	12641267	135

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Shanti Nagar	0.082	48220.43	72	3471871	0.27	43886	103.8	4556420	8028291	166
Ganesh Nagar	0.196	67352.86	73	4916759	0.27	47457	103.8	4927176	9843934	146
Total	89.612	259388046		419856922		64210042		6666543390	7086400313	27.3

Table- 2.7.2 Own Generation for the FY 2023-24

Financial Year	Total Capacity MW	Gross Generation (kwh)	HSD (LTR.)	Average HSD Rate	Amount (Rs.)	LUB (LTR.)	Average LUB Rate	Amount (Rs.)	Total Cost (Rs.)
FY 2023-24	51.900	99.79	24499417	103.82	2,54,36,27,471	91793	224.90	2,06,44,200	2,56,42,71,670

Table - 2.7.3 Own Generation & Power Purchase Cost for the FY 2023-24

(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Cost of Fuel/Power Purchase	899.88	965.07	-65.19

2.7.3 The Hon'ble Commission is requested to approve the fuel cost and power procurement cost as submitted above for FY 2023-24.

2.8 GFA, Capitalisation & Depreciation


2.8.1 Hon'ble Commission has approved the GFA for the FY 2023-24 in the Tariff order Dt. 28-03-2023. It is submitted that the ANED has finalized the Fixed Asset Register up-to 31.03.2022 and the same has been audited. ANED has taken the closing balance of GFA as per audited Accounts for the FY 2021-22 as opening balance for FY 2022-23 and considered the asset addition during FY 2022-23 & estimated addition during the FY 2023-24 to arrive at the closing GFA for the FY 2023-24.

Further, depreciation has been calculated on the GFA for the FY 2023-24 at the rates prescribed in the MYT Regulations, 2021.

2.8.2 The approved and the revised projections of depreciation for the FY 2023-24 is provided below:

(Rs. In Crore)

Table - 2.8 Gross Fixed Asset for FY 2023-24


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SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	485.57	37.73	523.30
2	Buildings	82.55	0.00	82.55
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.74	0.00	2.74
6	Land & Land Rights	0.00	0.00	0.00
	Total	576.35	37.73	614.08

Table - 2.8.1 Depreciation for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Depreciation	19.21	18.31	0.90
	Total	19.21	18.31	

2.8.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.9 Operation & Maintenance expenses

2.9.1 Operation & Maintenance Expenses consists of three elements viz Employee Expenses, A&G Expense and R&M Expense:

Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses

Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.

Repairs and Maintenance Expenses go towards the day to day upkeep of the distribution network of the Company and form an integral part of the Company's efforts towards reliable and quality power supply as well as in the reduction of losses in the system.

2.9.2 Employee Expenses

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- 2.9.2.1 The Hon'ble Commission has approved the Employee cost for the FY 2023-24 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.
- 2.9.2.2 However, ANED has revised the estimates of employee expenses for FY 2023-24 considering the actual employee expenses for FY 2022-23 & Regulation 61 of the MYT Regulations, 2021.

ANED has considered the actual employee expenses for the FY 2022-23 as base. Further, the base value has been escalated by the Growth factor (Gn) & average increase in CPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23). Accordingly, the revised employee expenses for the FY 2023-24 have been proposed. The cost as approved by the Hon'ble Commission for the FY 2023-24 and the revised proposal for the year is given below:

Table - 2.9.2 Employee Expenses for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Employee Cost	170.33	158.73	11.60
	Total	170.33	158.73	

- 2.9.2.2 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.9.3 Repair & Maintenance Expenses

- 2.9.3.1 The Hon'ble Commission has approved the Repair & Maintenance Expenses for the FY 2023-24 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.
- 2.9.3.2 ANED is proposing the revised estimates of the Repair & Maintenance Expenses based on the Regulation 61 of the MYT Regulations, 2021. ANED has considered the K factor as approved by the Hon'ble Commission in the Order Dt.01.08.2022. Further, the closing balance of GFA as per audited Accounts for the FY 2021-22 has been taken as opening balance for FY 2022-23 and the asset addition during FY 2022-23 & estimated addition during the FY 2023-24 has been considered to arrive at the closing GFA for the FY 2023-24. Further, average increase in WPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23) has been considered. Thereafter, revised R&M expenses for the FY 2023-24 has been calculated considering the opening GFA for the year and applying the 'K' factor & average WPI as above. The cost as approved by the Hon'ble Commission for the FY 2023-24 and the revised proposal for the year is given below:

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Table - 2.9.3 R&M Expenses for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Repair & Maintenance Cost	55.84	58.83	-2.99
	Total	55.84	58.83	

2.9.3.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.9.4 Administrative & General Expenses

2.9.4.1 The Hon'ble Commission has approved the Administrative & General Expenses for the FY 2023-24 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.

2.9.4.2 ANED is proposing the revised estimates of the Administrative & General Expenses based on the actual expenses for the FY 2022-23. Further, average increase in CPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23) has been considered to arrive at the revised estimate for the FY 2023-24. The cost as approved by the Hon'ble Commission for the FY 2023-24 and the revised proposal for the year is given below:

Table - 2.9.4 A&G Expenses for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Administration & General Expenses	13.80	2.95	10.85
	Total	13.80	2.95	

2.9.4.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.10 Interest & Finance charges

2.10.1 The ANED being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support without any external borrowings. The interest on debt/loan has been

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approved by the Hon'ble Commission for the FY 2023-24 considering debt to be 70% of GFA.

2.10.2 ANED has considered the opening normative loan for the FY 2021-22 approved in the order Dt. 01-08-2022 as the opening normative loan for the FY 2022-23. Thereafter, 70% of the actual asset capitalization/addition during FY 2022-23 & estimated addition during the FY 2023-24 has been considered as debt addition for the respective years. Further, Normative repayment of loan for the FY 2022-23 & FY 2023-24 has been considered equivalent to depreciation for the respective years. Accordingly, the closing loan balance for FY 2023-24 has been arrived.

2.10.3 Interest on loan for the FY 2023-24 has been arrived at based on the above normative loan & in accordance with the MYT Regulations.

2.10.4 Regulation 29 of MYT Regulations, 2021 provides as below:

"..... Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 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....."

In view of the above Regulation, ANED proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023 was 8.50%. Accordingly, interest rate of 9.50% (8.50%+1%) has been considered for projecting the interest charges for FY 2023-24.

