
Executive Summary

1 Overview

1.1. Background

M/s Jawaharlal Nehru Port Trust (hereinafter referred to as “JNPT” or “the Petitioner”) is a major port notified under Major Port Trusts Act, 1963. JNPT has been notified as a Developer of SEZ by the Ministry of Commerce and Industry, Government of India on 11 August, 2014 vide SEZ notification No. S. O. 2047 (E). The SEZ is being developed over an area of 277.38 Hectares situated in the villages of Savarkahar, Karal, Sonari and Jaskhar of Uran Taluka, Distt. Raigad of the Maharashtra.

The Hon’ble Commission, after following the due regulatory process, issued the Order dated 14 June, 2018 in Case No 47 of 2018 and confirmed the status of the deemed Distribution Licensee to JNPT for the notified SEZ area under Section 14 of the EA, 2003. Further, specific conditions of Distribution License applicable to JNPT have been notified by the Hon’ble Commission on 13 November, 2018.

1.2. Filing under MERC MYT Regulations, 2019

Since, the operation of JNPT as a Distribution Licensee commenced from 11 August 2021 i.e. in FY 2021-22, therefore, JNPT is filing the Petition requesting for approval of

- a) Truing-up for FY 2021-22 and Provisional Truing-up for FY 2022-23 and ARR for FY 2023-24 and FY 2024-25, in accordance with MERC MYT Regulations, 2019;
- b) Revenue from sale of power at existing Tariffs and projected Revenue Gap/(Surplus) for each year of the Control Period from FY 2021-22 to FY 2024-25, in accordance with MERC MYT Regulations, 2019; and
- c) Proposed category-wise Tariff for each year of the Control Period from FY 2023-24 and FY 2024-25, in accordance with MERC MYT Regulations, 2019.

2 True-up for FY 2021-22, Provisional True up for FY 2022-23 and ARR for FY 2023-24 and FY 2024-25

- 2.1. JNPT has computed the Truing-up requirement of FY 2021-22, Provisional Truing-up requirement of FY 2022-23 and projected the ARR for FY 2023-24 and FY 2024-25 in line with the of MYT Regulations, 2019 as amended from time to time.
- 2.2. The summary of the ARR claimed by JNPT for the Distribution Wires Business for the Control Period, is as shown in the Table below:

Table 1 ARR of the Distribution Wire Business for the Control Period (Rs. Crore)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
O&M Expenses	0.055	0.186	0.273	0.453
Depreciation	0.050	0.099	0.149	0.248
Interest on Loan Capital	0.035	0.054	0.078	0.128
Interest on Working Capital	0.001	0.006	0.012	0.020
Interest on CSD	0.000	0.001	0.000	0.000
Provision for bad and doubtful debts	0.000	0.000	0.000	0.000
Contribution to Contingency Reserves	0.000	0.005	0.005	0.009
Income Tax	0.000	0.000	0.000	0.000
Total Revenue Expenditure	0.141	0.351	0.516	0.859
Add: Return on Equity Capital	0.067	0.121	0.182	0.303
Aggregate Revenue Requirement	0.208	0.472	0.698	1.161
Less: Non-Tariff Income	0.000	0.000	0.000	0.001
Total Aggregate Revenue Requirement	0.208	0.472	0.698	1.161

- 2.3. The Summary of ARR claimed by JNPT for the Retail Supply Business for the Control Period, is as shown in the Table below:

Table 2 ARR of the Retail Supply Business for the Control Period (Rs. Crore)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Power Purchase Expenses	0.598	2.717	5.341	8.088
O&M Expenses	0.030	0.100	0.147	0.244
Depreciation	0.006	0.011	0.017	0.028
Interest on Loan Capital	0.004	0.006	0.009	0.014
Interest on Working Capital	0.003	0.016	0.059	0.081
Interest on CSD	0.000	0.006	0.003	0.003
Provision for bad and doubtful debts	0.000	0.000	0.000	0.000

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Contribution to Contingency Reserves	0.000	0.001	0.001	0.001
Intra-State Transmission Charges	0.130	0.215	0.385	0.558
MSLDC Fees & Charges	0.059	0.093	0.094	0.095
Prompt Payment Discount	0.000	0.000	0.000	0.000
Income Tax	0.000	0.000	0.000	0.000
Total Revenue Expenditure	0.828	3.165	6.054	9.113
Add: Return on Equity Capital	0.008	0.015	0.022	0.037
Aggregate Revenue Requirement	0.837	3.179	6.077	9.150
Less: Non-Tariff Income	0.003	0.003	0.003	0.003
Aggregate Revenue Requirement from Retail Supply	0.834	3.176	6.073	9.147

2.4. JNPT requests the Hon'ble Commission to approve the ARR for Distribution Wires Business and Retail Supply Business for the Control Period, as shown in the above Tables.

