

Ref. No.: SE/TRC/MYT-2024/ **No 3 9 5 2 1**

Date: **20 DEC 2024**

To,  
The Secretary,  
Maharashtra Electricity Regulatory Commission,  
13th Floor, Centre No. 1, World Trade Centre,  
Cuffe Parade, Mumbai-400 005.

**Subject:** MSEDCL's Multi Year Tariff (MYT) Petition for Final True Up of ARR of FY 2022-23 & FY 2023-24, Provisional True Up of ARR of FY 2024-25 and Projections of ARR and determination of Tariff for the 5th Multi Year Tariff Control Period for FY 2025-26 to FY 2029-30 (Case no. 217 of 2024) – Submission of replies to Data Gaps Set-1.

**Reference:** 1. Letter no. SE/TRC/MYT-2024/37313 dated 29.11.2024.  
2. Email dated 10.12.2024 from MERC regarding Data Gaps Set-1.

Sir,

As per the provisions of MERC (MYT) Regulation 2024, MSEDCL has submitted its Multi Year Tariff (MYT) Petition for Final True Up of ARR of FY 2022-23 & FY 2023-24, Provisional True Up of ARR of FY 2024-25 and Projections of ARR and determination of Tariff for the 5th Multi Year Tariff Control Period for FY 2025-26 to FY 2029-30 vide letter under reference (1). Hon'ble Commission vide its email under reference (2) has raised Data Gap Set-1 in respect of the said petition.

In this regards, MSEDCL is hereby submitting the replies to Data Gaps Set-1, copy of which is enclosed herewith. Further, replies to certain queries as mentioned in the said replies will be submitted subsequently.

This may please be taken on record and be placed before Hon'ble Commission for its kind consideration.

  
Director (Commercial)  
MSEDCL

## Data Gaps Set-1

### Petition of M/s Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) for Final True up of ARR for FY 2022-23 & FY 2023-24, Provisional True up of ARR for FY 2024-25 and Projections & ARR for 5<sup>th</sup> control period for FY 2025-26 to FY 2029-30. (Case No. 217 of 2024)

#### **Section 1: Data Gaps on Energy Sales & Revenue**

##### **Data Gaps related to True-up of FY 2022-23 & FY 2023-24**

###### **Category Wise Sales –**

###### **Query 1. Form 1**

- a. MSEDCL shall clearly define the nomenclature of sales shown in the Form 1. Also, MSEDCL need to submit sales in MkVAh and MkWh separately.

###### **MSEDCL Reply:**

- a. MSEDCL submits that the nomenclature for sales in Form 1 is updated and the details of MkVAh and MkWh are shared as Annexure Datagap Set 1\_Query 1.

###### **Query 2. Para 2.3 Category Wise Sales for FY 2022-23 & FY 2023-24 & Table 1**

- a. MSEDCL has submitted the energy sales of agricultural consumers for FY 2022-23 and FY 2023-24 as below:

Category	FY 2022-23			FY 2023-24		
	As per MYT Order	Actuals	Deviation	As per MYT Order	Actuals	Deviation
Agriculture Sales (MU)	27953.45	37666.04	9712.59 (34.74%)	28,176.6	41314.3	13137.70 (46.62%)

- b. There is a significant deviation in agriculture sales w.r.t. the sales approved in MTR Order Case no. 226 of 2022.
- c. MSEDCL was directed to maintain meter data of identified feeders or more feeders. Additionally, it has mentioned that the Commission will take detailed review of operationalization of Feeder Input Based Methodology for determination of sales at the time of truing-up of FY 2022-23 to FY 2024-25. Relevant extract of the MTR Order is as quoted below:

*“The Commission, notes the submission of MSEDCL that it has filed appeal before the Hon’ble APTEL against the methodology adopted by the Commission for assessing the AG sales, however, the Hon’ble APTEL has not granted stay to the Commission’s MYT Order in Case 322 of 2020. So, MSEDCL was expected to follow the methodology adopted by the Commission while assessing the AG sales in this Petition. The Commission during public hearing has also expressed its displeasure for not following its directions. Accordingly, the Commission directs MSEDCL to maintain the meter data of identified feeders or more feeders and the Commission would undertake a detailed review of the*

*operationalization of Feeder Input based methodology of determination of AG Sales at the time of truing up of the FY 2022-23 to FY 2024-25. The outcome of results and methodology finalised through this exercise shall form the basis for approval of AG sales for future years only.”*

- d. In line with the above directive, MSEDCL should justify the same with appropriate details of methodology used for computation of AG sales. Further, MSEDCL should provide break-up of deviation in sales to metered category and deviation to unmetered category.
- In addition to the above, MSEDCL should submit the following in Excel format.
  - Circle-wise consumption recorded on separated AG feeders (along with information of connected load, no. of AG consumers)
  - Circle-wise consumption recorded on Feeders with SDT (along with information of connected load, no. of AG consumers)
  - Circle-wise consumption recorded on Feeders in Single Phasing Scheme (along with information of connected load, no. of AG consumers)
  - Circle-wise consumption recorded on other Feeders with AG consumers (along with information of connected load, no. of AG consumers)
  - Circle-wise and month-wise details (for FY2022-23 and FY 2023-24) of AG consumers (metered and un-metered), connected load (HP) (metered and un-metered) and billed units (metered and un-metered)
  - Circle-wise consumption recorded on Feeders with SDT (along with information of connected load, no. of AG consumers)
- e. MSEDCL shall submit the feeder wise annual consumption data of 502 feeders selected for AG study conducted by Commission for FY 2022-23 & FY 2023-24.
- f. Further, in MTR Order Case no. 226 of 2022, MSEDCL is directed to complete exercise of installation of pre-paid meters and submit the action taken report. The relevant extract from MTR order is given below:
- “the Commission expresses its displeasure that even after 3 years since issuance of MYT Order in Case No. 322 of 2019, the MSEDCL has not yet implemented pre-paid metering for agriculture with HVDS connections. There is no plan or timeline submitted for completion of this activity as on date.*
- The Commission hereby directs that MSEDCL should complete exercise of installation of pre-paid meters for agriculture consumers with HVDS connections expeditiously and submit action taken report along with next tariff filing exercise.”*
- g. Accordingly, MSEDCL needs to submit the action taken report.

**MSEDCL Reply:**

- e. MSEDCL submits that the circle wise data requested by the Hon'ble commission is attached as **Annexure Datagap Set 1\_Query 2e** to this document.

Further, Circle-wise and month-wise details (for FY2022-23 and FY 2023-24) of AG consumers (metered and un-metered), connected load (HP) (metered and un-metered) and billed units (metered and un-metered) shall be submitted subsequently (attached as **Annexure Datagap Set 1\_Query 2e\_AG consumers**).

- f. MSEDCL submits that the feeder wise annual consumption data for 502 feeders selected for AG study is attached as Annexure Datagap Set 1\_Query 2f to this document.

**Reply to point g, h**

MSEDCL submits that under the Tender No. MMD/T-NSC-01/0121/5763 dt.08.03.2022, M/s ZenMeter Solutions Pvt. Ltd. was appointed for supply, installation and FMS activity for 5 years for LTAC Three Phase 10-60 Amp prepaid Static Energy Meter for 1,50,000 Agricultural connections under AG HVDS Scheme in entire state of Maharashtra.

The Current status regarding installation of prepaid static Energy Meters - M/s. ZenMeter has supplied 35,000 Nos. of meters. As per Mobile App Console report dated 13.12.2024, and the count of prepaid static Energy Meter Installation Abstract is as below.

Prepaid Static Energy Meter Installation Abstract	
Region	Numbers
Ch. Sambhaji Nagar	3,958
Konkan	2,632
Nagpur	6,364
Pune	1,716
<b>MSEDCL Total</b>	<b>14,670</b>

**Query 3. 2.3 Category Wise Sales for FY 2022-23 & FY 2023-24**

a. There is a significant reduction in sales in some consumer categories, viz., (Residential, Commercial, HT-Industry) w.r.t. the approved sales in MTR Order Case no. 226 of 2022. MSEDCL should provide month-wise details of sales and revenue in respect of these three categories (viz. Residential, Commercial, HT-Industry) for FY 2022-23 and FY 2023 -24.

Category	FY 2022-23			FY 2023-24		
	As per MYT Order	Actuals	Deviation	As per MYT Order	Actuals	Deviation
Residential	25,696.02	23,044.43	(2,651.59)	26,255.04	24,521.57	(1,733.47)
Commercial	8,404.94	7,371.76	(1,033.18)	8,702.51	8,197.82	(504.68)
HT Industrial	38,520.88	36,591.78	(1,929.10)	39,613.85	38,147.76	(1,466.09)

b. MSEDCL should submit the justification and rationale for significant reduction in the sales in HT-Industry sales, LT-Non-domestic and LT-domestic categories.

**MSEDCL Reply:**

a. MSEDCL submits month-wise details of sales in respect of these three categories (viz. Residential, Commercial, HT-Industry) for FY 2022-23 and FY 2023 -24 attached as **Annexure Datagap Set 1\_ Query 3a**. The details of revenue will be shared subsequently.

b. Sales Data –

Category		FY 2021-22	FY 2022-23				FY 2023-24			
		Actual (Excl OA & DF)	MTR	Actual (Excl OA & DF)	Deviation	% Rise w. r. to previous year	MTR	Actual (Excl OA & DF)	Deviation	% Rise w. r. to previous year
Residential	LT	21,478	26,584	23,044	-3,540	7.29	26,255	24,520	-1,735	6.40

Category		FY 2021-22	FY 2022-23				FY 2023-24			
		Actual (Excl OA & DF)	MTR	Actual (Excl OA & DF)	Deviation	% Rise w. r. to previous year	MTR	Actual (Excl OA & DF)	Deviation	% Rise w. r. to previous year
Commercial	HT	1326	2,005	1,669	-335	25.88	1,970	1,784	-186	6.88
	LT	4,434	6,724	5,717	-1,008	28.93	6,732	6,431	-301	12.50
	<b>Total</b>	<b>5,760</b>	<b>8,729</b>	<b>7,386</b>	<b>-1343</b>	<b>28.23</b>	<b>8,702</b>	<b>8215</b>	<b>-487</b>	<b>11.23</b>
HT Ind		33,897	38,904	36,606	-2,298	7.99	39,614	38,101	-1,513	4.09

From the table above, it is observed that Y-o-Y the Residential and Commercial sale is on rising trend and as compared to FY 21-22.

## Distribution Losses

### Query 4. Para 2.4 – Distribution Losses & Form 1.3

MSEDCL has submitted that the actual distribution loss (excluding EHV sales) achieved by MSEDCL for FY 2022-23 and FY 2023-24 are 16.49% & 17.95% against the approved figure of 14% and 13% respectively in the MTR Order.

Particulars	FY 2022-23 (Approved)	FY 2022-23 (Actual)	FY 2023-24 (Approved)	FY 2023-24 (Actual)
Distribution Loss	14%	16.49%	13%	17.95%

- It is understood that MSEDCL had filed an appeal before Hon'ble APTEL regarding issues related to AG sales. The matter is under sub judice. Hence, for scrutiny of the current petition, MSEDCL shall submit the methodology adopted by MSEDCL to estimate AG sales and distribution loss along with excel spreadsheet with detailed computations of circle-wise energy input, agriculture sales, and distribution loss for FY 2022-23 & FY 2023-24.
- In Form 1.3. the total MSEDCL Energy Input, Direct Sales, Total Output shall be summation of the circle wise respective numbers. MSEDCL to link the numbers and submit formula driven excel computation.

### MSEDCL Reply:

Reply to point a, b

MSEDCL submits that the reply to the said query shall be submitted subsequently.

### Query 5. Form 1.4

- For computing the True-up requirement for FY 2022-23, the commission approved no. of all the particulars (mentioned in column E of Form 1.4) does not match with the numbers approved by the Commission in the MTR Order Case no. 226 of 2022.
- Also, it is observed that MSEDCL considered the same MTR order numbers for FY 2022-23 and FY 2023-24.

- c. MSEDCL needs to consider the Commission approved no. with reference to (MTR order Case no. 226 of 2022) for computation of True-up requirement and submit the same.

**MSEDCL Reply:**

Reply to point a, b, c

MSEDCL submits that, the approved number for FY 2022-23 are updated and submitted in form 1.4 attached as **Annexure Datagap set 1\_Query\_5** to this petition.

**Query 6. AG Sales**

- a. MSEDCL in the petition has mentioned that the data of 1168 feeders (in addition to 529 Ag feeders) is considered for feeder input-based Index based Ag billing in Sept 2023 quarter and the data of same is displayed on the website.
- b. However, as per the directives given in the MTR Order Case no. 226of 2022, MSEDCL needs to incorporate such feeder wise data as a part of MYT Petition. The relevant extract of the same is reproduced below:

*“Hence, the Commission is not inclined to consider this additional submission and is of the considered view to consider the feeder input based AG Index as approved under its MYT Order in Case 322 of 2019 for estimation of AG sales in present MTR purpose as well. Further, the Commission notes that improvements in the feeder-based input methodology, enhancement of sample size, selection of feeders strictly in accordance with the principles, methodology and conditions outlined under the MYT Order in Case 322 of 2019 is a continuous process for further refinements in assessment of AG sales, which MSEDCL should continue. MSEDCL should submit such information in public domain from time to time in accordance with conditions outlined under MYT Order and also incorporate the same as part of next tariff revision filing in timely manner.”*

- c. Accordingly, MSEDCL needs to provide the data of the above feeders as part of the petition.