Table - 2.10.4 Interest and Finance Charges for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Opening Normative Loan/WIP	100.67	98.05	-1.36
2	Add: Normative Loan during the year/GFA during the year	26.41	26.41	
3	Less: Normative Repayment	19.21	18.31	
4	Less: Normative Repayment for the year	0.00	0.00	

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5	Closing Normative Loan/ GFA	107.87	106.15
6	Average Normative Loan	104.27	102.10
7	Rate of Interest (@ SBI SBAR rate)	8.00%	9.50%
8	Interest on Normative Loan	8.34	9.70

2.10.5 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.11 Interest on Working Capital

2.11.1 The Hon'ble Commission has approved the Interest on Working Capital for FY2023-24 based on the cost parameters approved for MYT Control Period in accordance with the Regulation 64 of the MYT Regulations, 2021. The Regulation provides as follows:

"The Distribution Licensee shall be allowed interest on the estimated level of Working Capital for the Distribution Wires Business for the financial Year, computed as follows:

- a) Operation and maintenance expenses for one (1) month; plus
- b) Maintenance spares at 40% of R&M expenses for one (1) month; plus

- a) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;

Less

- b) Power Purchase cost for one (1) month; plus

e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

2.11.2 In view of the above Regulations, ANED has recalculated the working capital requirement for the FY 2023-24.

2.11.3 Regulation 32 of MYT Regulations provides as follows:

"The rate of interest on Working Capital shall be equal 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 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."

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- 2.11.4 In view of the above Regulation, ANED proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023 was 8.50%. Accordingly, interest rate of 10.50% (8.50%+2%) has been considered for projecting the interest charges for the FY 2023-24.
- 2.11.5 ANED has calculated the revised interest on working capital for FY2023-24 in accordance with the above submission. The same is provided below along with the approved figures for the year:

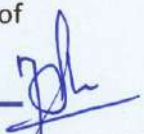
Table - 2.11.5 Interest on Working Capital for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	O&M Expenses for 1 month	20.00	18.38	-0.10
2	Maint. Of Spares 40% of R&M for 1 month	1.86	1.96	
3	Receivables for 2 months	49.65	42.45	
4	Less: Power Purchase Cost for 1 month	3.42	3.50	
5	Less: Amount held as Security Deposit	0.00	0.00	
6	Net Working Capital	68.09	59.29	
7	Rate of Interest for Working Capital	9%	10.50%	
8	Interest on Working Capital	6.13	6.22	

- 2.11.6 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.12 Interest on Security deposits

- 2.12.1 Regulation 29.11 of the MYT Regulations, 2021 provides that interest shall be allowed on the amount held in cash as security deposit at Bank Rate as on 1st April of year.

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- 2.11.2 It is submitted that ANED does not collect security deposit from consumers in cash. The consumers are required to create a Term Deposit in scheduled bank equivalent to the security amount and a lien is created in favour of the ANED towards security deposit. Hence, Interest on Security deposits is not payable to the consumers. Therefore, ANED has not claimed Interest on Security deposit in the ARR.

2.13 Return on Equity

- 2.13.1 The ANED being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support.

- 2.13.2 ANED has considered the closing normative equity for the FY 2021-22 approved in the True-up order for the year as the opening normative equity for the FY 2022-23. Thereafter, 30% of the actual asset capitalization/addition during FY 2022-23 & estimated addition during the FY 2023-24 has been considered as equity addition for the respective years. Accordingly, closing equity balance for the FY 2023-24 has been arrived.

- 2.13.3 Further, Regulation 28 of MYT Regulations, 2021 provides as follows:

"The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum..."

- 2.13.4 In view of the above, the revised Return on Equity for the FY 2023-24 is calculated as below.

Table - 2.13.4 Return on Equity for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Opening Equity Amount	168.12	166.31	0.29
2	Equity Addition during year (30% of Capitalisation)	11.32	11.32	
3	Closing Equity Amount	179.44	177.62	
4	Average Equity Amount	173.78	171.97	
5	Rate of Return on Equity	16.00%	16.00%	
6	Return on Equity	27.80	27.51	

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2.13.5 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.14 Provision for Bad & Doubtful Debts

2.14.1 Regulation 63 of MYT Regulations provides that the Bad debt shall be allowed based on actual write off. The same is reproduced below:

"Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check...."

2.14.2 In view of the above, ANED is not proposing any provision for Bad Debt. ANED shall submit the claim towards bad and doubtful debts when audited figures are available for the consideration of the Hon'ble Commission at the time of true-up. Hon'ble Commission may kindly allow the same.

2.15 Non-Tariff Income

2.15.1 Hon'ble Commission has approved the Non-Tariff Income for the FY 2023-24 in the Tariff order Dt. 28-03-2023.

2.15.2 It is submitted that ANED has revised the projection of Non-tariff Income based on the actual NTI for FY 2022-23. ANED shall submit the actual NTI at the time of True-up for the year. The proposed NTI for the FY 2023-24 is given below.

Table - 2.15.2 Non-Tariff Income for the FY 2023-24				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Non-Tariff Income	3.66	6.01	-2.35
	Total	3.66	6.01	

2.15.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.16 Aggregate Revenue Requirement

2.16.1 The Aggregate Revenue Requirement for FY 2023-24 as approved by the Hon'ble Commission and the calculation of Aggregate Revenue Requirement on the basis of revised estimates as submitted in the above sections for FY 2023-24 is shown below:

Table - 2.16 Review of ARR for FY 2023-24	
(in Rs. Crores)	

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Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Cost of fuel	905.77	923.08	-59.30
2	Cost of power purchase		41.99	
3	Employee costs	239.97	158.73	19.46
4	R&M expenses		58.83	
5	Administration and general expenses		2.95	
6	Depreciation	19.21	18.31	0.90
7	Interest & Finance Charges	8.34	9.70	-1.36
8	Interest on working Capital	6.13	6.22	-0.09
9	Return on Equity	27.80	27.51	0.29
10	Provision for Bad Debit	0.00	0.00	0.00
11	Total revenue requirement	1207.22	1247.32	-40.10
12	Less: Non-tariff income	3.66	6.01	-2.35
13	Net revenue requirement (11-12)	1203.56	1241.31	-37.75
14	Revenue from tariff	265.67	254.68	10.99
15	Total gap (13-14)	937.89	986.63	-48.74

2.16.2 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.17 Revenue from sale of Power at Existing Tariff

2.17.1 The revised estimate of Revenue from Tariff for FY 2023-24 as compared with the figures approved by the Hon'ble Commission in the Tariff order Dt. 28-03-2023 is shown in the table below:

Table - 2.17.1 Revenue from Existing Tariff			
2023-24			
Sr. No	Particular	As approved by Commission	At Existing Tariff (Rs. Crores)
1	2		3
1	Energy Charges	13.38	16.24
2	Fixed Charges	252.28	238.45
3	Total Revenue	265.66	254.68

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2.17.2 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

2.18 Revenue Gap for FY 2023-24

2.18.1 The Revenue Gap as approved by the Hon'ble Commission and as calculated on the basis of the APR for the FY 2023-24 is shown in the table below:

(Rs. In Crores)

Table - 2.18.1 Revenue Gap at Existing Tariff FY 2023-24				
Sr. No.	Particulars	As Approved by Commission	Estimated	Deviation
I	Net Annual Revenue Requirement	1203.56	1241.31	-37.75
II	Revenue from Sale of Power	265.67	254.68	10.99
III	(Gap)/ Surplus (I-II)	937.89	986.63	-48.74

2.18.2 It is submitted that the entire gap in Annual Revenue Requirement & Revenue from sale of Power shown in the table above during the year is provided as revenue subsidy by the A&N Administration, hence, the net Gap for the year is NIL. ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2023-24.

