

EXECUTIVE SUMMARY

Maharashtra State Load Despatch Centre (MSLDC) is the apex body for integrated operation of electricity grid in the State of Maharashtra and constituted under Section 31 of the Electricity Act (EA), 2003. MSLDC operates from two centres i.e. at Kalwa and Ambazari (Nagpur) in Maharashtra and has an additional sub-LDC in Mumbai, which was shifted to MSLDC Control room at Kalwa and being operated through separate desk.

In accordance with the first proviso to Section 31(2) of the EA 2003, the Maharashtra State Electricity Transmission Company Limited (MSETCL), which is the State Transmission Utility (STU) in the State of Maharashtra, operates the MSLDC.

The MSLDC has filed its petition before the Hon'ble MERC in accordance with Regulations 5.1(a) MYT Regulations 2024 for:

- i) Truing-up for FY 2022-23 and FY 2023-24 under the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019;
- ii) Provisional Truing-up for FY 2024-25 under the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019;
- iii) Aggregate Revenue Requirement for the next Control Period (FY 2025-2026 to FY 2029-2030) as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2024;
- iv) Revenue from the sale of power at existing fees and charges and projected revenue gap for each year of the Control Period;
- v) Proposed Fees & Charges for SLDC business for each year of the next Control Period under MYT Regulations, 2024.

The Truing-up for FY 2022-23 to FY 2023-24 is based on, audited account of MSLDC. Actual gain/loss on account of controllable factors, as per provisions of the MYT Regulations, 2019, has been factored in appropriately. The Provisional Truing-up is based on actual data available from April 2024 to September 2024 of FY 2024-25 and projected data for remaining period of the financial year.

Truing-up for FY 2022-23

In the Order in Case No.233 of 2022, the provisional true-up approved by the Commission for FY 2022-23 was surplus of Rs. (763.45) Lakh. The MSLDC based on Audited Accounts for FY 2022-23 has submitted the Final True up application. The head wise actual expenditure against actual receipts, net entitlement and surplus / shortfall is summarized in the table below.

Table 1: Truing -up for FY 2022-23(Rs. Lakh)

Sr. No.	Particulars	FY 2022-23			Net Entitlement after sharing of gains /(losses)
		Approved in Case No. 233 of 2022	April-March (Audited)	True-Up requirement	
		(a)	(b)	(c) = (b) - (a)	
1	Operation & Maintenance Expenses	3224.97	3680.99	456.02	3369.13
2	RLDC Fees and WRPC Charges	651.52	829.15	177.63	829.15
3	Depreciation Expenses	115.60	115.60	0.00	115.60
4	Interest on Loan Capital	60.11	60.92	0.81	60.92
5	Interest on Working Capital	66.50	65.02	-1.48	21.67
6	Reactive Energy Charges paid to Generators/TSUs	0.00	0.00	0.00	0.00
7	Income Tax	0.00	0.00	0.00	0.00
8	Total Revenue Expenditure	4118.70	4751.68	632.98	4396.47
9	Return on Equity Capital	177.44	191.13	13.69	191.13
10	Total Expenditure for MSLDC	4296.13	4942.81	646.67	4587.60
11	Less: Non-Tariff Income	376.61	526.07	149.46	526.07
12	Less: Income from Open Access charges	1203.41	1262.36	58.95	1262.36
13	Less: Income from Rescheduling Charges	0.00	2279.23	2279.23	2279.23
14	Annual Fixed Charges for MSLDC	2716.11	875.16	-1840.96	519.95
15	Revenue	3479.56	3454.41	-25.15	3454.41
16	Revenue Gap/(Surplus)	-763.45	-2579.24	-1815.79	-2934.46

Thus, on truing up for FY 2022-23, there is surplus of Rs. (2934.46) Lakh, treatment of which has been considered in LDCD fund. As per the directives of the Hon'ble Commission under Case No 233 of 2022, the surplus after truing up is being transferred to LDC development fund.

Truing-up for FY 2023-24

In the Commission's Order, in Case No.233of 2022, the ARR forecast for FY 2023-24 was 3076.50Lakh. Based on the audited account , the head wise actual expenditure against actual receipts, net entitlement and surplus/ shortfall shown is summarized in the table below.