**MSEDCL Reply:**

Reply to point a, b, c

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 7. Technical Losses**

- a. MSEDCL submitted that it has computed the technical losses of 148 feeders out of 502 selected feeders and the computed average losses of these feeders comes to 8%.
- b. MSEDCL to justify the selection of only 148 feeders out of 502 feeders and basis of selection of 148 feeders. Additionally, MSEDCL shall also needs to provide the methodology adopted for computation of technical losses.

**MSEDCL Reply:**

MSEDCL submits reply to point a, b below:

MSEDCL has planned to complete the technical loss calculations of 533 MERC selected feeders. For accurate calculation of technical losses & energy losses index / percentage level of 11KV AG Feeders, following technical data is required / considered.

- Electrical Single line diagram starting from 33/11KV substations up to Distribution Transformer (11/0.415KV) including low Tension lines up to consumer level.
- Single line diagram containing complete electrical network information such as Transformer ratings, (11KV & 415V) distribution line conductor/cable type & size and length consumer no, connected load details (HP rating of AG connections).
- 11KV AG feeder peak loading information, metered data for complete day / month with hourly/30 min interval records.
- Usage of accurate Equipment database / technical parameters for performing network analysis on AG feeders.
- Considering the large data and voluminous work, till date 226 feeders loss calculation is completed and the remaining feeder loss calculation is in process.

## **Revenue from FY 2022-23 & FY 2023-24**

### **Query 8. Form 13**

- a. MSEDCL has not filled the form 13 in the prescribed format given by the Commission. MSEDCL to submit the revised form 13 for both the years.

### **MSEDCL Reply:**

- a. MSEDCL submits that the form 13 in the prescribed format is attached as **Annexure Datagap Set 1\_Query 8.**

### **Query 9. Form 13**

- a. MSEDCL, in the 'Reconciliation between Audited Accounts and MYT' table, has subtracted 'Prior Period Revenue' from the Revenue from the sale of power. MSEDCL shall justify the inclusion of past period revenue considering the true-up of past years is already completed.

### **MSEDCL Reply:**

- a. MSEDCL has following Accounting policy w.r.t material prior period errors –

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated. No restatement of prior period is made where the prior period errors are below the threshold of 0.5% of the turnover (As defined under Section 2(91) of the Companies Act, 2013). As per the said accounting policy in the Annual Accounts of FY 2022-23, prior period errors of FY 2021-22 are restated in the comparative amount & prior period errors of the period prior to FY 2021-22 are restated in the opening balances of assets, liabilities and equity for the earliest period presented. As this prior period were not considered in truing of FY 21-22 & for period prior to FY 21-22, are now considered in FY 22-23.

The year-wise figures are shown in table –



Revenue from operations before Prompt payment discount & Incremental rebate						
Financial Year	Note	Reported Amount of FY	Restatement	Reclassification	After restatement / reclassification	Remark
FY 2021-22	30	85,717.94	-1312.82	-2.89	84,402.22	For prior period errors / omissions of FY 21-22, Revenue from Operations Reduced & Comparative amount of FY 21-22 restated in FY 2022-23. Bulk consumption rebate and Additional surcharge was restated due to omissions in prior periods.
Prior to FY 21-22	30	73,483.31	-228.59		73,254.72	For prior period errors / omissions of FY 21-22, the opening balance of Equity for the earliest period are restated in FY 2022-23

**Query 10. Month-wise and Category-wise Revenue from sale of electricity for FY 2022-23 & FY 2023-24**

- a. MSEDCL should provide a table of month-wise and Category-wise sales and revenue for FY 2022-23 & FY 2023-24 with break-up of revenue components in terms of demand/fixed charge, energy charge, wheeling charge and other components of revenue.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query as **Annexure Datagap Set 1\_Query 10 & 13.**

**Query 11. Category-wise Revenue for FY 2022-23 & FY 2023-24 (Table No. 37)**

- a. It is observed that AG Sales increased significantly in FY 2022-23 & FY 2023-24 as compared to the approved sales whereas revenue from agriculture consumer category is not increased in the same proportion.

Particulars	Approved in MYT Order Case No. 226 of 2022	As per Petition	Deviation
<b>FY 2022-23</b>			
LT AG Sales (MUs)	27,190	36,843	9,654
Revenue from LT Agriculture Consumer Category (INR Crores)	11,895.48	12,843.01	947
<b>FY 2023-24</b>			
LT AG Sales (MUs)	27,405	39,561	12,156
Revenue from LT Agriculture Consumer Category (INR Crores)	11,074.52	18,475.02	7400

- b. MSEDCL shall justify the claim of AG sales and revenue from AG consumers with appropriate rationale.



**MSEDCL Reply:**

Reply to point a, b

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Provisional True-up of FY 2024-25**

**Query 12. 3.5 (Energy Balance for FY 2024-25)**

- a. In table 81, the total energy sales of MSEDCL (1,35,736.87 MUs) does not match with the approved total energy sales given in MTR order Case no. 226 of 2022.

**MSEDCL Reply:**

- a. MSEDCL submits that summation of energy sales in the MTR order Case no. 226 of 2022 are not correctly depicted. The correct summation of energy sales is 1,35,736.87 MUs.

**Query 13. Month-wise and Category Wise Revenue FY 2024-25**

- a. MSEDCL should provide the table of Month-wise and Category-wise break up of Sales and Revenue for FY 2024-25 (H1 actuals and estimates for H2 of FY2024-25) with break-up of revenue components in terms of demand/fixed charge, energy charge, wheeling charge and other components of revenue.

**MSEDCL Reply:**

- a. MSEDCL submits table for month-wise and category-wise break-up of Sales and revenue attached as **Annexure Datagap Set 1\_Query 10 & 13**.

**Query 14. Distribution Losses for FY 2024-25**

- a. MSEDCL has submitted that the actual distribution loss (excluding EHV sales) achieved by MSEDCL for FY 2024-25 is 16.35% against the approved figure of 12% in the MTR Order.

Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
Distribution Loss	12%	16.35%

- b. MSEDCL needs to justify the increase in the estimated losses in FY 2024-25.

**MSEDCL Reply:**

Reply to point a, b

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 15. Deviation Settlement Mechanism Charges**

- a. MSEDCL is required to submit the charges payable/receivable under DSM for FY 2022-23 & FY 2023-24 and FY 2024-25 (Till September 2024) in Excel Format.

**MSEDCL Reply:**

- a. MSEDCL submits that the charges paid/ received under DSM for FY 2022-23 & FY 2023-24 and FY 2024-25 (till September 2024) is attached as **Annexure Datagaps Set 1\_Query 15, 41 & 49**.

**MYT Projections for FY 2025-26 to FY 2029-30**

**Query 16. 4.3 Sales Projections for Control Period**

- a. MSEDCL needs to clarify if the RA plan submitted as Annexure 15 is the revised RA plan according to the MERC letter dated. 18.11.2024
- b. It is observed the sales considered in the MYT petition are in variance with the projections considered in RA plan submitted as part of the MYT petition. MSEDCL to clarify the reason for variance.
- c. MSEDCL needs to provide detailed justification/basis for sales projection in MYT petition.

**MSEDCL Reply:**

Reply to point a, b, c

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 17. 4.18 (Distribution Losses for the Control Period)**

- a. It is understood from the submission that MSEDCL has considered the projections for distribution loss from FY 2024-25 to FY 2034-35 as submitted in the MSEDCL’s Resource Adequacy Plan (**Annexure 15**).
- b. In table 142, it is observed that proposed distribution losses for the control period do not match with the projections of distribution losses given in the MSEDCL’s RA plan. MSEDCL shall justify the same.

<b>FY</b>	<b>As per Petition (Table No. 142)</b>	<b>MSEDCL’S RA Plan</b>
FY 2025-26	15.54%	13.6%
FY 2026-27	15.28%	13.4%
FY 2027-28	15.04%	13.2%
FY 2028-29	14.79%	13.1%
FY 2029-30	14.55%	12.9%

- c. MSEDCL to provide justification and the basis for distribution loss considered in MYT petition.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 18. 4.4 (Sales Projections for DFs for Control Period) (Table-112)**

- a. In table-112, the category wise sales of DFs in Malegaon area do not match with the total sales given in **Form 1 MSEDCL MLG DF Mon 25-26** (Excel File) for FY 2025-26.

**MSEDCL Reply:**

- a. MSEDCL submits that it is a typographical error, request the Hon’ble Commission to consider the category wise sales of DF in Malegaon as represented in Form 1 (Excel File).

**Query 19. 4.4 (Sales Projections for DFs for Control Period) (Table-112)**

- a. In table-112, the category wise sales of DFs in Thane area do not match with the total sales given in **Form 1 MSEDCL THN DF Mon 25-26 (Excel File)** for FY 2025-26.

**MSEDCL Reply:**

- a. MSEDCL submits that it is a typographical error, request the Hon'ble Commission to consider the category wise sales of DF in Thane as represented in Form 1 (Excel File).

**Query 20. OA Sales (Conventional)**

- a. In table-112, the value of OA sales (Conventional) does not match with the OA sales given in the OA Sales deduction (Excel File). Also, it needs to provide justification for the reduction in OA conventional sales. After the FY 2024-25, the reduction in conventional OA sales is considered as 8%.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 21. OA Sales (Non-Conventional)**

- a. In table-112, the value of OA sales (Conventional) does not match with the OA sales given in the OA Sales deduction (Excel File).

**MSEDCL Reply:**

- a. MSEDCL submits that the Hon'ble commission to consider the OA Sales (Non-Conventional) as represented in the excel file, the same is also represented below for reference. The same is also represented below for ready reference.

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
OA Sales Non-Conventional	5,249.64	6,807.54	8,464.39	10,219.78	11,961.57

**Query 22. 4.19 (Energy Balance for control Period)**

- a. In table 144, the values for OA sales (Conventional & Renewables) do not match with the values given in OA Sales deduction (Excel File) for the whole Control Period. MSEDCL needs to clarify the values of OA sales considered in the Energy Balance.
- b. Also, MSEDCL needs to check the calculation of Energy Balance for the whole Projected period.

**MSEDCL Reply:**

- a. MSEDCL submits that the Hon'ble commission to consider the OA Sales (Non-Conventional) as represented in the excel file, the same is also represented below for reference. The same is also

represented below for ready reference.

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
OA Sales Conventional	3,717.73	3,422.97	2,890.87	2,161.59	1,249.57
OA Sales Non-Conventional	5,249.64	6,807.54	8,464.39	10,219.78	11,961.57
Total OA Sales	8,967.37	10,230.51	11,355.26	12,381.37	13,211.13

- b. MSEDCL submits that the calculation for the final Energy Balance for the whole projected period will be checked and submitted subsequently.

### Query 23. ACoS

- a. There are #REF! error in certain cells in Modified ACoS Excel file. MSEDCL needs to rectify the error.

### MSEDCL Reply:

- a. MSEDCL submits that, the #REF! error is due to some linkage error due to large size of the file. The corrected file will be shared subsequently.

## Section 2: Data Gaps of Tariff Design & Methodology

### Tariff Design & Methodology

#### Tariff Design & Methodology

### Query 24. ToD Proposal

- a. MSEDCL to submit detailed calculation undertaken for ToD proposal.

### MSEDCL Reply:

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

### Query 25. Para 6.10 – Incremental Consumption Rebate & Table 196

- a. Table 196 is blank, and table above table 196 is also blank. MSEDCL to provide both the tables with correct numbers.

### MSEDCL Reply:

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

### Query 26. Form 15

- a. There is #REF! error in form 15 of Cross-subsidy form for the LT I: Residential Category. MSEDCL needs to rectify the error.
- b. MSEDCL has provided the cross-subsidy trajectory in the Form 15, and it is observed that the level of cross-subsidy is increasing rather than decreasing as prescribed in the National Tariff Policy. The MERC MYT Regulations, 2024 also envisage reduction in the existing cross subsidy

levels over the control period. Considering the same, MSEDCL is required to revisit the proposed cross subsidy trajectory and revise the proposed tariff, as deemed necessary, to meet the objectives outlined in the National Tariff Policy and MERC MYT Regulations, 2024.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.
- b. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 27. Form – Additional Surcharge**

- a. There are #REF! error in certain cells in additional surcharge form. MSEDCL needs to rectify the error.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 28. Domestic Tariff**

- a. In MTR Order Case no. 226of 2022, MSEDCL is directed to submit proposal for review of tariff structure/design for domestic category including review of telescopic tariff design. The relevant extract from the tariff order is reproduced below:

*“Further, the Commission opines that there is urgent need to review/revisit the tariff structure for domestic categories including need for continuation of the telescopic benefits, particularly for higher end consumption slabs. With proliferation of rooftop/prosumer operations, introduction of the smart meters, encouraging and enabling demand response techniques is necessary. In the next tariff review exercise, MSEDCL should undertake study and assess impact of such various measures and submit its proposal for review of tariff structure/design for domestic category including review of telescopic tariff design.”*

- b. Accordingly, MSEDCL needs to submit a proposal for review of tariff structure for domestic category.

**MSEDCL Reply:**

Reply to point a, b

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 29. Tariff Recovery Mechanism**

- a. MSEDCL's MYT petition presents a tariff hike based on FY 2025-26 as the base year. However, MSEDCL is required to recalculate the proposed tariff hike for FY 2025-26 using FY 2024-25 as the base year and tariff hike in subsequent year considering the tariff hike.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 30. Modified ACoS and ABR for 5<sup>th</sup> Control Period**

- a. In Para 9.3 of MYT Petition, MSEDCL has claimed ABR for 5<sup>th</sup> Control Period.

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>ABR (in Rs./Unit)</b>	9.49	9.76	9.81	9.8	9.63
<b>Y-o-y rise in ABR</b>		<b>2.85%</b>	<b>0.51%</b>	<b>-0.10%</b>	<b>-1.73%</b>

Further, in the MYT Petition, it has mentioned that separate numbers ACoS.