3. Tariff Proposal for the FY 2024-25**3.1.1 Background to FY 2024-25 Tariff Petition**

3.1.1 ANED filed the 3rd MYT Petition for the control period FY 2022-23 to FY 2024-25. FY 2024-25 is the 3rd year of the control period. The ARR for the control period was approved by the Hon'ble Commission vide MYT order Dt. 01-08-2022. Regulation 12(3) of the JERC MYT Regulations, 2021 provides as follows:

"The scope of the annual performance review, trueing up and tariff determination shall be a comparison of the performance of the 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:

- True-up: a comparison of the audited 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;*
- Annual Review: a comparison of the revised performance targets of the applicant for the current financial year with the approved forecast in the Tariff Order corresponding to the Control period for the current financial year subject to*

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prudence check;

- c) **Tariff determination for the ensuing Year of the Control Period based on revised forecast of the Aggregate Revenue Requirement for the Year;"**

In accordance with the above Regulation, ANED is filing for approval of revised ARR & Tariff for the FY 2024-25.


- 3.1.2 This chapter summarizes each of the components of ARR for FY 2024-25 and requests the Hon'ble Commission to review the ARR for FY 2024-25. ANED has considered the actual data/ information for the FY 2022-23 & first 6 months (First Half – H1) for FY 2023-24 and estimation/projections for remaining 6 months (Second Half – H2) of the FY 2023-24 and accordingly, projected the revised ARR for FY 2024-25.

3.2 Approved ARR for the FY 2024-25

- 3.2.1 The summary of the charges for FY 2024-25 as approved by the Hon'ble Commission in the MYT Order is tabulated below:

Table - 3.2 Approved ARR for FY 2024-25		
(in Rs. Crores)		
Sr. No	Particulars	As approved by Commission
1	2	3
1	Cost of fuel	94.25
2	Cost of power purchase	723.24
3	Employee costs	227.82
4	R&M expenses	
5	Administration and general expenses	
6	Depreciation	21.87
7	Interest & Finance Charges	10.76
8	Interest on working Capital	5.06
9	Return on Equity	31.39

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10	Provision for Bad Debit	0.00
11	Total revenue requirement	1114.39
12	Less: Non-tariff income	3.84
13	Net revenue requirement (11-12)	1110.55

3.3 Number of consumers

3.3.1 Hon'ble Commission has approved the number of consumers for FY 2024-25 in the MYT order Dt. 01.08.2022. However, on the basis of the actual number of consumers during FY 2022-23 & first half of FY 2023-24, ANED submits the revised estimates for FY 2024-25. A comparison of the revised estimates with earlier approved numbers is shown below:

Category	As Approved by Commission	Claimed by Petitioner	Deviation
Domestic	131802	127620	4182.00
Commercial	23298	23115	183.00
Industrial	446	434	12.00
Bulk Supply	72	71	1.00
Public Lighting	833	766	67.00
Irrigation Pumps & Agriculture	685	624	61.00
Total	157136	152630	4506.00

3.3.2 It is requested to the Hon'ble Commission to approve the number of consumers as submitted in the above table for FY 2024-25.

3.4 Energy Sales

3.4.1 Hon'ble Commission has approved the Energy Sales for the FY 2024-25 in the MYT order Dt. 01.08.2022. However, on the basis of the actual sales during FY 2022-23 & first half of FY 2023-24, ANED submits the revised estimates for FY 2024-25. A comparison of the revised estimates with earlier approved numbers is shown below:

(Mus)

Category	As Approved by Commission	Claimed by Petitioner	Deviation
Domestic	177.72	169.83	7.89
Commercial	74.98	84.63	-9.65
Industrial	12.71	13.15	-0.44
Bulk Supply	29.92	28.07	1.85

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Public Lighting	5.55	5.61	-0.06
Irrigation Pumps & Agriculture	2.01	1.61	0.40
Total	302.89	302.89	0.00

3.4.2 It is requested to the Hon'ble Commission to approve the sales as submitted in the above table for FY 2024-25.

3.4.3 Connected Load

3.4.3.1 Hon'ble Commission has approved the connected load for the FY 2024-25 in the Tariff Order Dt. 01-08-2022. However, on the basis of the actual connected load for FY 2022-23 & connected load added during the first half of FY 2023-24, ANED submits the revised estimates for FY 2024-25. A comparison of the revised estimates with earlier approved load is shown below:

Category	As Approved by Commission	Claimed by Petitioner	Deviation
Domestic	271364	245933	25431
Commercial	131907	110020	21887
Industrial	14830	13640	1190
Bulk Supply	17982	17493	489
Public Lighting	3281	2549	732
Irrigation Pumps & Agriculture	1422	1329	93
Total	440786	390964	49822

3.4.3.2 It is requested to the Hon'ble Commission to approve the connected load as submitted in the above table for FY 2024-25.

3.5 Energy Balance

3.5.1 Hon'ble Commission has approved the Energy Balance and T&D loss for the FY 2024-25 in the MYT order Dt. 01.08.2022. However, on the basis of the actual figures of FY 2022-23 & for the first half of FY 2023-24, ANED submits the revised estimates for FY 2024-25. A comparison of the revised estimates with earlier approved numbers is shown below:

(Mus)

Category	As Approved by Commission	Claimed by Petitioner	Deviation
ENERGY REQUIREMENT			

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Energy Sales			
LT Supply	302.89	302.89	0.00
HT Supply	0.00	0.00	
Total Energy Sales	302.89	302.89	0.00
Overall T & D Losses %	11.91	18.53	-6.62
Overall T & D Losses (MUs)	40.95	68.89	-27.94
Total Energy Requirement	343.85	371.78	-27.93
Power Purchase	295.60	274.41	21.19
Own Generation	48.25	97.37	-49.12
Total Energy Availability	343.85	371.78	-27.93
ENERGY SURPLUS/(GAP)	0.00	0.00	0.00

Table - 3.5.1.1 T&D Loss for the FY 2024-25

Particulars	As approved by Commission	Estimated	Deviation
T&D Losses (%)	11.91	18.53	-6.62

3.5.2 ANED requests the Hon'ble Commission to approve the Energy Balance and T&D Loss as submitted above for FY 2024-25.

3.6 Cost of fuel and Power Purchase

3.6.1 The energy requirement of ANED is met from own generation & power purchase from IPPs & other generators. There is no availability of power from Central Generating Stations or open market/ power exchanges etc.