Table 2: Truing-up for FY 2023-24 (Rs. Lakh)

Sr. No.	Particulars	Approved in Case No. 233 of 2022	April-March (Audited)	True-Up requirement	Net Entitlement after sharing of gains/(losses)
1	Operation & Maintenance Expenses	3511.09	3837.60	326.51	3628.88
2	RLDC Fees and WRPC Charges	684.10	1129.32	445.22	1129.32
3	Depreciation Expenses	115.51	115.51	0.00	115.51
4	Interest on Loan Capital	49.79	52.19	2.40	52.19
5	Interest on Working Capital	63.99	68.20	4.21	22.73
6	Reactive Energy Charges paid to Generators/TSUs	0.00	0.00	0.00	0.00
7	Income Tax	0.00	0.00	0.00	0.00
8	Total Revenue Expenditure	4424.48	5202.83	778.35	4948.64
9	Return on Equity Capital	177.44	191.26	13.82	191.26
10	Total Expenditure for MSLDC	4601.92	5394.09	792.17	5139.89
11	Less: Non-Tariff Income	297.94	722.53	424.59	722.53
12	Less: Income from Open Access charges	1227.48	581.98	-645.50	581.98
	Less: Income from Rescheduling Charges	0.00	1154.93	1154.93	1154.93
13	Annual Fixed Charges for MSLDC	3076.50	2934.64	-141.86	2680.45
14	Revenue	3076.50	3071.52	-4.98	3071.52
15	Revenue Gap/(Surplus)	0.00	-136.87	-136.87	-391.07

Thus, on truing up for FY 2023-24, there is surplus of Rs. (391.07) Lakh. As per the directives of the Hon'ble Commission under Case No 233of 2022, the surplus after trueing up is being transferred to LDC development fund.

Provisional True-up for FY 2024-25

The head-wise projected expenses for FY 2024-25 for provisional true up are summarized in Table below:

Table 3: Provisional True-up for FY 2024-2025 (Rs. Lakh)

Sr. No.	Particulars	Approved in Case No. 233 of 2022	April-March (Estimated)	True-Up requirement
1	Operation & Maintenance Expenses	3591.59	4206.25	614.66
2	RLDC Fees and WRPC Charges	718.30	866.04	147.74

Sr. No.	Particulars	Approved in Case No. 233 of 2022	April-March (Estimated)	True-Up requirement
3	Depreciation Expenses	114.13	114.13	0.00
4	Interest on Loan Capital	39.54	41.44	1.90
5	Interest on Working Capital	67.29	79.76	12.47
6	Reactive Energy Charges paid to Generators/TSUs	0.00	0.00	0.00
7	Income Tax	0.00	0.00	0.00
8	Total Revenue Expenditure	4530.84	5307.62	776.77
9	Return on Equity Capital	177.44	177.44	0.00
10	Total Expenditure for MSLDC	4708.28	5485.07	776.79
11	Less: Non-Tariff Income	154.46	645.73	491.27
12	Less: Income from Open Access charges	1252.03	581.98	-670.05
	Less: Income from Rescheduling Charges	0.00	1154.93	1154.93
13	Annual Fixed Charges for MSLDC	3301.79	3102.42	-199.37
14	Revenue	3301.79	3301.79	0.00
15	Revenue Gap/(Surplus)	0.00	-199.37	-199.37

As per the directives of Hon'ble Commission under Case No 233 of 2022 funding for capitalization during FY 2022-23 to FY 2024-25 has been considered from the proceeds accumulated in LDC development fund. The actual and proposed capitalization is given in the table below.

Table 4: Capital Expenditure and Capitalization (actual and proposed) (Rs. Lakh)

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Capital Expenditure	652.23	404.15	4536.17	10736.00	9537.00	8790.00	6065.00	2222.00
2	Capitalisation	545.21	318.30	1623.94	7,495.00	12,517.00	8,060.00	5,315.00	3,822.00

The LDCD fund is sufficient to finance the capitalization up to FY 2025-26 in totality; however, for FY 2026-27, partial capitalization is proposed from amount available from LDCD fund. Remaining capitalization amount is proposed to be funded through debt and equity.

ARR Projections FY 2025-26 to FY 2029-30

The Hon'ble Commission has notified the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2024 (MYT Regulations, 2024) which is applicable for the control period comprising five Years from April 1, 2025 to March 31, 2030. As per Regulation 3.1 of MYT Regulations, 2024 the Hon'ble Commission shall determine the Aggregate

Revenue Requirement, Tariff and Fees and Charges, including terms and conditions thereof, in accordance with MYT Regulations, 2024 including fees and charges applicable for MSLDC. The details of projection of ARR for next control period are given below.