Modified (Rs/kWh)	ACoS	Before Segregation	After Segregation	
		Total MSEDCL	Total MSEDCL (Excluding LT Agri)	LT IV Agriculture
FY 2026-27		9.88	11.48	6.31
FY 2027-28		9.93	11.38	6.35
FY 2028-29		9.92	11.45	6.32
FY 2029-30		9.76	11.23	6.29

It is observed that the ABR at revised tariff is lower than the modified ACoS for 5th Control Period. However, in the modified ACoS sheet in the MYT model, the ABR numbers are matching with ACoS numbers. MSEDCL to clarify the variation in the above tables and modify the MYT Petition/Excel formats appropriately.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Section 3: Data Gaps on Power Purchase Cost**

**True-up for FY 2022-23 & FY 2023-24**

**Power Purchase**

**Query 31. Form 2:**

- a. In Form 2 - Total Energy Sent Out (ESO) from the station (MU) shall be linked to monthly summation of Energy Requirement in Form 2.1. MSEDCL had hard punch the figures in Form. MSEDCL needs to properly link the forms.

**MSEDCL Reply:**

- a. MSEDCL submits that the linkages have been corrected and updated forms shall be submitted subsequently.

**Query 32. Form 2.1**

- a. In Form 2.1 – Energy Charges mentioned shall be linked from Form 1. MSEDCL had hard punch the figures in Form 2. MSEDCL needs to properly link the forms.
- b. MSEDCL needs to add sales figures (MUs) in form 2.1.

**MSEDCL Reply:**

**Reply to point a, b**

MSEDCL submits that the linkages have been corrected and updated forms shall be submitted subsequently.

### Query 33. Power Purchase Expenses

- a. MSEDCL needs to provide sample invoices of Power Purchase from all the sources for one month of each quarter (May, July, October, March) for FY 2022-23 & FY 2023-24.

#### MSEDCL Reply:

MSEDCL submits sample invoices from APML, CGPL, GENCO, GMR, JSW, Rattan India and Sai Wardha attached as Annexure –

- **Annexure Datagap Set 1\_Query 33\_APML.**
- **Annexure Datagap Set 1\_Query 33\_CGPL.**
- **Annexure Datagap Set 1\_Query 33\_GENCO.**
- **Annexure Datagap Set 1\_Query 33\_GMR.**
- **Annexure Datagap Set 1\_Query 33\_JSW.**
- **Annexure Datagap Set 1\_Query 33\_Rattan India.**
- **Annexure Datagap Set 1\_Query 33\_Sai Wardha.**

### Query 34. RE Sources

- a. MSEDCL should provide the details of power purchase from NCE in the following template along with the list of source-wise RE PPAs, PPA tenure, capacity with estimated energy generation and tariff rates:

Source	FY 2022-23		FY 2023-24	
	Quantum (MU)	Cost (in Rs. Crore)	Quantum (MU)	Cost (in Rs. Crore)
Wind				
SHP				
Bagasse based Cogen.				
Biomass				
MSW				
Non-Solar RECs				
<b>Total non-Solar</b>				
SPV				
Solar Thermal				
Procurement from Solar PV under Net-metering				
Solar REC				
<b>Total Solar</b>				
<b>Mini/Micro Hydro</b>				
<b>Total RE</b>				

- b. Further, MSEDCL should provide detailed write-up on the steps taken to mitigate the shortfall in RPO compliance and plans to address the same.



**MSEDCL Reply:**

- a. MSEDCL submits details of power purchase from NCE in the following template along with the list of source-wise RE PPAs, PPA tenure, capacity with estimated energy generation and tariff rates mentioned below –

Source	FY 2022-23		FY 2023-24	
	Quantum (MU)	Cost (in Rs. Crore)	Quantum (MU)	Cost (in Rs. Crore)
Wind	6,206.67	2,787.22	5,992.10	2,752.29
Hydro (NCE)	886.63	263.34	783.75	246.59
Bagasse based Cogen.	4,736.87	2,793.53	3,733.23	2,284.44
Biomass	234.43	143.70	264.55	200.84
MSW	0.45	0.22	0.28	0.13
Non-Solar RECs	0	0	0	0
<b>Total Non - Solar</b>	<b>12,065.05</b>	<b>5,988.00</b>	<b>10,773.89</b>	<b>5,484.30</b>
Solar (SPV)	8,080.47	2,889.89	8,856.35	3,162.33
Solar Thermal	0	0	0	0
Procurement from Solar PV under Net-metering (Solar Rooftop)	114.34	37.60	151.35	50.69
Solar REC	0	0	0	0
<b>Total Solar</b>	<b>8,194.81</b>	<b>2,927.48</b>	<b>9,007.69</b>	<b>3,213.02</b>
Mini/Macro Hydro	0	0	0	0
<b>Total RE</b>	<b>20,259.86</b>	<b>8,915.48</b>	<b>19,781.59</b>	<b>8,697.32</b>

- b. Detailed write-up on the steps taken to mitigate the shortfall in RPO compliance and plans to address the same –

For FY 2022-23:

- i. Solar RPO targets:

As per the CUF specified by Hon'ble Commission, the Solar Capacity required for fulfillment of RPO (11655Mus) is 4752 MW (@28 % CUF).

MSEDCL, as on 31.03.2023, has contracted 5933 MW Solar Power, against which 4159 MW power has been commissioned.

Further, for meeting Solar RPO targets of FY 2022-23, MSEDCL had floated tenders in FY 2018-19 to 2021-22 for capacity around 12100 MW for procurement of Solar Power. Against the same 3361 MW Solar Power were contracted by MSEDCL and against this 2151 MW capacity has been commissioned as on 31.03.2022. Further, during this period from 2018-19 to 2021-22, 862 MW PPA were terminated by solar generators.

Apart from this, the Solar Rooftop capacity installed as on 31.03.2023 is 1437 MW.

- ii. Non-Solar RPO targets:

The required Non-Solar Capacity for fulfillment of RPO is 6375 MW (@ 30 % CUF-weighted averages).

MSEDCL, as on 31.03.2023, has contracted 6820 MW Non-Solar Power, against which

6485 MW power capacity has been commissioned.

The contracted capacity of RE sources for Solar & Non-solar RPO is well sufficient for fulfillment of Non-Solar RPO Compliance. However, due to natural factors beyond the control of MSEDCL viz. Changes in climate and operational factors of RE Generators, the actual resulting CUF / PLF is not at par with the normative CUF / PLF, which eventually affects the actual generation from non-solar RE-sources and leads towards shortfall in meeting RPO target.

Following table shows the contracted and commissioned non-solar capacity and expected generation vs actual generation:

Sr. No.	Source	Contracted Capacity in MW		Commissioned capacity in MW		CUF specified by MERC	Expected generation as per commissioned capacity Mus	Actual Generation received at T<>D
		as on 31.03.2023	on	as on 31.03.2023	on			
1	Wind	3478		2805		25%	7895	6124
2	Bagasse	2631		2488		35%	5016	4807
3	Biomass	77		77		80%	540	239
4	Small Hydro	317		311		30%	817	559
5	Municipal Solid waste	17		4		78.90%	28	0.45
6	Wind-Solar Hybrid	300		0		30%	0	0
<b>TOTAL Non-Solar</b>		<b>6820</b>		<b>5685</b>			<b>14295</b>	<b>11729</b>

From above table, it is to submit that the actual generation received is lesser than the expected generation as per CUF specified by MERC. The expected generation is 14295 MUs, however only 11729 MUs received. Hence, there is shortfall of 2566 MUs for fulfilling the Non-Solar RPO targets.

Further, this is to submit that, since 2019, MSEDCL has floated Post expiry to EPA tenders for procurement of wind power for the capacity of 1400 MW @ Rs. 2.52-2.65/kWh. However, only 386 MW capacity received and contracted against these tenders.

Further, MSEDCL executed Power Sale Agreement with SECI for procurement of 500 MW wind power, out of which Wind power from only 58 MW is receiving against the said PSA. Remaining balance wind power of 442 MW is terminated by SECI. Also, only 274 MW wind power projects are commissioned against MSEDCL's 500 MW wind tender, balance capacity of 226 MW is not commissioned and under litigation. Despite MSEDCL's effort, the RE Power could not be procured due to delay/non-commissioning/no or poor response to the bid floated by MSEDCL.

In addition to above, it is submitted that, the O & M contract disputes, ROW issues, low wind & major breakdown are prominent for reduced generation from wind dry outs.

**For FY 2023-24**

Reasons for shortfall and efforts taken in meeting the RPO targets –

- **Solar RPO targets:**

MSEDCL, as on 31.03.2024, has contracted 8724 MW Solar Power, against which 4331 MW power has been commissioned.

Further, for meeting Solar RPO targets of FY 2023-24, MSEDCL had floated tenders in FY 2021-22 to 2022-23 for capacity around 12050 MW for procurement of Solar Power. Against the same 1499 MW Solar Power were contracted by MSEDCL and 25.66 MW capacity has been commissioned as on 31.03.2023. Further, during FY 2022-23, 3250 MW tenders were cancelled due to discovery of high tariff rate.

Apart from this, the Solar Rooftop capacity installed as on 31.03.2024 is 1951 MW

- **Non-Solar RPO targets**

MSEDCL, as on 31.03.2024, has contracted 8382 MW Non-Solar Power, against which 6669 MW power has been commissioned.

The contracted capacity of RE sources for Non-solar RPO is well sufficient for fulfilment of Non-Solar RPO Compliance. However, due to natural factors beyond the control of MSEDCL viz. Changes in climate and operational factors of RE Generators, the actual resulting CUF / PLF is not at par with the normative CUF / PLF, which eventually affects the actual generation from non-solar RE-sources and leads towards shortfall in meeting RPO target.

Following table shows the contracted and commissioned non-solar capacity and expected generation vs actual generation:

Sr. No	Source	Contracted Capacity in MW		Commissioned capacity in MW	CUF	Generation as per commissioned capacity	Actual Generation received at T<>D
		as on 31.03.2024	as on 31.03.2024			Mus	
1	Wind	3451	3623	25%	7935	5947	
2	Bagasse	2791	2690	35%	5424	3733	
3	Biomass	37	37	80%	259	265	
4	Small Hydro	317	314	30%	826	783	
5	Municipal Solid waste	17	4	78.90 %	28	0.28	
6	Wind-Solar Hybrid	300	0	30%	0	0	
7	RTC/Storage	1468	0		0	0	

Sr. No	Source	Contracted Capacity in MW	Commissioned capacity in MW	CUF	Generation as per commissioned capacity	Actual Generation received at T<>D
		as on 31.03.2024	as on 31.03.2024		Mus	
	<b>TOTAL Non-Solar</b>	<b>8382</b>	<b>6669</b>		<b>14471</b>	<b>10728</b>

From above table, it is to submit that the actual generation received is lesser than the expected generation as per CUF specified by MERC. The expected generation is 14471 MUs, however only 10728 MUs is received. Hence, there is shortfall of 3743 MUs for fulfilling the Non-Solar RPO targets.

Further, MSEDCL executed Power Sale Agreement with SECI for procurement of 500 MW wind power, out of which Wind power from only 58 MW is receiving against the said PSA. Remaining balance wind power of 442 MW is terminated by SECI. Also, only 274 MW wind power projects are commissioned against MSEDCL's 500 MW wind tender, balance capacity of 226 MW is not commissioned. Despite MSEDCL's effort, sufficient RE Power was not available due to delay/non-commissioning/no or poor response and infirm nature of RE sources to the bid floated by MSEDCL.

MSEDCL request the Hon'ble Commission to consider the efforts made in fulfilling the RPO obligation and take a prudent view on the same.

#### **Query 35. Data from MSLDC**

MSEDCL should submit following data from MSLDC:

- Monthly quantum of energy (MUs) drawn by MSEDCL at the distribution periphery (T<>D interface) for the period FY 2022-23 & FY 2023-24.
- Monthly report providing data on Backing down of generating stations during the period FY 2022-23 & FY 2023-24.
- Monthly report providing data on Reserve shutdown/ zero schedule of generating stations during the period FY 2022-23 & FY 2023-24.
- Month-wise MoD stacks applicable for the State of Maharashtra during the period FY 2022-23 & FY 2023-24.
- Copy of Month-wise InSTS loss statement for the period FY 2022-23 & FY 2023-24.
- Month-wise Generating Plants' Availability for the period FY 2022-23 & FY 2023-24.
- Month-wise Generating Plants' PLF achieved for calculating Incentives availed – for the period FY 2022-23 & FY 2023-24.

All above documents to be submitted in (MS- Excel Spreadsheet forms).

#### **MSEDCL Reply:**

- MSEDCL submits the monthly quantum of energy (MUs) drawn at the distribution periphery (T<>D interface) for the period FY 2022-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_Query 35 a.**

- b. MSEDCL submits report providing data on Backing down of generating stations during the period FY 2022-23 & FY 2023-24 attached as **Annexure Datagap Set 1\_ Query 35b FY 22-23** and **Annexure Datagap Set 1\_ Query 35b FY 23-24** respectively.
- c. MSEDCL submits the monthly reports providing data on reserve shutdown / zero schedule of generating station during the period FY 2022-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_ Query 35c**.
- d. MSEDCL submits that the Month-wise MoD stacks applicable for the State of Maharashtra during the period FY 2022-23 & FY 2023-24 are attached as **Annexure Datagap Set 1\_ Query 35d\_2022** and **Annexure Datagap Set 1\_ Query 35d\_2023**.
- e. MSEDCL submits that the month-wise InSTS loss statement for the period FY 2022-23 & FY 2023-24 are attached as **Annexure Datagap Set 1\_ Query 35e\_ FY 2022-23** and **Annexure Datagap Set 1\_ Query 35e\_ FY 2023-24**.
- f. MSEDCL submits that month-wise Generating Plants' Availability for the period FY 2022-23 & FY 2023-24 is attached as **Annexure Datagap Set 1\_ Query 35f\_ FY 22-23** and **Annexure Datagap Set 1\_ Query 35f\_ FY 23-24**.
- g. MSEDCL submits that month-wise Generating Plants' PLF achieved for calculating Incentives availed – for the period FY 2022-23 & FY 2023-24 is attached as **Annexure Datagap Set 1\_ Query 35g & 47h\_ PLF Unit wise**.