3.6.2 Hon'ble Commission has approved the Fuel Cost for the FY 2024-25 in the MYT order Dt. 01.08.2022. However, on the basis of the actual cost figures for FY 2022-23 & first half of FY 2023-24, and projected energy requirement, ANED submits the revised estimates of fuel cost and also cost of power procured from various IPPs and other generators for FY 2024-25. A comparison of the revised estimates with earlier approved numbers is shown below.

Table- 3.6.1 Summary of Power Purchase Expenses for the FY 2024-25

Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs.)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs.)	Total (Rs.)	Avg. Cost (Rs./units)

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1	2	3	4	5	6	7	8	9	10	11
HPP (10MW)-V SS&S	10	70080000	1.01	70780800	0.263	18431040	109.02	2009263512	2080044312	29.68
Aggreko Plant/NTPC (5 MW)	5	8526400	1.1	9379040	0.27	2302128	109.02	250966944	260345984	30.53
Express/NTPC (10 MW) B/flat	10	21053490	1.1	23158839	0.27	5684442.192	109.02	619690602	642849441	30.53
HPP (5MW) - Aggreko	5	35040000	1.02	35740800	0.263	9215520	109.02	1004631756	1040372556	29.69
HPP (5MW) - SRGC	5	35040000	0.92	32236800	0.27	9460800	109.02	1031371004	1063607804	30.35
HPP (10 MW) at Chatham Power House (Proposed)	10	42048000	0.92	38684160	0.263	11058624	109.02	1205558107	1244242267	29.59
HPP (5 MW) at P/Pur ND Office (Proposed)	5	16352000	0.92	15043840	0.263	4300576	109.02	468828153	483871993	29.59
Secretariat	0.75	45593	20	911860	0	0	0.00	0	911860	20.00
5 MW Solar PV Plant, Garacharna NTPC	5	5498426	9.35	51410283	0	0	0.00	0	51410283	9.35
20 MW SPV Power Plant, NLC	20	13627957	6.99	95259419	0	0	0.00	0	95259419	6.99
1 MW Rooftop Solar, SECI	1	881529	4.5	3966881	0	0	0.00	0	3966881	4.50
2.84 MW Rooftop Solar, M/s Mundra Solar PV Ltd.	2.84	2788607	2.2	6134935	0	0	0.00	0	6134935	2.20
0.31 MW Rooftop Solar, M/s Mundra Solar PV Ltd, Car Nicobar	0.31	260421	2.2	572926	0	0	0.00	0	572926	2.20
Shaheed Dweep(Neil) Private	1.8	5454112	0.89	4854160	0.27	1598611	109.02	174272898	179127058	32.84
Swaraj Dweep(Havelok) Private	1	3608880	0.93	3356258	0.27	1119954	109.02	122092009	125448268	34.76
Baratang (Hiring)	3.25	4397651	1.06	4661510	0.263	1172206	109.02	127788272	132449782	30.12
Panighat, Mayabandar Private	3.2	9433354	0.96	9056020	0.263	2552820	109.02	278296183	287352203	30.46
Smith Island	0.082	62336	73	4550528	0.27	49250	109.02	5368999	9919527	159.13
Gandhi Nagar	0.102	94299	74	6978126	0.27	55763	109.02	6079015	13057141	138.47
Shanti Nagar	0.082	48703	72	3506616	0.27	44325	109.02	4832099	8338715	171.22
Ganesh Nagar	0.196	68026	73	4965898	0.27	47932	109.02	5225317	10191215	149.81
Total	89.612	274409784		425209699		67093991.19		7314264869	7739474568	28.20

Table - 3.6.2 Own Generation for the FY 2024-25

Financial Year	Total Capacity MW	Gross Generation (kwh)	HSD (LTR.)	Average HSD Rate	Amount (Rs.)	LUB (LTR.)	Average LUB Rate	Amount (Rs.)	Total Cost (Rs.)
FY 2024-25	51.900	101076354	24744413	109.02	2,69,75,17,132	92710	236.14	2,18,92,954	2,71,94,10,086

Table - 3.6.3 Own Generation & Power Purchase Cost for the FY 2024-25


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(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Cost of Fuel/Power Purchase	817.48	1045.89	-228.41

3.6.3 The Hon'ble Commission is requested to approve the fuel cost as submitted above for FY 2024-25.

3.7 GFA, Capitalisation & Depreciation

3.7.2 Hon'ble Commission has approved the GFA for the FY 2024-25 in the MYT order Dt. 01.08.2022. ANED has considered the actual GFA as on 31.03.2023 and estimated additions during the FY 2023-24 & FY 2024-25 to arrive at the closing GFA for the year.

3.7.3 In view of the revision of the GFA as above, the depreciation for the FY 2024-25 is also recalculated in accordance with the MYT Regulations, 2021. The approved and revised projections of depreciation for FY 2024-25 is provided below.

Table - 3.7.2 Gross Fixed Asset for the FY 2024-25				
(Rs. in crores)				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	523.30	72.88	596.18
2	Buildings	82.55	0.00	82.55
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.74	0.00	2.74
6	Land & Land Rights	0.00	0.00	0.00
	Total	614.08	72.88	686.96

Table - 3.7.2.1 Depreciation for the FY 2024-25			
(Rs. in crores)			
Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4

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Depreciation	21.87	19.62	2.25
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3.7.3.1 ANED requests the Hon'ble Commission to kindly approve the same for ARR for FY 2024-25.

3.8 Operation & Maintenance expenses

3.8.2 Operation & Maintenance Expenses consists of three elements viz Employee Expenses, A&G Expense and R&M Expense:

- Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses.
-
- Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.
- Repairs and Maintenance Expenses go towards the day-to-day upkeep of the distribution network of the Company and form an integral part of the Company's efforts towards reliable and quality power supply as well as in the reduction of losses in the system.


3.8.3 Employee Expenses

3.8.3.1 The Hon'ble Commission has approved the Employee cost for the FY 2024-25 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.