2.5. JNPT has computed the combined Revenue Gap/(Surplus) for the Wires Business and Retail Supply Business for FY 2021-22 and FY 2022-23, as shown in the following Table:

Table 3 Revenue Gap/(Surplus) for FY 2021-22 and FY 2022-23 (Rs. Crore)

Particulars	FY 2021-22	FY 2022-23
	Actual	Estimated
ARR for Distribution Wires Business	0.21	0.47
ARR for Retail Supply Business	0.83	3.18
Combined ARR for Wires and Retail Supply Business	1.04	3.65
Revenue from existing tariff	0.87	4.01
Revenue Gap/(Surplus) of Licensed Business	0.17	(0.36)

Overall Revenue Gap/(Surplus) projected for the Control Period for FY 2023-24 and FY 2024-25

2.6. The overall projected Revenue Gap/(Surplus) based on projected ARR and Revenue from existing tariff for each year of the Control Period along with the claim of past gaps with the carrying / holding cost is summarised in the Table below:

**Table 4 Projected Revenue Gap/(Surplus) at existing Tariff for the Control Period
(Rs. Crore)**

Particulars	FY 2023-24	FY 2024-25
ARR for Distribution Wires Business	0.70	1.16
ARR for Retail Supply Business	6.07	9.15
ARR for Combined Wire Business & Retail Supply Business	6.77	10.31
Add: True-up Gap/(Surplus) of FY 2021-22	0.17	
Add: Provisional True-up Gap/(Surplus) of FY 2022-23	(0.36)	
Add: Carrying/(Holding) Cost for Revenue Gap/(Surplus) of FY22	0.03	
Net Revenue Requirement	6.61	10.31
Less: Revenue at Existing Tariff	9.16	12.93
Revenue Gap/(Surplus) of Licensed Business	(2.56)	(2.63)

2.7. There is a Revenue Surplus for FY 2023-24 and FY 2024-25, as the revenue at the existing tariff is higher than the ARR of the Wires Business and Supply Business, on account of levy of MSEDCL's ceiling tariff. Hence, the tariff is required to be reduced in order to match the ARR of the Wires Business and Supply Business. JNPT proposes tariff revision, as discussed below.

3 Tariff Proposal for FY 2023-24 and FY 2024-25

The following Tables shows the category-wise Tariffs proposed by JNPT for FY 2023-24 to FY 2024-25.

Table 5 Tariff Proposal for FY 2023-24

Sr. No.	Consumer Category	Fixed / Demand Charge per month	Wheeling Charge (Rs/kVAh)	Energy Charge (Rs./kVAh)
HIGH TENSION CATEGORIES				
1	HT-I - HT Industry	Rs. 330 per kVA	0.81	5.08
2	HT II: HT Commercial	Rs. 330 per kVA	0.81	5.27
TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I & HT II categories				
22:00 Hrs - 06:00 Hrs				(1.50)
0600 Hrs - 0900 Hrs & 1200 Hrs - 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.80
1800 Hrs - 2200 Hrs				1.10
LOW TENSION CATEGORIES				
3	LT II - LT Commercial			
A	LT II (A) - 0 to 20 kW	Rs. 320	0.81	6.53
B	LT II (B) - 20 kW to 50 kW	Rs. 320 per kVA	0.81	6.53
C	LT II (C) - above 50 kW Load	Rs. 320 per kVA	0.81	6.53
4	LT V - LT Industrial	Rs. 290 per kVA	0.81	6.24
5	LT VII (B) - LT -Public Services - Others	Rs. 290 per kVA	0.81	6.02
TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II (B), LT II (C), LT V and LT VII (B) categories				
22:00 Hrs - 06:00 Hrs				(1.50)
0600 Hrs - 0900 Hrs & 1200 Hrs - 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.80
1800 Hrs - 2200 Hrs				1.10

Table 6 Tariff Proposal for FY 2024-25

Sr. No.	Consumer Category	Fixed / Demand Charge per month	Wheeling Charge (Rs/kVAh)	Energy Charge (Rs./kVAh)
HIGH TENSION CATEGORIES				
1	HT-I - HT Industry	Rs. 370 per kVA	0.91	5.32
2	HT II: HT Commercial	Rs. 370 per kVA	0.91	5.71
TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I & HT II categories				
22:00 Hrs - 06:00 Hrs				(1.50)
0600 Hrs - 0900 Hrs & 1200 Hrs - 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.80
1800 Hrs - 2200 Hrs				1.10
LOW TENSION CATEGORIES				
3	LT II - LT Commercial			
A	LT II (A) - 0 to 20 kW	Rs. 370	0.91	6.93
B	LT II (B) - 20 kW to 50 kW	Rs. 370 per kVA	0.91	6.93
C	LT II (C) -above 50 kW Load	Rs. 370 per kVA	0.91	6.93
4	LT V - LT Industrial	Rs. 340 per kVA	0.91	6.45
5	LT VII (B) - LT -Public Services - Others	Rs. 340 per kVA	0.91	6.32
TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II (B), LT II (C), LT V and LT VII (B) categories				
22:00 Hrs - 06:00 Hrs				(1.50)
0600 Hrs - 0900 Hrs & 1200 Hrs - 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.80
1800 Hrs - 2200 Hrs				1.10

4 Prayers

JNPT prays to the Hon'ble Commission as under:

- i. To admit the MTR Petition as per the provisions of MERC MYT Regulations 2019, consider for further proceedings before the Hon'ble Commission;
- ii. To approve the Truing-up and Provisional truing up and Revenue Gap/(Surplus) for FY 2021-22 and FY 2022-23 and recovery of the same through tariff, as proposed by JNPT;
- iii. To approve the ARR for FY 2023-24 and FY 2024-25 and its recovery through revised tariff as proposed by JNPT;
- iv. To determine JNPT's share of the Transmission Charges and MSLDC Charges, and consider the same while approving the ARR for JNPT for the Control Period;
- v. To approve Retail Supply Tariff for FY 2023-24 and FY2024-25 and the Tariff schedule, as proposed by JNPT;
- vi. To approve the Schedule of Charges as proposed by JNPT;
- vii. Condone any inadvertent omissions, errors, short comings and permit JNPT to add/change/modify/alter this filing and make further submissions as may be required at a future date; and
- viii. Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.