#### **Query 36. Power Grid charges inclusive of Reactive energy charges**

- a. MSEDCL should provide supporting documents along with the summary of expenses for justifying the expenses claimed towards PGCIL and POSOCO WRLDC charges for FY 2022-23 & FY 2023-24.
- b. MSEDCL should provide a basis of reactive power charges and supporting documents along with a summary of expenses for justifying reactive energy charges in the forms for FY 2022-23 & FY 2023-24.

#### **MSEDCL Reply:**

- a. MSEDCL submits supporting documents for expenses claimed towards WRLDC charges attached as **Annexure Datagap Set 1\_ Query 36a\_Bill 2022-23\_WRLDC** and **Annexure Datagap Set 1\_ Query 36a\_Bill 2023-24\_WRLDC**.

For PGCIL, expenses claimed supporting documents attached as **Annexure Datagaps Set 1\_ Query 36a\_PGCIL charges**.

- b. MSEDCL submits basis of reactive power charges and supporting documents along with a summary of expenses for justifying reactive energy charges in the forms for FY 2022-23 & FY 2023-24 below -
  - i. As per CERC's IEGC code Regulation, 2023, for Reactive Power Compensation - Reactive power compensation should ideally be provided locally, by generating reactive power as close to the reactive power consumption as possible. The regional entities are therefore expected to provide local VAr compensation or generation such that they do not draw VARs from the EHV grid, particularly under low-voltage condition. To discourage VAr draws by regional entities, VAr exchanges with ISTS shall be priced as follows:
    - The regional entity pays for VAr drawl when voltage is below 97%.
    - The regional entity gets paid for VAr return when voltage is below 97%.
    - The regional entity gets paid for VAr drawl when voltage is above 103%.

- The regional entity pays for VAR return when voltage is above 103%.
- ii. The copy of IEGC Code Regulation 2023 is attached **Annexure Datagap Set 1\_Query 36b-IEGC regulation**. Also, detailed reactive charges are attached as **Annexure Datagap Set 1\_Query 36b\_WRPC Reactive FY 2022-23** and **Annexure Datagap Set 1\_Query 36b\_WRPC Reactive FY 2023-24**.

#### **Query 37. Intrastate Purchase, Other Adjustment, Rebate**

- a. MSEDCL should provide supporting documents for justifying the expenses claimed towards “Intrastate Purchase”, “FBSM”, and “Other Adjustment” for FY 2022-23 & FY 2023-24.

#### **MSEDCL Reply:**

- a. MSEDCL submits the following supporting documents for justifying expenses claimed towards –
  - Interstate purchase documents attached as **Annexure Datagap Set 1\_Query 37a\_22-23** and **Annexure Datagap Set 1\_Query 37a\_23-24**.
  - FBSM expenses attached as **Annexure Datagap Set 1\_Query 37\_FBSM**.
  - Other adjustment expenses attached as **Annexure Datagap Set 1\_Query 37\_Other adjustments**.

#### **Query 38. Short Term Provisions**

- a. MSEDCL should provide month-wise short term power purchase and the rate for such purchase along with the break-up between (bilateral/trader or purchase from market/PX) for FY 2022-23 & FY 2023-24. Further, MSEDCL should also provide the details of procedures followed for selecting traders for bilateral/trader purchase.
- b. MSEDCL should provide the details of month-wise traded surplus power and the rate for sale and break-up between (bilateral/trader or sale on market/PX) for FY 2022-23 & FY 2023-24. Further, MSEDCL should also provide the details of procedures followed for selecting trader/offtake for bilateral/trader purchase along with the rate discovered for such sale.

#### **MSEDCL Reply:**

- a. MSEDCL submits breakup of month-wise short term power purchase and the rate bilateral/trader or purchase from market/PX) for FY 2022-23 & FY 2023-24 attached as **Annexure Datagap Set 1\_Query 38**. MSEDCL, in accordance with the Guidelines issued by Ministry of Power for procurement of power for short term by Distribution Licensee through tariff-based bidding process using nation e-bidding portal dated 30.03.2016, floated short term power purchase tenders on DEEP-Bidding portal. MSEDCL followed the process stipulated in guidelines and selected the successful bidders.
- b. MSEDCL submits details of month wise traded surplus power and the rate for sale and break-up for FY 2022-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_Query 38**. The utilities issued tenders on the DEEP E-Bidding portal in accordance with the guidelines set by the Ministry of Power (MoP). Based on the anticipated power supply position, MSEDCL participated in these tenders by offering competitive rates for selling power. Following the established procedures outlined in the MoP guidelines, the utilities evaluated the bids and selected successful bidders. Whenever MSEDCL was selected as a successful bidder, it proceeded to sell power to the respective utilities.

**Query 39. 2.6 (Power Purchase Expenses for FY 2022-23 and FY 2023-24)**

- a. It is observed that, MSEDCL needs to change the reference of following supreme court judgements in the revised petition:

<b>MSEDCL Submission</b>	<b>Actual References</b>
SC order dated 3 <sup>rd</sup> March 2023 in <b>CA No. 684 of 2020</b>	SC order dated 3 <sup>rd</sup> March 2023 in <b>CA No. 684 of 2021</b>
SC order <b>dated 20<sup>th</sup> March 2023</b> in CA No. 687-688 of 2020	<b>SC order dated 20<sup>th</sup> April 2023</b> in CA No. 687-688 of 2020

- b. Further, MSEDCL should check the Civil Appeal No., date and Commission's Order no. of all reference Judgements once while submitting the revised petition.
- c. For APML, MSEDCL is required to submit the Proof of the paid amount w.r.t the SC order dated 20<sup>th</sup> April 2023 in Civil Appeal no. 687-688 of 2021, CA No. for 677-678 of 2021 and CA No. 5005 and 4089 of 2022 for FY 2022-23 and FY 2023-24.
- d. For EMCO, MSEDCL is required to submit the proof of paid amount w.r.t CERC Order dated 22<sup>nd</sup> October 2021 in Petition no. 174/MP/2020 and SC order dated 3<sup>rd</sup> March 2023 in Civil Appeal No. 6927/2021 for FY 202-23 and FY 2023-24.
- e. For RPL, MSEDCL is required to submit proof of paid amount as per SC order dated 14<sup>th</sup> February 2022 in CA No. 1805 of 2021, CA No. 118 of 2021, MERC Order dated 6<sup>th</sup> February 2023 257 of 2022 and 4089 of 2022 for FY 2022-23 and FY 2023-24.
- f. For SWPGL, MSEDCL is required to submit the proof of the paid amount per MERC Order dated 9th June 2022 (150 of 2021) MoP blending circular and Change in Law for FY 2022-23 and FY 2023-24.

**MSEDCL Reply:**

- a. MSEDCL submits that there has been a typographical error in the reference numbers of the above-mentioned Supreme Court judgements. The information is corrected as below:

<b>Updated References</b>
SC order dated 3 <sup>rd</sup> March 2023 in <b>CA No. 684 of 2021</b>
<b>SC order dated 20<sup>th</sup> April 2023</b> in CA No. 687-688 of 2021

- b. MSEDCL submits that due care shall be taken with the nomenclature of Civil Appeal No., date and Commission's Order no. of all reference Judgements once while submitting the revised petition.
- c. MSEDCL submits the Proof of the paid amount w.r.t the SC order dated 20<sup>th</sup> April 2023 in Civil Appeal no. 687-688 of 2021, CA No. for 677-678 of 2021 and CA No. 5005 and 4089 of 2022 for FY 2022-23 and FY 2023-24 is attached as **Annexure Datagap Set 1\_ Query 39**.
- d. MSEDCL submits the proof of paid amount w.r.t CERC Order dated 22<sup>nd</sup> October 2021 in Petition no. 174/MP/2020 and SC order dated 3<sup>rd</sup> March 2023 in Civil Appeal No. 6927/2021 for FY 202-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_ Query 39**.
- e. MSEDCL submits proof of paid amount as per SC order dated 14<sup>th</sup> February 2022 in CA No.



1805 of 2021, CA No. 118 of 2021, MERC Order dated 6<sup>th</sup> February 2023 257 of 2022 and 4089 of 2022 for FY 2022-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_Query 39**.

- f. MSEDCL submits the proof of the paid amount per MERC Order dated 9th June 2022 (150 of 2021) MoP blending circular and Change in Law for FY 2022-23 and FY 2023-24 attached as **Annexure Datagap Set 1\_Query 39**.

**Query 40. Change in Law**

- a. MSEDCL has claimed a certain amount regarding change in law in FY 2022-23 & FY 2023-24. MSEDCL is required to submit the following details for FY 2022-23 & FY 2023-24 in this regard:

S. No.	Name of Generator	Energy quantum (MU) and period for claim of Change in Law	Amount claimed by the generator (Rs Cr) for Change in Law	Amount claim accepted by the MSEDCL (Rs. Cr.) for Change in Law	Payment made by MSEDCL (Rs. Cr) for Change in law	Event for Change in law under below category (For e.g., Variation in energy charge, impact of taxes and duties etc.)	MERC/ APTEL/ SC Change in law Order reference

- b. MSEDCL should also provide detailed excel computation of the change in law claims as specified in the above tables.
- c. Further, MSEDCL should also provide the details of pending claim under the change in law for FY 2022-23 & FY 2023-24 as below:

S. No.	Name of Generator	Energy quantum (MU) for claim of Change in Law	Estimate of Pending claim amount	Reason for Change in law under below category	MERC petition reference

Although expenses and revenue are being accounted on an accrual basis, it has been understood that for certain claims like Change in Law, MSEDCL has been booking the expenses on a cash basis. It has been observed that although MSEDCL has made cumulative payments towards Change in Law in a financial year, books of account it is booked under respective years. This leads to a situation of claiming carrying cost on such amount booked in previous years without incurring such expenses. This needs to be corrected appropriately. Therefore, MSEDCL may claim Change in Law expenses in power purchase expenses of financial year in which it has actually incurred and for reconciliation with audited account shall submit details of change in law amount booked into Audited Accounts in following format:

Audited Account	Total Power Purchase expenses	Change in Law Claim booked					Balance PP Expenses claimed in ARR
		Name of Generator	Principal Amount	Carrying Cost	LPS	Paid On date	
a	B	c	d	e	f	g	h = b-(c+d+e+f)
FY 2022-23		Generator A					
		Generator B					
		.....					
FY 2023-24							

PP Expenses for other financial years shall be considered based on the above principle.

**MSEDCL Reply:**

- MSEDCL submits the claimed amount regarding change in law is attached as **Annexure Datagap Set 1\_Query 40 a & b.**
- MSEDCL submits detailed excel computation of the change in law claims as specified attached in **Annexure Datagap Set 1\_Query 40 a & b.**
- MSEDCL submits details of generator-wise pending claim under the change in law for FY 2022-23 & FY 2023-24 mentioned in the table below -

Financial Year	Name of Generator	Principal Amount (Rs. Cr.)	Carrying Cost (Rs. Cr.)	LPS	Total
FY 2022-23	APL 1320	374.92	26.35	-	401.27
	APL 1200	998.92	30.38	-	1,029.30
	APL 125	2,993.87	250.99	-	3,244.86
	APL 440	3,620.87	367.47	-	3,988.34
	RIPL 450	224.65	149.18	-	373.83
	RIPL 750	397.46	225.58	-	623.04
	CGPL	-6.30	-	-	-6.30
	JSW	9.34	-	-	9.34
	GMR	139.67	24.65	-	164.32
	Sai Wardha	92.88	-	-	92.88
FY 2023-24	APL 1320	141.79	-	-	141.79
	APL 1200	320.71	-	-	320.71
	APL 125	2,074.25	-	-	2,074.25
	APL 440	2,219.87	-	-	2,219.87
	RIPL 450	150.86	15.54	-	166.40
	RIPL 750	251.44	25.89	-	277.33
	CGPL	0.87	-	-	0.87
	JSW	-	-	-	-
	GMR	158.77	68.82	-	227.59
	Sai Wardha	89.09	-	-	89.09

**Query 41. Deviation Settlement Mechanism Charges**

- MSEDCL is required to submit the charges payable/receivable under DSM for FY 2022-23 & FY

2023-24.

**MSEDCL Reply:**

MSEDCL submits that the charges paid/ received under DSM for FY 2022-23 & FY 2023-24 is attached as **Annexure Datagap Set 1\_Query 15, 41 & 49.**

**Query 42. Transmission Charges:**

Year	MTR Approved (Rs. Cr.)	As per MYT Petition (Rs. Cr.)	As per Audited account (Rs. Cr)
2022-23	9,576.98	9,869.18	9884.80 (Note no. 32)
2023-24	12,438.73	12,205.83	12,204.27 (Note no. 32)

MSEDCL should justify above discrepancy on Petition value and Audited account value.