3.8.3.2 ANED has considered the actual employee expenses for FY 2022-23 as base. Further, the base value has been escalated year over year by the Growth factor (Gn) of respective years & average increase in CPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23). Accordingly, the revised employee expenses for FY 2024-25 have been proposed. The cost as approved by the Hon'ble Commission for the FY 2024-25 and the revised proposal for the year is given below:

Table - 3.8.2.2 Employee Expenses for the FY 2024-25			
(Rs. in crores)			
Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4
Employee Cost	153.30	167.30	-14.00

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3.8.3.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2024-25.

3.8.4 Repair & Maintenance Expenses

3.8.4.1 The Hon'ble Commission has approved the Repair & Maintenance Expenses for the FY 2024-25 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.

3.8.4.2 ANED is proposing the revised estimates of the Repair & Maintenance Expenses based on the Regulation 61 of the MYT Regulations, 2021. ANED has considered the K factor as approved by the Hon'ble Commission in the MYT Order Dt.01.08.2022. Further, the closing balance of GFA as per audited Accounts for the FY 2021-22 has been taken as opening balance for FY 2022-23 and the asset addition during FY 2022-23 & estimated addition during the FY 2023-24 & FY 2024-25 has been considered to arrive at the closing GFA for the FY 2024-25. Further, average increase in WPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23) has been considered. Thereafter, revised R&M expenses for the FY 2024-25 has been calculated considering the opening GFA for the year and applying the 'K' factor & average WPI as above. The cost as approved by the Hon'ble Commission for the FY 2024-25 and the revised proposal for the year is given below:

Table - 3.8.3.2 R&M Expenses for the FY 2024-25			
(Rs. in crores)			
Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4
Repair & Maintenance Cost	59.86	62.68	-2.82

3.8.4.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2024-25.

3.8.5 Administrative & General Expenses

3.8.5.1 The Hon'ble Commission has approved the Administrative & General Expenses for the FY 2024-25 based on the approved norms in accordance with Regulation 61 of the MYT Regulations, 2021.

3.8.5.2 ANED is proposing the revised estimates of the Administrative & General Expenses based on the actual expenses for FY 2022-23. Further, average increase in CPI for the immediately 3 preceding years (FY 2020-21, FY 2021-22 & FY 2022-23) has

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been considered to escalate the actual A&G expenses for FY 2022-23 year over year to arrive at the revised estimate for the FY 2024-25. The cost as approved by the Hon'ble Commission for the FY 2024-25 and the revised proposal for the year is given below:

Table - 3.8.4.2 A&G Expenses for the FY 2024-25			
(Rs. in crores)			
Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4
Administration & General Expenses	14.67	3.11	11.56

3.8.5.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2024-25.

3.9 Interest & Finance charges

3.9.2.1 The ANED being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support without any external borrowings. The interest on debt/loan has been approved by the Hon'ble Commission for the FY 2023-24 considering debt to be 70% of GFA

3.9.2 ANED has considered the closing normative loan for the FY 2021-22 as the opening normative loan for the FY 2022-23. Thereafter, 70% of the actual asset capitalization/addition during FY 2022-23 & estimated addition during the FY 2023-24 & FY 2024-25 has been considered as debt addition for the respective years. Further, Normative repayment of loan for FY 2022-23, FY 2023-24 & FY 2024-25 has been considered equivalent to depreciation for the respective years. Accordingly, the closing loan balance for the FY 2024-25 has been arrived.

3.9.3 Interest on loan for the FY 2024-25 has been arrived at based on the above normative loan & in accordance with the MYT Regulations.

3.9.4 Regulation 29 of MYT Regulations, 2021 provides as below:

".....Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 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....."

In view of the above Regulation, ANED proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023 was 8.50%. Accordingly, interest rate of 9.50% (8.50%+1%) has been considered for projecting the interest charges for the FY 2024-25.

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Table - 3.9.2 Interest and Finance Charges for the FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4	5
1	Opening Normative Loan/WIP	119.95	106.15	13.80
2	Add: Normative Loan during the year/GFA during the year	51.02	51.02	0.00
3	Less: Normative Repayment for the year	21.87	19.62	2.25
4	Closing Normative Loan/ GFA	149.10	137.54	11.56
5	Average Normative Loan	134.53	121.84	12.68
6	Rate of Interest (@ SBI MCLR rate) 1st April FY	8.00%	9.50%	-1.50%
7	Interest on Normative Loan	10.76	11.58	-0.81

3.9.3 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2024-25.

3.10 Interest on Working Capital

3.10.1 The Hon'ble Commission has approved the Interest on Working Capital for FY 2024-25 based on the cost parameters approved for MYT Control Period in accordance with the Regulation 64 of the MYT Regulations, 2021. The Regulation provides as follows:

"The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Retail Supply Business for the Financial Year, computed as follows:


- a) O&M Expenses for one (1) month; plus
- b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- c) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;

Less

- d) Power Purchase cost for one (1) month; plus
- e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be recalculated

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on the basis of the values of components of working capital approved by the

Commission in the truing up.

3.10.2 In view of the above Regulations, ANED has recalculated the working capital requirement for FY 2024-25.

3.10.3 Regulation 32 of MYT Regulations provides as follows:


“.....The rate of interest on Working Capital shall be equal 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 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.....”

3.10.4 In view of the above Regulation, ANED proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2023 was 8.50%. Accordingly, interest rate of 10.50% (8.50%+2%) has been considered for projecting the interest charges for the FY 2024-25.

3.10.5 ANED has calculated the revised interest on working capital for FY 2024-25 in accordance with the above submission. The same is provided below along with the approved figures for the year:

Table - 3.10.5 Interest on Working Capital for the FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4	5
1	O&M Expenses for 1 month	18.99	19.42	-0.43
2	Maint. of Spares 40% of R&M for 1 month	2.00	2.09	-0.09
3	Receivables for 2 months	39.50	44.46	-4.96
4	Less; Power Purchase cost for (1) month	4.30	3.54	0.76
5	Less; Adjustment for security Deposit	0.00	0.00	0.00
6	Net Working Capital	56.19	62.43	-6.24
7	Rate of Interest for Working Capital	9.00%	10.50%	-1.50%

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8	Interest on Working Capital	5.06	6.55	-1.50
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3.10.6 The Hon'ble Commission is requested to kindly approve the interest on working capital as proposed.

3.11 Interest on Security deposits

The Electricity Department collects deposits from consumers in the form of Fixed Deposits Receipts (FDR)/ Bank Guarantee and in case of FDR, the interest is directly paid to the consumer. Hence, no interest on security deposits has been projected in the petition.