Table 5: Summary of Annual Fixed Charges for FY 2025-2026 to FY 2029-30(Rs. Lakh)

Sr No	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Operation & Maintenance Expenses	4248.42	4120.47	4310.52	4509.33	4717.31
2	Depreciation Expenses	114.13	656.80	1621.36	2342.41	2924.18
3	Interest on Loan Capital	30.76	401.66	966.07	1218.73	1271.58
4	Interest on Working Capital	82.50	99.16	129.95	151.61	167.83
5	RLDC Fees and WRPC Charges	909.34	954.81	1002.55	1052.68	1105.31
6	Reactive Energy Charges paid to Generators/TSUs	0.00	0.00	0.00	0.00	0.00
7	Income Tax	0.00	0.00	0.00	0.00	0.00
8	Total Revenue Expenditure	5385.14	6232.90	8030.45	9274.75	10186.21
9	Return on Equity Capital	177.44	438.33	868.47	1149.35	1341.22
10	Total Expenditure for MSLDC	5562.59	6671.23	8898.92	10424.10	11527.44
11	Less: Non-Tariff Income	342.49	90.13	87.01	87.01	87.01
12	Less: Income from Open Access charges	581.98	581.98	581.98	581.98	581.98
13	Less: Income from Rescheduling Charges	1154.93	1154.93	1154.93	1154.93	1154.93
	Annual Fixed Charges for MSLDC	3483.18	4844.18	7075.00	8600.18	9703.52

O&M expenses for FY 2025-26 are projected on the basis of past five years' data of O&M expenses after sharing of gain and loss (i.e. FY 2019-20 to FY 2023-24) along with escalation factor derived on the basis of WPI and CPI. Further, the Petitioner has considered the impact of wage revision and arrears to be paid due to wage revision while projecting the O&M expenses. The Petitioner requests the Hon'ble Commission to approve the O&M expenses as proposed by the Petitioner. The impact on employee expenses due to implementation of recommendations given under "Workforce Adequacy Guidelines for Load Despatch Centres" report will be submitted in due course of time before the Hon'ble Commission.

Table 6: Utilization of LDCD fund (Rs.Lakh)

Particulars	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
LDCD fund at the starting of the year	6750.87	9140.12	9212.88	7588.94	93.94	0.00	0.00	0.00
Less: Revenue Gap / (Surplus) of the Year	(2934.46)	(391.07)						
Less: Utilisation of LDCD Fund	545.21	318.30	1623.94	7495.00	93.94	0.0	0.0	0.0
LDCD fund at the end of year	9140.12	9212.88	7588.94	93.94	0.00	0.00	0.00	0.00

Sharing of MSLDC Charges for FY 2025-26 to FY 2029-30**Table 7: Proposed sharing of MSLDC charges for FY 2025-26 to FY 2029-30 (Rs. Lakh)**

Sharing of MSLDC Charges	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
MSEDCL	2922.00	4063.73	5935.14	7214.59	8140.17
TPCL-D	128.32	178.46	260.65	316.84	357.48
AEML-D	235.08	326.94	477.49	580.43	654.89
BEST	114.63	159.42	232.83	283.02	319.33
Indian Railways (Deemed Distribution Licensee)	67.92	94.46	137.96	167.70	189.21
Mindspace Properties (Deemed Distribution Licensee)	1.35	1.87	2.74	3.33	3.76
Gigaplex Properties (Deemed Distribution Licensee)	0.66	0.92	1.34	1.63	1.84
KRC Infrastructure (Deemed Distribution Licensee)	0.70	0.97	1.41	1.72	1.94
Nidar Utilities	1.22	1.70	2.48	3.02	3.40
MADC	2.02	2.81	4.11	5.00	5.64
EON Phase-1	1.23	1.72	2.51	3.05	3.44
EON Phase-2	0.78	1.08	1.58	1.93	2.17
JNPT	0.14	0.19	0.28	0.34	0.38
Laxmipati Balaji	0.08	0.12	0.17	0.21	0.23
AEML SEEPZ Ltd	3.68	5.12	7.48	9.09	10.26
HADAPSAR SEZ	1.66	2.31	3.38	4.11	4.64
MANJARI SEZ	1.70	2.36	3.45	4.19	4.73

Sharing of MSLDC Charges	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Total	3483.18	4844.18	7075.00	8600.18	9703.52