**MSEDCL Reply:**

MSEDCL submits detailed justification on above discrepancy on Petition value and audited value in the table below -

Year	As per MYT Petition	As per Audited Accounts	Difference	Justification
2022-23	9,869.18	9,884.80	15.62	1) Rs. 14.88 Cr. is considered as other PP cost in Form2. 2) Rs. 0.76 Cr. is not considered in Form 2 of MYT petition.
2023-24	12,205.83	12,204.27	-1.56	1) Rs. (1.56) Cr. is considered as other PP cost in Form 2.

**Query 43. Form 2.1**

a. MSEDCL requires to provide the quantum of Monthly Energy Sales (MUs) for FY 2022-23 and FY 2023-24 in both cases i.e., Actual and Approved.

**MSEDCL Reply:**

a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 44. Table 8 (Power Purchase Expenses for FY 2022-23)**

It is observed that MSEDCL submitted only actual no. of Power Purchase Quantum and Cost for procurement of power from M/s. Sai Wardha. MSEDCL is also required to submit the Commission approved nos. for M/s. Sai Wardha as per MTR Order Case no. 226 of 2022 in the revised petition.

Parameters	As per MTR Order	Actual – MSEDCL Submission	Deviation as per MSEDCL Submission	Deviation after considering Commission approved no.
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<b>PP Quantum (MUs)</b>	1551.61	1644.5	1644.5	92.89
<b>Power Purchase Cost (Rs. Cr)</b>	723.59	745.6	745.6	22.01
<b>PPC (Rs. /kWh)</b>	4.66	4.53	4.53	(0.13)

**MSEDCL Reply:**

MSEDCL submits that actual approved PP Quantum, Power Purchase and PPC details as approved in MTR order 226 of 2022 has been noted, and the same shall be mentioned in the revised petition.

The actual table with above mentioned details is –

<b>Parameters</b>	<b>As per Approved MTR Order</b>	<b>Actual – MSEDCL Submission</b>	<b>Deviation as per MSEDCL Submission</b>	<b>Deviation after considering Commission approved no.</b>
<b>PP Quantum (MUs)</b>	1551.61	1664.26	1664.26	112.65
<b>Power Purchase Cost (Rs. Cr)</b>	723.59	759.27	759.27	35.68
<b>PPC (Rs. /kWh)</b>	4.66	4.56	4.56	(0.1)

**Query 45. RPO Compliance**

MSEDCL has not mentioned how it would meet RE resource specific RPO targets for the cumulative shortfall till FY 2024-25.

MSEDCL should also provide the RPO target and its likely compliance for FY 2024-25.

<b>Source</b>	<b>FY 2024-25 (H1)</b>	<b>FY 2024-25 (H1)</b>	<b>FY 2024-25</b>	
	<b>Quantum (MU)</b>	<b>Quantum (MU)</b>	<b>Target Quantum (MU)</b>	<b>Estimated Achieved Quantum (MU)</b>
Solar				
Non-Solar				

**MSEDCL Reply:**

As per the MERC notification dated 23.02.2024 (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024, following are the RPO targets for FY 2024-25: -

Year	Quantum of purchase (in %) from Renewable Energy sources (in terms of energy equivalent in kWh)				
	Wind RPO	HPO	Distributed RPO	Other RPO	Total RPO
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%

(a) MSEDCL's RPO Compliance status April 24-September 24 (Provisional) H1 is as below:

Particulars	Net GEC in Mus	Target		Achievement		Surplus/ Shortfall (-)
		%	Mus	%	Mus	Mus
Wind RPO	78,263.9073	0.67%	524.37	0.00%	0.00	-524.37
HPO		0.38%	297.40	0.00%	0.00	-297.40
Distributed RPO		1.50%	1173.96	2.68%	2097.90	923.94
Other RPO		27.35%	21405.18	14.57%	11401.44	-10003.73
<b>Total RPO</b>		<b>29.90%</b>	<b>23400.91</b>	<b>17.25%</b>	<b>13499.34</b>	<b>-9901.56</b>

(b) MSEDCL's RPO Compliance status October 2024 to March 25 (Provisional) H2 is as below.

Particulars	Net GEC in Mus	Target		Achievement		Surplus/ Shortfall (-)
		%	Mus	%	Mus	Mus
Wind RPO	91,809.09	0.67%	615.12	0.23%	212.00	-403.12
HPO		0.38%	348.87	0.46%	424.21	75.34
Distributed RPO		1.50%	1377.14	4.68%	4293.10	2915.96
Other RPO		27.35%	25109.79	15.18%	13938.99	-11170.80
<b>Total RPO</b>		<b>29.90%</b>	<b>27450.92</b>	<b>20.55%</b>	<b>18868.30</b>	<b>-8582.62</b>

**Total (H1+H2) for FY 2024-25**

Particulars	Net GEC in Mus	Target		Achievement		Surplus/ Shortfall (-)
		%	Mus	%	Mus	Mus
Wind RPO	<b>170,073.00</b>	0.67%	1139.49	0.23%	212	-927.49
HPO		0.38%	646.27	0.46%	424.21	-222.06
Distributed RPO		1.50%	2551.1	4.68%	6391	3839.9
Other RPO		27.35%	46514.97	15.18%	25340.43	-21174.53
<b>Total RPO</b>		<b>29.90%</b>	<b>50851.83</b>	<b>20.55%</b>	<b>32367.64</b>	<b>-18484.18</b>

#### Query 46. RPO Obligations

a. MSEDCL should provide detailed write-up on the steps taken to mitigate the shortfall and plans

to address the same.

- b. MSEDCL should also clarify regarding the non-procurement of REC for the shortfall of RPO targets.

**MSEDCL Reply:**

- a. MSEDCL submits detailed write-up on the steps taken to mitigate the shortfall and plans to address the same –

From above table it is observed that MSEDCL will be in shortfall of 927 MUs for mitigating Wind RPO targets, shortfall of 222 MUs for mitigating HPO targets and shortfall of 21174 MUs for mitigating of other RPO targets. However, MSDECL will be surplus of 3840 MUs for mitigating Distributed RPO targets. In this way, MSEDCL will be in shortfall in 18484 MUs in Total RPO.

**Following table shows the MSEDCL’s RE Capacity contracted and commissioned as of Nov’2024:**

Sr. No.	Source	Contracted Capacity (MW)	Commissioned Capacity (MW)
1	Wind (commissioned before 31.03.2024)	3386	2759
2	Bagasse based Co-generation	2827	2690
3	Biomass	37	37
4	Small Hydro	307.33	304.13
5	Solar (Centralized)	14206	3706
	Solar (MSKVY)	1531	614
	Solar (Kusum A)	196	4
	Solar (Kusum C)	108	89
	Solar (MSKVY 2.0)	8150	55
	Total Solar	24191	4468
6	Wind-Solar Hybrid	4331	225
7	RTC/Storage	1468	0
8	Municipal Solid waste	17	4
<b>Sub-Total A</b>		<b>36565</b>	<b>10487</b>

Sr. No.	Source	Contracted Capacity (MW)	Commissioned Capacity (MW)
9	Major Hydro commissioned before 31.03.2024	2636	2636
10	HPO- Major Hydro contracted and commission after 31.03.2024	709	0
11	Pumped Storage Hydro including Battery Energy Storage System	4824	250
12	Solar Pumps	374	374
13	Rooftop Solar	2562	2562
<b>Sub-Total B</b>		<b>11105</b>	<b>5822</b>

	<b>Grand Total</b>	<b>47670</b>	<b>16309</b>
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From above table it is to submit that, as on Nov'24, MSEDCL is procuring RE Power from various sources with capacity of 47670 MW fulfilment of RPO targets specified by MERC and out of 47670 MW only 16309 MW RE power is commissioned till Nov'24.

**Reasons for shortfall and efforts taken in meeting the RPO targets:**

- **Wind RPO targets** (Wind Power Projects (WPPs) commissioned after 31st March 2024):

**Reasons for shortfall: -**

- 1) In this regard, it is to submit that, on 23.02.2024, Hon'ble MERC had notified (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024, in which Commission introduced the category as WPO wherein the eligible projects are the Wind Power Projects which commissioned after 31.03.2024.
- 2) Further, it is to submit that, MSEDCL, on 22.07.2022 had executed PPA with M/s T P Saurya for procurement of 300 MW Wind-Solar Hybrid Power (100 MW-Wind and 200 MW-Solar). The Scheduled Commercial Operation date (SCoD) of the project was 22.01.2024, till Nov'24 only 225 MW capacity (75 MW-Wind and 175 MW-Solar) was commissioned. The revised (SCoD) was 30.09.2024. If the project would commission within SCoD then MSEDCL could receive approx. 260 MUs @ 30% declared CUF for fulfillment of WPO.
- 3) Hence, there will be shortfall in fulfillment of WPO in FY 2024-25.

**Efforts taken in meeting the WPO targets:**

MSEDCL on 11.03.2024 floated tender for procurement of 2000 MW Wind-Solar Hybrid with additional capacity (Green shoe option) up to 2000 MW for fulfillment of MSEDCL's RPO i. e. WPO and Other RPO, and subsequently tender for 1650 MW +1650 MW (Green Shoe capacity). The Hon'ble commission, vide its order dated 11.10.2024, has adopted the tariff for 3251 MW capacity. Accordingly, MSEDCL has executed PPA in Oct 2024/Nov 2024 with 3251 MW capacity against these tenders.

As per the MoP guidelines and thereby RfS the Schedule Commencement of Supply Date (SCSD) of these projects will be 24 months from date of execution of PPA. Hence, the energy available from these projects will be from Oct 26/Nov 2026.

Apart from this MSEDCL executed Power Sale Agreement with NTPC for procurement of 780 MW Wind-Solar Hybrid Power. The power from these projects will be available from FY 2026-27.

Further, MSEDCL is executed PSA with M/s SJVN for procurement of Firm and Dispatchable Renewable Energy (FDRE), in which Wind component is of 2292 MW. The power from these projects will be available from FY 2026-27.

The details of contracted capacity for fulfillment of WPO are as under:

Sr. No	Name of the Generator	Capacity MW	Bifurcation in MW	Date of PPA/PSA
1	T.P. Saurya Limited	300	(Solar-200 MW & Wind-100 MW)	22.07.2022
2	NTPC	780		30.06.2024
3	JSW Renew Energy Six Limited (SPV)	600	Wind-198 MW & Solar-600 MW	16.10.2024



Sr. No	Name of the Generator	Capacity MW	Bifurcation in MW	Date of PPA/PSA
5	JSW Renew Energy Thirty Limited (SPV)	600	Wind-198 MW & Solar-600 MW	16.10.2024
4	BN Peak Power-1 Private Limited.	76	Wind-25.2 MW & Solar-75 MW	25.10.2024
6	TATA Power Renewable Energy Limited	400	Wind-201.3 MW & Solar-300 MW	18.11.2024
7	Juniper Green Park Spark Private Limited	75	Wind-25 MW & Solar-75 MW	18.11.2024
8	Juniper Green Eta Five Private Limited	75	Wind-26.4 MW & Solar-75 MW	18.11.2024
9	Juniper Green Energy Five Private Limited	75	Wind-26.4 MW & Solar-75 MW	18.11.2024
10	AVAADA Green Sustainable Energy Private Limited	850	Wind-281 MW & Solar-850 MW	26.11.2024
11	Avaada Energy Private Limited	500	Wind-168 MW & Solar-500 MW	26.11.2024
12	FDRE	1468	Wind-2292 MW, Solar-1358 MW and ESS-421.5 MW	13.03.2024
	<b>Total</b>	<b>5799 MW</b>		

- **HPO targets** (All Hydro Projects [ including Pumped Storage Projects (PSPs) and Small Hydro Projects (SHPs)] commissioned after 31st March 2024)

**Reasons for shortfall: -**

In this regard, it is to submit that, on 23.02.2024, Hon'ble MERC had notified (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024, in which Commission introduced the category as HPO wherein the eligible projects are the Hydro Power Projects which commissioned after 31.03.2024.

MSEDCL, in 2012, had executed PPA with M/s Subansari Hydro Electric Project for procurement of 183 MW Hydro Power, the same will be commission by March 2025.

Hence, there will be shortfall in fulfillment of HPO in FY 2024-25.

**Efforts taken in meeting the HPO targets:**

MSEDCL, till Nov'24, has given consents for procurement of 526 MW Hydro Power and 4074 MW Pumped Storage Capacity for fulfillment of HPO.

The details of contracted capacity for fulfillment of HPO are as under:

Sr No	Power Plant/Entity	Capacity (MW)	PPA /Consent /Tender Pipeline	status Given under
1	Subansari Hydro Electric Project	183	10-02-2012	
2	Pakaldul HEP	100	Consent given	
3	Ratle Hydroelectric	213	Consent given	

	Project		
4	Kwar HEP	54	Consent given
5	Dugar HE Project	50	Consent given
6	Kiru HE Project	109	Consent given
	<b>Total</b>	<b>709 MW</b>	

Further, the following table shows the Pumped Storage Capacity:

Sr No	Pump storage Mode	Generation Capacity (MW)	PPA status /Consent Given /Tender under Pipeline
1	Ghatghar -pumped storage	125	PPA executed
2	Ghatghar -pumped storage	125	PPA executed
3	MSEDCL PHSP Tender (JSW & TPL)	3500	LoA Issued
4	Sardar Sarover PSP capacity	324	Consent given
	<b>Total</b>	<b>4074</b>	

- **Distributed RPO targets-** (Renewable Energy projects that are less than 10 MW in size and shall include installations under all configurations (Net Metering, Gross Metering, Net Billing, Group Net Metering, Behind the Meter Installations and any other configuration)

#### Efforts taken in meeting the Distributed RPO targets:

MSEDCL has contracted and commissioned well sufficient distributed RE Power for fulfillment of Distributed RPO. Till Nov'24, MSEDCL has contracted 9985 MW distributed RE capacity against which 762 MW is commissioned, the details are as under:

Sr. No.	Source	Contracted Capacity (MW)	Commissioned Capacity (MW)
1	Solar (MSKVY)	1531	614
2	Solar (Kusum A)	196	4
3	Solar (Kusum C)	108	89
4	Solar (MSKVY 2.0)	8150	55
	<b>Total</b>	<b>9985</b>	<b>762</b>

Further, this is to submit that, apart from above, PPA signing of 6027 MW capacity under MKKVY 2.0 is under process. Also, the power generated from Solar pumps (till Oct'24 374 MW capacity) and rooftop solar ((till Oct'24 2562 MW capacity) is also considered for fulfillment of Distributed RPO target.