3.12 Provision for Bad and Doubtful Debts

ANED is not proposing any provision for bad debts of revenue from sale of power to the consumers. An exercise is being done to determine category-wise bad debts and the same shall be claimed in future filings. Thus, for 2024-25 ANED has not projected provision for bad debts.

3.13 Return on Equity

3.13.1 The ANED being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support.

3.13.2 ANED has considered the closing normative equity for the FY 2021-22 as the opening normative equity for the FY 2022-23. Thereafter, 30% of the actual capitalization/addition during FY 2022-23, estimated asset capitalization/addition during FY 2023-24 & projected addition during FY 2024-25 has been considered as equity addition for the respective years. Accordingly, the closing equity balance for the FY 2024-25 has been arrived.

3.13.3 Further, Regulation 28 of MYT Regulations, 2021 provides as follows:

".....The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum....."

3.13.4 In view of the above, the revised Return on Equity for the FY 2024-25 is calculated as below.

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Table - 3.13.4 Return on Equity for the FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4	5
1	Opening Equity Amount	185.26	177.62	7.64
2	Equity Addition during year (30% of Capitalisation)	21.86	21.86	0.00
3	Closing Equity Amount	207.12	199.49	7.63
4	Average Equity Amount	196.19	188.56	7.63
5	Rate of Return on Equity	16.00%	16.00%	0.00%
6	Return on Equity	31.39	30.17	1.22

3.13.5 ANED requests the Hon'ble Commission to kindly approve the same for APR for FY 2024-25.

3.14 Non-Tariff Income

3.14.1 It is submitted that ANED has revised the projection of Non-tariff Income based on the actual NTI for FY 2022-23. ANED shall submit the actual NTI at the time of True-up for the year. The proposed NTI for the FY 2024-25 is given below.

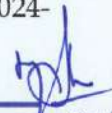
Table - 3.14.1 Non-Tariff Income for the FY 2024-25			
(Rs. in crores)			
Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
2	3	4	5
Non-Tariff Income	3.84	6.31	-2.47

3.14.2 ANED requests the Hon'ble Commission to kindly approve the same for ARR for FY 2024-25.

3.15 Aggregate Revenue Requirement

3.15.1 Based on the above estimates and projections, the ARR for ANED for FY 2024-25 works out as under:

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Table - 3.15.1 ARR for the FY 2024-25				
(in Rs. Crores)				
Sr. No	Particulars	As Approved by Commission	Claimed by Petitioner	Deviation
1	2	3	4	5
1	Cost of fuel	94.25	1003.37	-909.12
2	Cost of power purchase	723.24	42.52	680.72
3	Employee costs	227.82	167.30	-5.27
4	R&M expenses		62.68	
5	Administration and general expenses		3.11	
6	Depreciation	21.87	19.62	2.25
7	Interest & Finance Charges	10.76	11.58	-0.82
8	Interest on working Capital	5.06	6.55	-1.49
9	Return on Equity	31.39	30.17	1.22
10	Interest on Security Deposit	0.00	0.00	0.00
11	Total revenue requirement	1114.39	1346.90	-232.51
12	Less: Non-tariff income	3.84	6.31	-2.47
13	Net Revenue Requirement (11-12)	1110.55	1340.59	-230.04

3.15.2 ANED requests the Hon'ble Commission to kindly approve the same for the FY 2024-25.

3.16 Revenue from sale of Power at Existing Tariff

3.16.1 The estimated revenue at Existing Tariff for FY 2024-25 is provided in the table below:

(Rs. in crore)

Table - 3.16.1 Revenue from Existing Tariff		
Sr. No	Particular	FY 2024-25 Projection
1	2	3
1	Energy Charges	250.35
2	Fixed Charges	16.40
3	Total Revenue	266.75

3.16.2 ANED requests the Hon'ble Commission to kindly approve the same for FY 2024-25.

3.17 Revenue Gap for FY 2024-25

3.17.1 The Revenue Gap at existing tariff, based on the revised projections as detailed in the above sections is shown in the table below:

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Table - 3.17.1 Revenue Gap at Existing Tariff		
Sr. No.	Particulars	FY 2024-25 Projection
1	Net Annual Revenue Requirement	1340.59
2	Revenue from Sale of Power	266.75
3	(Gap)/ Surplus (III)	1073.84

3.18 Average cost of supply

3.18.1 Average cost of supply based on the Revised ARR & sales at existing tariff for the FY 2024-25 is provided in the table below:

Table - 3.18.1 Average cost of supply for the FY 2024-25		
(in Rs. Crores)		
Sr. No.	Particulars	Projection
1	2	3
1	Net revenue requirement	1340.59
2	Energy sales (MU)	302.89
3	Average cost of supply/unit	44.26

3.18.2 ANED requests the Hon'ble Commission to kindly approve the same for FY 2024-25.

4. TARIFF PROPOSAL FOR FY 2024-25

4.1 ANED in the previous sections has discussed the estimated performance for FY 2024-25 based on the past years performances and certain assumptions explained at appropriate places to determine the Aggregate Revenue Required for the control period.

4.2 Recovery of Revenue Gap for FY 2024-25

The estimated gap in FY 2024-25 has been computed by deducting the ARR from Revenue at Existing Tariff.

Tariff is a sensitive subject having substantial impact on social, economic and financial wellbeing of the public at large as well as the viability and growth of power sector. Recovery of the total gap would result in huge burden on the consumers. Accordingly, the A&N Administration proposes to give differential subsidy to various class/categories of consumers based on the social & economic conditions. As per the approval of A&N Administration, category wise subsidy & proposed effective tariff is calculated and detailed in the subsequent section.

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The basic requirement of any Tariff proposal is that it has to be transparent and justifiable against various policy guidelines and the framework evolved by the JERC and various SERCs. In the light of the experience gained by other utilities in implementation of the tariff orders and regulatory requirements specified under various states and policy guidelines an attempt has been made to improve upon the present tariff design.

It is submitted that the ANED has proposed to create a separate category of Domestic (Bed & Breakfast). The Hon'ble Commission may kindly consider & approve the same.

It is further submitted that ANED calculates the applicable security deposit for the respective categories based on the load factor as provided in the Supply Code. It is further submitted that there is a separate category of Hotel/ Restaurants/ Resorts in the approved tariff schedule, however, the Supply Code as notified by the Hon'ble Commission does not have specific provision pertaining to the Hotel/ Restaurants/ Resorts category. In view of the above it is requested that the Hon'ble Commission may consider & specify the load factor to be considered for the Hotel/ Restaurants/ Resorts category.