Further, as per the MYT Regulations, 2024, MSLDC Charges per MW per month shall be computed in accordance with the following formula:

$$\text{Monthly MSLDC Charges (Rs. / MW / Month)} = [\text{AFC (u) (t)} \div \sum [\text{Base TCR (u) (t)}] \div 12$$

Accordingly, the projected MSLDC Charges works out as under:

Table 8: Proposed MSLDC Charges for FY 2025-26 to FY 2029-30 (Rs./MW/Month)

Monthly MSLDC Charges	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total MSLDC Charges (Rs. Lakh)	3483.18	4844.18	7075.00	8600.18	9703.52
Base Transmission Capacity Right (MW)	29959.52	31457.50	33030.37	34681.89	36415.98
Proposed MSLDC charges (Rs/MW/Month)	968.86	1283.26	1784.97	2066.44	2220.53

MSLDC humbly requests the Hon'ble Commission to allow MSLDC to levy and recover following fees and charges for the period for FY2025-26 to FY 2029-30 as given below.

Table 9: Proposed Fees and Charges for FY 2025-26 to FY 2029-30

Particulars	Proposed Charges
Registration/Connection fees	Rs.20,000 per connection
Scheduling fees	Rs2,250 per day
Re-Scheduling fees	Rs.1,000per revision
STOA application fees	Rs.7,500 per application
REC processing fees	Rs.1,000 per application

Prayers

MSLDC respectfully prays the Hon'ble Commission to:

1. Admit the MYT Petition in accordance with MERC MYT Regulations, 2024.
2. Allow true-up for FY 2022-23 to FY 2023-24 of Maharashtra State Load Despatch Centre (MSLDC) based on the Audited Accounts and Allocation Statement for the respective financial year and according to the applicable provisions under MERC (Multi Year Tariff) Regulations, 2019.
3. Allow and approve GFA and capitalization in true-up years as per audited account of the Petitioner as per detailed explanation submitted by the Petitioner.
4. Allow Provisional true up for FY 2024-25 of MSLDC according to applicable provisions under MERC (Multi Year Tariff) Regulations, 2019.
5. Approve O&M expenses as projected by the Petitioner for FY 2025-26 to FY 2029-30 during the next control period including impact of additional salary expenses due to introduction of new pay scale and wage revision arrears.
6. Allow to submit the details in future regarding additional cost implication with respect to employee cost for implementation of recommendations as per "Workforce Adequacy Guidelines for Load DespatchCentres" report.
7. Approve MSLDC Charges for FY 2025-26 to FY 2029-30 as per MERC MYT Regulations 2024 that would help in recovery of consolidated ARR for respective years of the Control Period.
8. Allow MSLDC to use the LDCD fund, as created by the Hon'ble Commission in earlier MYT Order and MTR order, for the purpose of financing the capitalization from FY 2022-23 onwards.
9. Request to revisit the norms for utilization of LDCD fund in the interest of MSLDC and other stakeholders and request Hon'ble Commission to suggest alternate remedy as felt appropriate so as to ensure adequate proceeds in LDCD fund, to fund the future infrastructure development work of MSLDC.
10. Consider the Key Performance Parameters (KPI) of FY 2022-23 and FY 2023-24 as submitted in the present Petition and approve the additional RoE on the basis of the KPI data.
11. Allow to submit the KPI data for FY 2024-25 onwards based on actual performance after completion of relevant financial year.
12. Continue the various charges i.e., Short-term Open Access Application Processing Fees, Registration or Connection Fees, Scheduling Fees/Charges and Re-Scheduling Fees, Renewable Energy Certificate Processing Fees as approved by the Hon'ble Commission in MSLDC MTR Order in Case No. 233 of 2022.
13. Approve the SLDC's request for relaxation of certain parameters as sought in the

Petition, while approving this Petition.

14. Allow the Petitioner to file the mid-term review Petition with other licensees so that the last two year's fees and charges of present control period can be reviewed based on true-up of appropriate years. The same is requested under 'Regulation 149 Power to Relax' of MYT Regulations, 2024.
15. Allow the Petitioner for further submission, addition and alteration to this petition as may be necessary from time to time.
16. Grant an opportunity in person before Hon'ble Commission during the hearing on the above matter.
17. Condone any inadvertent omission/errors/short comings and permit the petitioner to add/change/modify/alter this filing and make future submissions as may be required at a future date.

Chief Engineer,MSLDC

Place: Airoli, Navi Mumbai

Date:10 December 2024