Hence, MSEDCL will fulfill the distributed RPO targets and will be in Surplus.

- **Other RPO targets** (Renewable Energy project not covered under Distributed RPO, HPO and Wind RPO, Energy from all other Hydro power Projects (HPPs) including free power from

HPPs commissioned before 31st March 2024, EPA/PPA executed with RE generators prior to MERC REPO Regulations, 2019):

### Reasons for shortfall

MSEDCL, till Nov'24, has contracted 39465 MW RE power for fulfillment of Other RPO Targets. Out of this 39465 MW capacity, only 16309 MW RE capacity is commissioned till Nov'24.

MSEDCL has contracted sufficient RE power for fulfillment of Other RPO targets. However, due to natural factors beyond the control of MSEDCL viz. Changes in climate and operational factors of RE Generators, the actual resulting CUF / PLF is not at par with the normative CUF / PLF, which eventually affects the actual generation from non-solar RE-sources and leads towards shortfall in meeting Other RPO target.

Following table shows the expected generation as per CUF specified by MERC and actual generation received till Sep'24 with respect to commissioned RE capacity:

Sr. No.	Source	Contracted Capacity (MW)	Commissioned Capacity (MW)	CUF	Generation as per commissioned capacity (Mus)	Actual Generation till Sep'24 (in Mus)
1	Wind (commissioned before 31.03.2024)	3386	2759	25%	6042	3677
2	Bagasse based Co-generation	2827	2690	35%	226	401
3	Biomass	37	37	80%	259	82
4	Small Hydro	307.33	304.13	30%	799	202
5	Solar (Centralised)	19206	3706	28%	9090	3992
6	FDRE	1468	0		0	-
7	Municipal Solid waste	17	4	78.90%	28	0.083
8	Major Hydro commissioned before 31.03.2024	2636	2636	30%	6927	2723
9	Battery Energy Storage System	750	0		0	-
10	Wind-Solar Hybrid (Solar Component-66 % of contracted capacity)	2860	150	30%	394	87
	<b>Total</b>	<b>39465</b>	<b>16309</b>		<b>23766</b>	<b>11164</b>

From above table, it is to submit that the actual generation received is lesser than the expected generation as per CUF specified by MERC. The expected generation is 23766 MUs, however only 11164 MUs received. Hence, there will be shortfall towards fulfilling the Other RPO targets.

### Efforts taken in meeting the Other RPO targets:

MSEDCL had floated in FY 2021-22, post-expiry tender for procurement of 500 MW wind power from post expiry EPA, till Sep'24 only 310 MW capacity is received and contracted by MSEDCL.

The details are as under:

Sr No	Tender capacity (MW)	Order No. and date	Ceiling Tariff Rate in Rs/kWh.	PPA Capacity (MW)
1	500	Case No. 08 of 2022 dated 16.02.2022	2.65	157.9
2	342	Case No. 67 of 2022 dated 07.06.2022	2.65	15.85
3	325	Case No. 202 of 2022 dated 06.01.2023	2.65	11.5
4	300	Case No. 119 of 2023 dated 23.12.2023	2.65	61.1
5	200	Case No.50 of 2024 dated 19.09.2024	2.65	63.75
	<b>Total</b>			<b>310.1</b>

In this regard, further this is to submit that, since FY 2021-22, Wind Energy Purchase Agreement of capacity around 900 MW is expired till Sep'24. However, only 310 MW Wind capacity is received against 900 MW. The balance Wind generators are opting the option of Open Access.

MSEDCL had contracted 19206 MW Solar power for fulfillment of Other RPO targets. MSEDCL has contracted Wind-Solar Hybrid power, in which Solar Component is 2860 MW capacity for fulfillment of Other RPO targets. Further, this is to submit that, since last 3 years, MSEDCL had floated tenders for procurement of 9552 MW Solar Power, against which only 6000 MW is contracted, and balance tenders were canceled due to high discovered tariff rate/MERC did not adopt the discovered tariff.

MSEDCL, has executed Power Sale Agreement with following Renewable Energy Implementing Agency (REIA) for procurement of RE Power:

Sr. No.	REIA	Contracted Capacity (MW)	Source
1	SJVN	1468	Firm and Dispatchable Renewable Energy (FDRE)
2	NHPC	1475	Solar
3	NTPC	1600	Solar
4	SECI	600	Solar
	<b>Total</b>	<b>5143 MW</b>	

It is observed that MSEDCL had executed PSA of 5143 MW capacity for fulfillment of Other RPO targets.

Further, this is to submit that, recently MSEDCL has issued Letter of Award for development of Battery Energy Storage System (BESS) of 750 MW capacity.

As per the targets specified by Hon'ble MERC for other RPO targets i.e., 27.35 % for FY 2024-25, considering the provisional GEC as 170073 MUs, the required MUs will be 46515 MUs. Accordingly, MSEDCL has contracted 39465 MW RE power. If these RE generators will supply power at Commission's determined CUF, then the 78819 MUs will be available for fulfillment of other RPO target. In this manner, MSEDCL has contracted sufficient RE Power for fulfillment of other RPO.

b. MSEDCL submits justification for non-procurement of REC for shortfall of RPO target:

From the above submission, it is to submit that MSEDCL has contracted sufficient RE power in terms of MW, for fulfillment of Other RPO targets. However, due to natural factors beyond the control of MSEDCL viz. Changes in climate and operational factors of RE Generators, the actual resulting CUF / PLF is not at par with the normative CUF / PLF, which eventually affects the actual generation from non-solar RE-sources and leads towards shortfall in meeting RPO target.

#### **Query 47. Data from MSLDC (FY 2024-25)**

- a. MSEDCL should submit following data from MSLDC:
- b. Monthly quantum of energy (MUs) drawn by MSEDCL at the distribution periphery (T<>D interface) for the period FY 2024-25 (Apr 24 to Sep 24).
- c. Month-wise MoD stacks applicable for the State of Maharashtra during the period FY 2024-25 (Apr 24 to Sep 24).
- d. Copy of Month-wise Energy Account Statement for state-wise energy account (FBSM/IBSM) and Month-wise InSTS loss statement for the period FY 2024-25 (Apr 24 to Sep 24), or as available to the latest month.
- e. Monthly report providing data on Reserve shutdown/ zero schedule of generating stations during the period FY 2024-25 (Apr 24 to Sep 24).
- f. Month-wise Inter-state Power Sale /traded power by MSEDCL (Power Exchanges etc.) – for the period FY 2024-25 (Apr 24 to Sep 24).
- g. Month-wise Generating Plants' Availability for – for the period FY 2024-25 (Apr 24 to Sep 24).
- h. Month-wise Generating Plants' PLF achieved for calculating Incentives availed – for the period FY 2024-25 (Apr 24 to Sep 24).

All above documents to be submitted in (MS- Excel Spreadsheet forms).

#### **MSEDCL Reply:**

- a. MSEDCL submits the detailed response to the above-mentioned point-wise query below along with relevant annexures.
- b. MSEDCL submits monthly quantum of Mus for FY 2024-25 drawn by MSEDCL at the distribution periphery (T<>D interface) for the period FY 2024-25 (Apr 24 to Sep 24), attached as **Annexure Datagap Set 1\_Query 47b.**
- c. MSEDCL submits month-wise MOD stacks applicable for the State of Maharashtra during the period FY 2024-25 (Apr 24 to Sep 24) attached as **Annexure Datagaps Set 1\_Query 47c.**
- d. MSEDCL submits Month-wise Energy Account Statement for state-wise energy account (FBSM/IBSM) and Month-wise InSTS loss statement for the period FY 2024-25 (Apr 24 to Sep 24) attached as **Annexure Datagap Set 1\_Query 47d.**
- e. MSEDCL submits report providing data on Reserve shutdown/ zero schedule of generating

stations during the period FY 2024-25 (Apr 24 to Sep 24) attached as **Annexure Datagap Set 1\_Query 47e**.

- f. Inter-state Power Sale /traded power by MSEDCL (Power Exchanges etc.) – for the period FY 2024-25 (Apr 24 to Sep 24) attached as **Annexure Datagap Set 1\_Query 47f**.
- g. Month-wise generating plant's availability for FY 2024-25 attached as **Annexure Datagap Set 1\_Query 47 g & h**.
- h. Month-wise Generating Plants' PLF achieved for calculating Incentives attached as **Annexure Datagap Set 1\_Query 47 g & h**.

#### **Query 48. Short term Provisions**

- a. MSEDCL should also provide month-wise short term power purchase and the rate for such purchase along with the break break-up between (bilateral/trader or purchase from market/PX) for FY 2024-25. Further, MSEDCL should also provide the details of procedures followed for selecting traders for bilateral/trader purchase.
- b. MSEDCL should provide the details of month-wise traded surplus power and the rate for sale and break-up between (bilateral/trader or sale on market/PX) for FY 2024-25. Further, MSEDCL should also provide the details of procedures followed for selecting trader/off-taker for bilateral/trader purchase along with the rate discovered for such sale.

#### **MSEDCL Reply:**

- a. MSEDCL submits month-wise short term power purchase and surplus energy traded for FY 2024-25 attached as **Annexure Datagap Set 1\_Query 48**. MSEDCL, in accordance with the Guidelines issued by Ministry of Power for procurement of power for short term by Distribution Licensee through tariff-based bidding process using nation e-bidding portal dated 30.03.2016, floated short term power purchase tenders on DEEP-Bidding portal. MSEDCL followed the process stipulated in guidelines and selected the successful bidders.
- b. The breakup of month-wise traded surplus power and the rate for sale and break-up between (bilateral/trader or sale on market/PX) for FY 2024-25 is annexed herewith as **Annexure Datagap Set 1\_Query 48**. The utilities issued tenders on the DEEP E-Bidding portal in accordance with the guidelines set by the Ministry of Power (MoP). Based on the anticipated power supply position, MSEDCL participated in these tenders by offering competitive rates for selling power. Following the established procedures outlined in the MoP guidelines, the utilities evaluated the bids and selected successful bidders. Whenever MSEDCL was selected as a successful bidder, it proceeded to sell power to the respective utilities.

#### **Query 49. Deviation Settlement Mechanism Charges**

MSEDCL is required to submit the charges payable/receivable under DSM for FY 2024-25 (Till September 2024) in Excel Format.

#### **MSEDCL Reply:**

MSEDCL submits details of Charges payable/receivable under DSM for FY 2024-25 (till Sept. 2024) as **Annexure Datagaps Set 1\_Query 15, 41 & 49**.

#### **Query 50. Power Purchase Projections (Based on MoD) for FY 2025-26 to FY 2029-30**

It is observed that MSEDCL submitted the power purchase projections based on Merit Order

Dispatch Principles and considered MoD stack for projections. Thus, MSEDCL requires to submit the month-wise MoD stack along with necessary assumptions such as PLF & PAF considered, Fuel availability considered, technical minimum, Auxiliary consumption considered, plant outages, etc. for the whole Projected Period i.e., FY 2025-26 to FY 2029-30 (in the excel Format).

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 51. RPO Compliance**

MSEDCL has not mentioned how it would meet RE resource specific RPO targets for 5th Control Period. FY 2025-26 to FY 2029-30.

MSEDCL should also provide the proposed RPO compliance plan for the 5th Control Period.