4.3.2 It is submitted that category wise cost of supply has not been computed by ANED till date. ANED shall initiate an exercise & calculate the cost of supply of every category consumer after analysis of various cost factors associated with the supplying power to respective categories of consumers. However, for determining the differential subsidy for various categories of consumers, ANED has considered average cost of supply per unit as full cost tariff for recovery of

the proposed ARR. Accordingly, the category wise subsidy & proposed subsidized tariff for the FY 2024-25 has been calculated.

4.3.3 Considering the above, the full cost tariff, category wise subsidy & subsidized tariff proposal for FY 2024-25 for individual categories is given below along with the comparison of existing and proposed energy charges.

Table - 4.3.2 Full Cost Tariff, Subsidy & Subsidised Tariff				
Sl. No.	Category	Full Cost Tariff (Rs./Kwh)	Subsidy (Rs./Kwh)	Proposed Tariff (Rs./Kwh)
1	Life Line Connection			
	0 to 100 units	44.26	40.86	3.40

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Table - 4.3.2 Full Cost Tariff, Subsidy & Subsidised Tariff				
Sl. No.	Category	Full Cost Tariff (Rs./Kwh)	Subsidy (Rs./Kwh)	Proposed Tariff (Rs./Kwh)
2	Domestic Connection			
	Upto 100	44.26	40.16	4.10
	101 to 200 Units	44.26	35.26	9.00
	201 to 500 Units	44.26	31.46	12.80
	501 Units and above	44.26	28.86	15.40
3	Domestic (Bed & Breakfast)			
	0 to 100 Unit	44.26	38.16	6.10
	101 to 200 Units	44.26	33.26	11.00
	201 to 500 Units	44.26	29.46	14.80
	501 Units & above	44.26	26.86	17.40
4	Commercial			
	Upto 200 Units	44.26	30.36	13.90
	201 to 500 Units	44.26	26.96	17.30
	501 to 1000 Units	44.26	21.76	22.50
	1001 Units & Above	44.26	19.46	24.80
5	Hotel/ Restaurants/ Resorts			
	Upto 200 Units	44.26	31.16	13.10
	201 to 500 Units	44.26	27.76	16.50
	501 to 1000 Units	44.26	23.26	21.00
	1001 Units & Above	44.26	20.96	23.30
6	Government Connections			
	Upto 500 Units	44.26	26.66	17.60
	501 & above	44.26	20.96	23.30
7A	LT Industrial			
	0 to 500 Units	44.26	32.66	11.60
	501 to 1000 Units	44.26	27.76	16.50
	1001 & above	44.26	25.86	18.40
7B	HT Industrial			
	0 to 500 Units	44.26	32.96	11.30
	501 to 1000 Units	44.26	28.16	16.10
	1001 & above	44.26	26.66	17.60

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Table - 4.3.2 Full Cost Tariff, Subsidy & Subsidised Tariff				
Sl. No.	Category	Full Cost Tariff (Rs./Kwh)	Subsidy (Rs./Kwh)	Proposed Tariff (Rs./Kwh)
8	Bulk	44.26	22.16	22.10
9	Public Lighting	44.26	30.36	13.90
10	Agriculture Services	44.26	41.66	2.60
11	Electric Vehicle Charging Station	44.26	29.26	15.00
12	Temporary Supply	44.26		1.5 times the rate applicable to the relevant category of consumers.

Table - 4.3.3 Energy Charge Existing v/s Proposed Tariff			
Sl. No.	Category	Energy Charge (Rs./Kwh)	
		Existing	Proposed
1	Life Line Connection		
	0 to 100 units	2.25	3.40
2	Domestic Connection		
	0 to 100 Unit	2.75	4.10
	101 to 200 Units	6.00	9.00
	201 to 500 Units	8.50	12.80
	501 Units & above	10.25	15.40
3	Domestic (Bed & Breakfast)		
	0 to 100 Unit		6.10
	101 to 200 Units		11.00
	201 to 500 Units		14.80
	501 Units & above		17.40
4	Commercial		
	0 to 200 Unit	9.25	13.90
	201 to 500 Units	11.50	17.30
	501 to 1000 Units	15.00	22.50
	1001 Units & Above	16.50	24.80

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Table - 4.3.3 Energy Charge Existing v/s Proposed Tariff			
Sl. No.	Category	Energy Charge (Rs./Kwh)	
		Existing	Proposed
5	Hotel/ Restaurants/ Resorts		
	Upto 200 Units	8.75	13.10
	201 to 500 Units	11.00	16.50
	501 to 1000 Units	14.00	21.00
	1001 Units & Above	15.50	23.30
6	Government Connections		
	Upto 500 Units	11.75	17.60
	501 & above	15.50	23.30
7A	Industrial LT		
	0 to 500 Units	7.75	11.60
	501 to 1000 Units	11.00	16.50
	1001 Units & Above	12.25	18.40
7B	Industrial HT		
	0 to 500 Units	7.50	11.30
	501 to 1000 Units	10.75	16.10
	1001 Units & above	11.75	17.60
8	Bulk	14.75	22.10
9	Public Lighting	9.25	13.90
10	Agriculture Services	1.75	2.60
11	Electric Vehicle Charging Station	10.00	15.00
12	Temporary Supply	1.5 times the rate applicable to the relevant category of consumers.	

Table - 4.3.3.1 Fixed Charge Existing v/s Proposed Tariff			
Sl. No.	Category	Fixed Charge	
		Existing	Proposed
1	Life Line Connection	INR 20/kW/Month or part thereof	INR 50/kW/Month or part thereof

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Table - 4.3.3.1 Fixed Charge Existing v/s Proposed Tariff			
Sl. No.	Category	Fixed Charge	
		Existing	Proposed
2	Domestic Connection	INR 20/kW/Month or part thereof	INR 50/kW/Month or part thereof
3	Domestic (Bed & Breakfast)	-	INR 50/kW/Month or part thereof
4	Commercial	INR 35/kVa/Month or part thereof	INR 65/kVa/Month or part thereof
5	Hotel/ Restaurants/ Resorts	INR 35/kVa/Month or part thereof	INR 65/kVa/Month or part thereof
6	Government Connections	INR 35/kVa/Month or part thereof	INR 65/kVa/Month or part thereof
7	Industrial LT	INR 55/kVa/Month or part thereof	INR 85/kVa/Month or part thereof
8	Industrial HT	INR 55/kVa/Month or part thereof	INR 85/kVa/Month or part thereof
9	Bulk	INR 110/kVa/Month or part thereof	INR 140/kVa/Month or part thereof
10	Public Lighting	INR 160/kVa/Month or part thereof	INR 190/kVa/Month or part thereof
11	Agriculture Services	INR 50/kVa/Month or part thereof	INR 80/kVa/Month or part thereof
12	Electric Vehicle Charging Station	NA	NA
13	Temporary Supply	1.5 times the rate applicable to the relevant category of consumers.	

4.3.4 Revenue from Proposed Tariff & Gap

Table - 4.3.4 Revenue Gap at Proposed Tariff and Gap		
Sr. No.	Particulars	FY 2024-25 Projection

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1	Net Annual Revenue Requirement	1340.59
2	Revenue from Sale of Power	408.84
3	(Gap)/ Surplus (III)	931.75

It is submitted that the entire gap in Annual Revenue Requirement & Revenue from sale of power shown in the table above during the year is provided as revenue subsidy by the A&N Administration, hence, the net Gap for the year is NIL. ANED requests the Hon'ble Commission to kindly approve the same for FY 2024-25.

4.3.5 Impact of proposed tariff hike are presented in the tables below:

Table - 4.3.5 Impact of Tariff Hike				
Sr. No.	Particulars	Units	FY 2024-25	
			Existing	Proposed
1	ARR for FY 2024-25	Rs. Crores	1340.59	1340.59
2	Revenue for FY 2024-25	Rs. Crores	266.75	408.84
3	Gap (12)	Rs. Crores	1073.84	931.75
4	Total Sales	MU's	302.89	302.89
5	Average Cost of Supply (1 /4 x 10)	Rs. per kWh	44.26	44.26
6	Average Revenue (2 /4 x 10)	Rs. per kWh	8.81	13.50
7	Pure Gap (5-6)	Rs. per kWh	35.45	30.76
8	Average Hike in Tariff			4.69
9	Hike in %			53.27%

Hence, it is submitted that the average tariff required to recover the gap attributable to FY 2024-25 is Rs. 44.26 per unit. The average subsidy per unit provided by the A&N Administration is Rs. 30.76. Accordingly, the proposed hike per unit is Rs. 4.69.

In view of the above, it is prayed to the Hon'ble Commission that the proposed tariff, subsidy & the hike in tariff be allowed.

4.3.6 The ANED proposes the following category wise applicability for Tariff


Sr. No.	Category	Applicability	Point of Supply
1	Life Line	Applicable to domestic consumers with monthly consumption of upto 100 units and below	Note: The Domestic Consumer having consumption above 100 units shall be charged according to the slabs defined under Domestic Category.
2	Domestic	This schedule will apply for single delivery	NOTE: Where a portion of the

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Sr. No.	Category	Applicability	Point of Supply
		point including light, fan, domestic pumping sets and household appliances. a) Single private house/flat b) Government schools along with related facilities. c) Housing colonies and multistoried flats/buildings as defined in the Electricity Supply Code Regulations notified by the JERC	dwelling is used for mixed load purposes, the connection will be billed for the purpose for which the tariffs are higher
3	Domestic (Bed & Breakfast)	This schedule will apply for the establishments notified by A&N Administration under Bed & Breakfast/Home stay Scheme for the time prescribed.	
4	Commercial	This schedule will apply to all consumers, using electrical energy for light, fans, and appliances like pumping sets, motors of up to 3 HP used for commercial purpose, central air conditioning plants, lifts, welding sets, small lathe machines, electric drills, heaters, battery chargers, embroidery machines, printing presses, ice candy, dry cleaning machines, power presses, small motors in commercial establishments/ non-residential private premises such as printing presses, rest houses, hostels, nursing homes, bus stands, clubs, auditoriums, communication, cinema theatres, operas, circus, exhibitions, and bakeries, and grinders and installations for private gains, etc. Commercial supply will also be applicable to multi-consumer complex including commercial complexes as defined in the Electricity Supply Code Regulations notified by JERC. This schedule will also apply to the places of worship like temples, mosques, churches, gurudwaras, Buddhist Pongl Chung (except residential areas), public Pooja celebrations and religious ceremonies. No separate circuit/connection for power load including pumping set/ central air conditioning plant, lifts, etc., is permitted.	
5	Hotels/ Restaurant/ Resorts	This schedule will apply to all consumers, using electrical energy for running their hotels, restaurants and resorts establishments.	The supply will be given through a single delivery and metering point and at a single voltage.
6	Government Connection	This schedule will apply to all government connections.	The supply will be given through a single delivery and metering


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Sr. No.	Category	Applicability	Point of Supply
			point and at a single voltage.
7	Industrial Supply		
	LT Industrial	The schedule will apply for supply of energy at Low Tension for lighting, fan and power to industrial establishments & industries such as wood-based, finishing shell based and any other establishments/organisations engaged in the manufacturing and processing of goods for sale, rice mills, flour mills, workshops, dry docks, factories base repair organisations, public water works & gem cutting units	The supply will be given through a single delivery and metering point and at a single voltage.
	HT Industrial	The schedule will apply for supply of energy at 11 kV and above levels for lighting, fan and power to industrial establishments & industries such as wood-based, finishing shell based and any other establishments/ organizations engaged in the manufacturing and processing of goods for sale, rice mills, flour mills, workshops, dry docks, factories base repair organisations, public water works & gem cutting units	The supply will be given through a single delivery and metering point and at a single voltage.
8	Bulk Supply	This schedule will apply to general or mixed loads receiving supply of energy through a bulk energy meter at either HT or LT supply and distribution is maintained by them. For dedicated transformers, the complete cost of technical transmission lines of transformer sub-station, switch gear & installation is to be borne by the consumer.	The supply will be given through a single delivery and metering point and at a single voltage.
9	Public Lighting	This schedule will apply for lighting on public roads, footpaths, streets and thoroughfares in parks & markets, etc.	Cost of spares, materials and labour required for maintenance is to be borne by respective panchayati raj institution / local body.
10	Irrigation Pumps & agriculture	This schedule will apply to all consumers for use of electrical energy for irrigation and agricultural purposes including animal husbandry.	The supply will be given through a single delivery and metering point and at a single voltage.
11	Electric Vehicle Charging Station	This tariff schedule shall apply to consumers that have set up Public Charging Stations (PCS) in accordance with the technical norms/standards/specifications laid down by the Ministry of Power, GoI and Central	

Electricity Department, Union Territory of Andaman & Nicobar Islands


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 अ.न.प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

Petition for Approval of APR for the FY 2023-24 and ARR & Tariff Proposal FY 2024-25

Sr. No.	Category	Applicability	Point of Supply
		Electricity Authority (CEA) from time to time. The tariff for domestic consumption shall be applicable for domestic charging (LT/HT)	
12	Temporary Supply	The supply may be given for a limited period as per the provisions of JERC Supply Code Regulations, 2018, and amendments thereon.	

5. Directives

It is submitted that the status of compliance of Directives issued by the Hon'ble Commission is being submitted separately.