Year	Wind RPO	HPO	Distributed RPO	Other RPO	Total RPO
FY 2025-26					
FY 2026-27					
FY 2027-28					
FY 2028-29					
FY 2029-30					

**MSEDCL Reply:**

MSEDCL submits details of RE resource specific RPO compliance details as below –

Following table shows the proposed RPO Compliance plan for 5<sup>th</sup> Control Period:

Year	Expected GEC in Mus	Wind RPO			Hydro RPO			Distributed RPO		
		Proposed EPA Capacity in MW	RPO targets as per MERC in %	RPO fulfillment in %	Proposed EPA Capacity in MW	RPO targets as per MERC in %	RPO fulfillment in %	Proposed EPA Capacity in MW	RPO targets as per MERC in %	RPO fulfillment in %
<b>2025-26</b>	170073	100	1.45	0.12	186	1.22	0.24	13643	2.1	15.41
<b>2026-27</b>	178792	360	1.97	0.47	295	1.34	0.3	21817	2.7	23.76
<b>2027-28</b>	187653	1448	2.45	1.62	608	1.42	0.71	23159	3.3	23.81
<b>2028-29</b>	196113	1448	2.97	1.55	2462	1.42	2.54	24814	3.9	24.07
<b>2029-30</b>	204715	1448	3.48	1.49	4536	1.33	4.30	26534	4.5	24.26

Year	Expected GEC in Mus	Other RPO			Total RPO		
		Proposed EPA Capacity in MW	RPO targets as per MERC in %	RPO fulfillment in %	Proposed EPA Capacity in MW	RPO targets as per MERC in %	RPO fulfillment in %
2025-26	170073	13938.50	28.24	14.83	27867.5	33.01	30.60
2026-27	178792	22364.00	29.94	27.49	44836	35.95	52.07
2027-28	187653	25749.00	31.64	30.02	50964	38.81	56.16
2028-29	196113	28749.00	33.1	31.93	57473	41.36	60.09
2029-30	204715	28749.00	34.02	30.50	61267	43.33	60.55

Following table shows the details of compliance of Energy Storage Obligation for 5<sup>th</sup> Control Period:

Energy Storage Obligation			
Storage (on Energy basis)			
Expected GEC in Mus	Proposed Storage Capacity in MW	ESO targets as per MERC in %	ESO fulfillment in %
178792	250	2	0.29%
187653	1000	2.5	0.85%
196113	1000	3	0.84%
204715	2750	3.5	2.59%
214281	4824	4	4.22%

Following list shows the details of RE projects for capacity addition plan which included in above tables:

Capacity Addition Plan – Hydro				
Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	Subansari Hydro Electric Project	183	10-02-2012	FY 2024-25
2	Pakaldul HEP	100	Consent given	FY 2027-28
3	Ratle Hydroelectric Project	213	Consent given	FY 2027-28
4	Kwar HEP	54	Consent given	FY 2028-29
5	Dugar HE Project	50	Consent given	FY 2028-29
6	Kiru HE Project	109	Consent given	FY 2026 (March)
7	Sawalkot HE Project	323	Consent given	FY 2033 (July 2032)



Capacity Addition Plan – Hydro				
Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
8	Dibang Multipurpose Project	288	Consent given	FY 2031-32
<b>Total -Hydro</b>		<b>1320</b>		

Capacity Addition Plan - Small Hydro				
Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	Small Hydro	3.2	0	0
<b>Total Small Hydro</b>		<b>3</b>		

Capacity Addition Plan -PHSP/BESS (Storage)				
Sr. No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	MSEDCL PHSP Tender (JSW & TPL)	3500	PPA executed	50% capacity -2028-29, 100% capacity FY 2029-30
2	Sardar Sarover PSP capacity	324	Consent given	FY 2029-30
3	BESS	750	LoA issued	2026-27
<b>Total PSP/Storage</b>		<b>4574</b>		

Capacity Addition Plan - Solar				
Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	Existing Centralised Tender (Intra state)	925	PPA Executed	FY 2024-25
2	MSKVY -1	250	PPA Executed	FY 2024-25
3	KUSUM-A	29.7	PPA Executed	FY 2024-25
4	KUSUM-C	74	PPA Executed	FY 2024-25
5	Grid connected solar (Interstate) (NHPC)	1475	PPA Executed in April -24 & May-24	FY 2026-27
6	MSKVY 2.0 - phase-I	9144	PPA Executed - 7185 MW	FY 2025-26
7	MSKVY 2.0 - phase-II	5077	LOI issued - 4795 MW	FY-2026-27
8	Solar Tender Phase-X Intra	400	LoA issued	FY 2025-26
9	KUSUM-A	42.5	LoA issued	FY 2025-26
10	Gird connected inter-state (NTPC)	1600	1600 (Anboto-300, Apprava-300, JSW-700,	FY-2026-27

Capacity Addition Plan – Hydro

Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
			avada-300)	
11	SJVNL	1200		2026-27
14	SECI -tranche -XIII	700	PSA -JSW 700	2026-27
18	MSEDCL Thermal + Solar Tender	5000	PPA executed	2026-27, 2027-28, 2028-29
19	Solar (Inter/Intra) Tender phase-11	150		FY 2026-27
20	LIS (Intra)	885		FY 2026-2027
21	MSKVY 2.0 - phase-II	1093	Tender under process	FY 2026-2027
<b>Total Solar</b>		<b>28045</b>		

Capacity Addition Plan - Bagasee

Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	Bagasee (MoU Route)	180	PPA Executed	FY 2024-25
2	Bagasee (MoU Route)	690		FY 2026-2027
<b>Total Bagasee</b>		<b>870</b>		

Capacity Addition- Hybrid

Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	Hybrid- Wind -Solar	300	PPA Executed	FY 2025-26
2	Hybrid-Wind-Solar (NTPC)	780	PPA - 780 MW (ACME -300, Sprang -250, Junipar-230)	FY-2026-27
3	Hybrid-Wind-Solar	3264	PPA executed	FY 2027-28
<b>Total Hybrid</b>		<b>4344</b>		

Capacity Addition- FDRE

Sr No	Power Plant/Entity	Capacity (MW)	PPA status /Consent Given /Tender under Pipeline	Expected COD
1	FDRE (SJVN)	1468	PPA Executed	FY 2026-27

## Section 4: Data Gaps on Capex & ARR

### True-up for FY 2022-23

#### O&M Expense

##### Query 52. Table 20: Actual O&M Expenses for FY 2022-23:

- a. MSEDCL has claimed past period Employee Cost of Rs. 3.82 Cr, Prior Period A&G Expenses of Rs. 35.01 Crore and R&M Expenses of Rs. 2.5 Crore. As True-up till FY 2021-22 is completed in the past orders, MSEDCL to justify the addition of such O&M expenses in FY 2022-23.
- b. Employee expenses in the Audited Accounts of FY 2022-23 are Rs. 6213.82 Crore, while in the Audited Accounts of FY 2023-24, the value of employee expense for FY 2022-23 is shown as Rs. 5,606.94 Crore. There is discrepancy in the employee expenses in both accounts for FY 2022-23. MSEDCL needs to provide the reasons for the variation in employee expenses for FY 2022-23 in both audited accounts.
- c. A&G expenses in the Audited Accounts of FY 2022-23 are Rs. 924.40 Crore, while in the Audited Accounts of FY 2023-24, the value for A&G expenses is shown as Rs. 1,537.65 Crore. There is a discrepancy in the A&G expenses in both accounts for FY 2022-23. MSEDCL needs to provide the reasons for the variation in A&G expenses for FY 2022-23 in both audited accounts.
- d. Form 3.3 is for detail of R&M expense and Form 3.4 is for detail of A&G expense, but MSEDCL has provided the detail of R&M expense and A&G expense in form 3.4 and 3.3 respectively. MSEDCL needs to rectify the error.

#### **MSEDCL Reply:**

- a. MSEDCL has following accounting policy w.r.t material prior period errors.

Material Prior Period Errors: Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated. No restatement of prior period is made where the prior period errors are below the threshold of 0.5% of the turnover (As defined under Section 2(91) of the Companies Act, 2013). As per the said accounting policy in the Annual Accounts of FY 2022-23, prior period errors of FY 2021-22 are restated in the comparative amount & prior period errors of the period prior to FY 2021-22 are restated in the opening balances of assets, liabilities and equity for the earliest period presented. As these prior period were not considered in truing of FY 21-22 & for period prior to FY 21-22 , are now considered in FY 22-23.

The year-wise figures are shown in table below.

Sr No	Financial Year	Note	Reported Amount of FY	Restatement	Reclassification	After restatement / reclassification	Remark
<b>Employee Benefits Expenses</b>							
52a	FY 2021-22	33	6,298.41	3.81		6,302.22	For prior period errors / omissions of FY 21-22, Employee Benefit Expenses Increased & Comparative amount of FY 2021-22 are restated in FY 2022-23
	Prior to FY 21-22	33	5,373.64	0.01		5,373.65	For prior period errors / omissions of FY 21-22, the opening balance of Equity for the earliest period are restated in FY 2022-23
				<b>3.82</b>			

Rs In CR

Sr No	Financial Year	Note	Reported Amount of FY	Restatement	Reclassification	After restatement / reclassification	Remark
<b>Repairs &amp; maintenance Expenses</b>							
52b	FY 2021-22	34	1,367.95	1.39		1,369.33	For prior period errors / omissions of FY 21-22 , R&M Expenses Increased & Comparative amount of FY 2021-22 are restated in FY 2022-23.

	Prior to FY 21-22	34	1,036.22	1.12		1,037.34	For prior period errors / omissions of FY 21-22 ,the opening balance of Equity for the earliest period are restated in FY 2022-23
				<b>2.5</b>			
<b>Admin Expenses</b>							
52c	FY 2021-22	35	966.41	-0.19	-2.89	963.33	For prior period errors / omissions of FY 21-22 , A & G exp reduced & Comparative amount of FY 2021-22 are restated in FY 2022-23
	Prior to FY 21-22		755.72	-34.8		720.9	For prior period errors / omissions of FY 21-22 ,the opening balance of Equity for the earliest period are restated in FY 2022-23
				<b>-35</b>	<b>-2.89</b>		

- b. Employee expenses in the Audited Accounts of FY 2022-23 are Rs. 6213.82 Crore, while in the Audited Accounts of FY 2023-24, the value of employee expense for FY 2022-23 is shown as Rs. 5,606.94 Crore. The difference of Rs. 606.88 cr is due to regrouping of Expenditure on Outsourced employees. The same was considered under Employee Cost in FY 2022-23. But in FY 2023-24, the same expenditure is regrouped in Note 35 -Admin & General Expenses.
- c. A&G expenses in the Audited Accounts of FY 2022-23 are Rs. 924.40 Crore, while in the Audited Accounts of FY 2023-24, the value for A&G expenses is shown as Rs. 1,537.65 Crore. There is a difference of Rs. 613.25 CR. The difference is due to regrouping of Notes. In commission & collection charges in FY 2023-24, Incentive to DF of Rs. 6.38 cr was considered in Finance expenses in FY 2022-23. Same is regrouped in Commission & collection charges under Admin & General expenses in FY 2023-24.

Particular	Rs in Cr
Incentive to Distribution Franchisee	6.37
Expenditure on Outsourced Employees	606.88
<b>Total</b>	<b>613.25</b>

- d. MSEDCL submits that it has prepared all the formats as per the regulatory formats shared by the Hon'ble Commission.

**Query 53. Table 20: Actual O&M Expenses for FY 2022-23 & Form 3:**

- a. In Form 3, the O&M Expenses are shown including Impact of payment to MPECS. Since the Impact of payment to MPECS is separate head under ARR, MSEDCL needs to rectify the O&M expenses in Form 3.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Capitalization for FY 2022-23**

**Query 54. Format Capex and Capitalization:**

- a. MSEDCL is required to provide the CBA for the various DPR schemes approved by the Commission and is to provide the details in the template provided below:

Scheme ref.	Status of CBA submission	Reference Letter

**MSEDCL Reply:**

The details of all the projects and the requisite information requested by the Hon'ble Commission are attached as below annexures:

1. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Distribution
2. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Project

**3. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_SPD\_IT\_RE\_TESTING**

**4. Annexure Datagap Set 1\_Query 54, 71\_APPRAISAL LETTERS**

**Query 55. Capex – Capitalization**

- a. MSEDCL needs to submit the Capex information into Approved DPR, pending for approval DPR, DPR Not received and non-DPR. The Capital cost of Schemes should be shown under a separate header approved cost, actual cost and cost overrun and provide the in-principle approval no. The time phasing for the scheme should be shown by MSEDCL as approved time of completion, actual time for completion, time overrun and interest during construction due to time overrun. The following details should be provided by MSEDCL in the template given below.

Scheme Name	In-principle Approval No. & Date *	Details for Cost Over Run (if any)			Details for Time Over Run			
		Approved Cost	Revised Cost	Justification for overrun	Original Completion	Revised Completion	Justification for the overrun	IDC (in Rs.)
DPR - Approved By the Commission								
DPR - Pending for Approval								
Non – DPR								

\*Copy of Approval letters to be submitted for every in-principle approved scheme.

**MSEDCL Reply:**

- a. The details of all the projects and the requisite information requested by the Hon'ble Commission are attached as below annexures:
- 1. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Distribution**
  - 2. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Project**
  - 3. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_SPD\_IT\_RE\_TESTING**
  - 4. Annexure Datagap Set 1\_Query 54, 71\_APPRAISAL LETTERS**

**ARR Components FY 2022-23**

**Query 56. Para 2.15, Table 37 of petition, Audited Accounts Note 37 (Pg no 707):**

- a. Depreciation claimed in petition Rs 2,769.53 Cr which does not match with audited account Note 37 (Rs 3661.40 Cr).
- b. MSEDCL needs to rectify any error or provide reconciliation for the same.
- c. In the Form 5 of MYT Format, it has mentioned that the distribution licensee to submit certification from the Statutory Auditor for the capping of depreciation at ninety per cent of the allowable capital cost of the asset.
- d. MSEDCL needs to provide the same for FY 2022-23.
- e. MSEDCL is also required to provide asset-wise depreciation data including but not limited to

GFA, depreciation, accumulated depreciation, capitalization date, asset description, etc. for the financial year 2022-23, from SAP system.

**MSEDCL Reply:**

Reply for a, b

MSEDCL would like to submit to the Hon'ble Commission that the Opening GFA as per MSEDCL's Audited Accounts is Rs. 70,864.95 Cr excluding the impact of Final Transfer Scheme/Restructuring Plan and subsequent revaluation.

Accordingly, the depreciation has been reworked on a pro-rata basis on the revised Opening GFA for FY 2022-23 for the purpose of True-Up which is summarized below.

Table Depreciation reconciliation for FY 2022-23 (in Rs. Crores)

Sr. No	Particulars	FY 2022-23
1	Opening GFA (Actual)	70,864.95
2	Opening GFA as per MERC	58,869.77
3	Add: Capitalization during the year	3,378.52
4	Less: Consumer Contribution & Grants	1,733.78
5	Closing GFA (Regulatory)	60,514.50
6	Depreciation (Actual)	3,333.85
7	Depreciation (Claimed in proportion to Actual)	2,769.53

The above claim of depreciation is in line with the methodology adopted by the Hon'ble Commission in previous MYT and MTR orders.

**Reply for point c & d**

MSEDCL has informed the Statutory Auditor to provide the same. Once received the same will be submitted subsequently.

MSEDCL would like to submit that the asset register is attached herewith as **Annexure Datagap Set 1\_Query 56e**.

**Query 57. Table 39: Interest on loan FY 2022-23 & Form No. 6:**

- The figures in Table 39 do not match the figures given in Form 6. MSEDCL needs to rectify the error if any.
- Opening and closing balance of loan from PFC, REC, various banks and total term loan not matching with audited accounts (Note 18 Pg no 693).

	As per Audited accounts (Opening and closing)		As per present petition (Tariff format F6 – E)	
PFC	1513.17	1640.72	10997.99	9341.91
REC	13486.06	9915.07	1418.63	1171.52
Others	.....	.....	.....	.....
Total	25112.74	35940.04	13705.30	11903.06

- Whether MSEDCL has evaluated refinancing option as Rate of Interest is higher for loan taken from REC/ PFC? MSEDCL shall submit efforts taken for refinancing of loan.

**MSEDCL Reply:**



- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.
- b. As per standard practice, borrowing position prepared on actual basis without considering provision effect. Detailed reply along with provision entries are attached in excel format for your reference. Further while matching these entries with financials note no.24 should be taken along with Note no.18. The same is reproduced as below:

Interest on loan FY 2022-23 & Form No. 6 –

Opening Balance of April-2022							
Source	Opening balance as per books of account FY 2022-23			Opening balance as per Form 6	Difference		
	Note No.18	Note No.24	Total Op Balance		Difference	MTL Balance	Interest Accrued but not due
<b>PFC</b>	1153.17	520.02	1673.19	1418.63	254.56	0.00	254.56
<b>REC</b>	13486.06	4721.83	18207.89	10997.99	7209.90	7162.50	47.40
<b>Others</b>							
<b>PNB</b>	699.24	0.00	699.24	699.24	0.00	0.00	0.00
<b>PSB</b>	455.35	0.00	455.35	455.35	0.00	0.00	0.00
<b>MIDC</b>	123.52	0.00	123.52	123.52	0.00	0.00	0.00
<b>MIDC Int free loan from Gov</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>MSKVY Int free loan from Gov</b>				0.00	0.00	0.00	0.00
<b>GoM</b>	8.64	1.93	10.57	10.57	0.00	0.00	0.00

Closing Balance of March-2023							
Source	Closing balance as per books of account FY 2022-23			Closing balance as per Form 6	Difference		
	Note No.18	Note No.24	Total Cl. Bal		Difference	MTL Balance	Interest Accrued but not due
<b>PFC</b>	1827.01	138.51	1965.53	1738.59	226.94	0.00	226.94
<b>REC</b>	9915.07	3658.10	13573.17	9330.12	4243.05	43.05	4200.00
<b>Others</b>							
<b>PNB</b>	749.64	19.22	768.86	768.86	0.00	0.00	0.00
<b>PSB</b>	543.02	0.00	543.02	543.02	0.00	0.00	0.00
<b>MIDC</b>	123.52	0.00	123.52	123.52	0.00	0.00	0.00
<b>MIDC Int free loan from Gov</b>	2.32		2.32	190.00	-187.68		-187.68
<b>MSKVY Int free loan from Gov</b>				0.00	0.00		
<b>GoM</b>	6.71	1.93	8.64	8.64	0.00		

- c. Most of the banks required security from the government. MSEDCL will avail refinancing

option only when MSEDCL gets refinancing loan at Bank competitive rate from other Financial Institutions. At present the refinancing process is under way.

**Query 58. Table no. 44 & 46, Actual Interest on Working Capital claimed in FY 2022-23:**

MSEDCL has submitted interest on working capital which is higher than approved in MTR Order for FY 2022-23.

MSEDCL shall provide the following details in MS Excel spreadsheet: Month-wise working capital requirement (Opening & Closing Balance)

- Source of funding.
- Tenure.
- Applicable Interest rate

**MSEDCL Reply:**

MSEDCL submits that the details of month wise working capital requirement with sources of funding, tenure and interest rates are attached as **Annexure Datagap Set 1\_Query 58** (Excel Sheet) to this document.

**Query 59. Table 48 & Form 6A:**

- a. MSEDCL has claimed past period Interest & Finance Charges of Rs. 8.93 Crore. As True-up till FY 2021-22 is completed in the past orders, MSEDCL to justify the addition of such past period expenses of past years in FY 2022-23 and provide the detailed break-up of such charges.
- b. The value of other finance charges for FY 2022-23 as provided in Format 6A (Rs. 49.79 Cr.) does not match with the value provided in the Audited book of accounts note 36. MSEDCL is to rectify the same or provide the necessary reconciliation for the same.

**MSEDCL Reply:**

- a. MSEDCL submits below mentioned justification for past period interest charges:

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated. No restatement of prior period is made where the prior period errors are below the threshold of 0.5% of the turnover (As defined under Section 2(91) of the Companies Act, 2013). As per the said accounting policy, prior period errors of FY 2021-22 are restated in the comparative amount i.e. FY 2021-22 & for prior period errors of the period prior to FY 2021-22, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

In Form 6A: Prior period Interest & Finance expenses pertaining to FY 2021- 22 of Rs.8.93 are restated in comparative amount in FY 2022-23 as per accounting policy. The details are as under. As it was not considered while truing up of FY 2021-22:

<b>Particulars</b>	<b>Amounts (in Cr)</b>
Interest on deposit from consumers	8.09
Other Interest	0.01
Bank charges for Remittances	0.2

Particulars	Amounts (in Cr)
LC & BG charges	0.63
	<b>8.93</b>

- b. MSEDCL submits the reconciliation for the other finance charges with the form 6A of MYT petition and Note 35 of Accounts (i.e., Form 6A) as below: (Amount in Rs Cr.)

Reconciliation with Note 36 Finance Expenses with Form 6A of MYT		
Particulars	31.03.2023	31.03.2023
(B) Other Borrowing costs		
Financial Charges	11.71	
Bank Charges	39.70	
Prior Period Interest & Finance Charges	8.93	
Total		60.35
Considered in form 6A		49.79
considered in Form 6B		
Incentive to Distribution Franchisee	6.38	
Other Interest and Charges	0.63	
Interest on security deposit on bill collection agency	3.55	10.56
		60.35

**Query 60. Table 51 of Petition. Provision for bad and doubtful debts for FY 2022-23:**

The actual Trade Receivables mentioned in table 51 do not match with figures of Note 11 (Pg. 686) of audited accounts. MSEDCL to rectify the error if any. MSEDCL needs to provide reconciliation of proposed trade receivables figures with audited accounts.

**MSEDCL Reply:**

- a. MSEDCL submits that Note 11- Trade Receivables & Note 14 - Other Financial Assets- Current of Audited accounts include Trade receivables. Reconciliation of Trade receivables, considered in MYT, with Note 11 & 14 is as below: -

TRADE RECEIVABLES AS AT 31-MAR-2023	
PARTICULARS	(₹ in CR)
<b>NOTE – 11</b>	
(a) Considered Good - Secured [refer Note No.39(5)(II)(i)(a)] *	4774.72
(b) Considered Good-Unsecured	
(ii) Other	30140.72
(c) Significant increase in Credit Risk	17543.13
(d) Credit Impaired	5173.07
<b>NOTE -14</b>	

<b>TRADE RECEIVABLES AS AT 31-MAR-2023</b>	
<b>PARTICULARS</b>	<b>(₹ in CR)</b>
<b>NOTE – 11</b>	
OTHER FINANCIAL ASSETS - CURRENT	
(a) Unbilled Revenue	4469.85
(b) Interest on Trade Receivables	
(i) Considered Good – Secured (Refer Note NO 39(5)(II)(i)(a))	21.28
(ii) Considered Good - Unsecured	487.73
(iii) Significant increase in Credit Risk	20725.24
(iv) Credit Impaired	2764.90
Total Trade Receivables considered in MYT	<b>86100.65</b>

**Query 61. Table 52: Other Expenses for FY 2022-23**

MSEDCL has claimed the past period other expenses of Rs. 144.89 Crore. As True-up till FY 2021-22 is completed in the past orders, MSEDCL to justify the addition of such past period expenses of past years in FY 2022-23 and provide the detailed break-up of such charges and reconciliation with audited accounts. Further, MSEDCL needs to provide the relevant financial year for the proposed past year expenses.

**MSEDCL Reply:**

MSEDCL has following accounting policy w.r.t material prior period errors.

- Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.
- No restatement of prior period is made where the prior period errors are below the threshold of 0.5% of the turnover (As defined under Section 2(91) of the Companies Act, 2013).
- As per the said accounting policy in the Annual Accounts of FY 2022-23, prior period errors of FY 2021-22 are restated in the comparative amount & prior period errors of the period prior to FY 2021-22 are restated in the opening balances of assets, liabilities and equity for the earliest period presented. As these prior period were not considered in truing of FY 21-22 & for period prior to FY 21-22, are now considered in FY 22-23.

In Form 6B: Prior period other expenses are as under-

<b>Particulars</b>	<b>Rs in Cr.</b>	<b>Pertaining to FY</b>	<b>Remark</b>
Miscellaneous Losses	1.84	F Y 2021-22	Comparative amount of FY 2021-22 are restated in FY 2022-23.
sundry expense	0.25	F Y 2021-22	Comparative amount of FY 2021-22 are restated in FY 2022-23.
Loss on Obsolescence of Fixed assets	33.59	F Y 2021-22	Comparative amount of FY 2021-22 are restated in FY 2022-23.

Particulars	Rs in Cr.	Pertaining to FY	Remark
Compensation for injuries/ death & Damages -outsiders	-0.09	prior to FY 2020-21	The opening balance of Equity for the earliest period are restated in FY 2022-23
Expenditure of refund of RLC as per MERC order	109.31	prior to FY 2020-21	The opening balance of Equity for the earliest period are restated in FY 2022-23
Other Sundry Expenses	-0.01	prior to FY 2020-21	The opening balance of Equity for the earliest period are restated in FY 2022-23
Total	144.89		

**Query 62. Table 54: Incentives & discounts for FY 2022-23**

MSEDCL has claimed Rs 477.37 Cr towards incentives and discounts given to the customer in FY 2022-23. MSEDCL to clarify the item under which such expenses have been booked under the Audited Accounts and reconcile the same with the claim made under the Petition with details. Further MSEDCL need to submit the sub-head wise details of the incentives and discounts provided such as prompt payment rebate, power factor incentive.

**MSEDCL Reply:**

Detail breakup of Incentive & Discounts of Rs. 477.37 Cr is as under. It is included in Rs. 1521.03 Cr under Note 30 in Audited accounts under head Prompt Payment & discounts-

Particulars	Rs in Cr
Discount to consumers for timely payment of bills	433.31
Covid 19 Discount to Consumer	0.12
Incentive to prepaid Consumers	0.02
Go Green Discount to Consumers	3.96
Digital Payment Discount	32.30
1.5% REBATE TO DISTRIBUTION FRANCHISE	7.67
Total	477.37

**Query 63. Table 56 & 58 – RoE for wire and supply business:**

Cell number F21 (consumer contribution) of tariff form F8 (RoE) is not linked. It should be linked with relevant cell in from 4.4 (consumer contribution).

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 64. Para 2.28 (pg. no 66)**

MSEDCL should provide reference to the audited book of accounts or provide documentary evidence to validate the payment made to MPECS of Rs. 31.39 Cr.

**MSEDCL Reply:**

- a. MSEDCL submits documentary evidence to validate payment made to MPECS of Rs. 31.39 Cr. Attached as **Annexure Datagap Set 1\_Query 64**.

**Query 65. Para 2.29 (Pg no 66)**

MSEDCL should provide reference to the audited accounts or provide documentary evidence to validate the payment made to Incremental and consumption and Bulk consumption Rebate of Rs. 1043.67 Cr.

**MSEDCL Reply:**

Income from incremental consumption rebate and bulk consumption rebate of Rs 1043.67 Cr. is considered under Note 30 - Revenue from Operations under head prompt payment and incremental discount (Rs. 1521.03 – 477.37 = 1043.67) in audited accounts. Rs. 477.37 is incentive and discounts given to consumers.

MSEDCL submits that the reconciliation for payments made to incremental and consumption and bulk consumption rebate is detailed below for ready reference.

<b>Particulars</b>	<b>Amount Rs. Cr</b>
Incremental Consumption Rebate HT E.V.	-
Incremental Consumption Rebate HT-Publi	6.20
Incremental Consumption Rebate HT-Pub	3.48
Incremental Consumption Rebate HT G Hsg	0.91
Incremental Consumption Rebate HT-V-Ag	-
Incremental Consumption Rebate HT-V-Agr	0.00
Incremental Consumption Rebate HT PWW	18.86
Incremental Consumption Rebate HT TRAC	1.06
Incremental Consumption Rebate HT season	-0.43
Incremental Consumption Rebate HT Comer	15.40
Incremental Consumption Rebate HT Indus	631.29
Bulk consumption Rebate HT AG Poultry	0.00
Bulk consumption Rebate HT Seasonal	0.09
Bulk Consumption Rebate to HT Industrial	366.79
<b>Total</b>	<b>1043.67</b>

**Query 66. 2.33**

MSEDCL has claimed Rs 157.17 Cr towards income from open access charges in FY 2022-23. MSEDCL to clarify the item under which head such income has been booked in the Audited Accounts and reconcile the same with the claim made under the Petition.

**MSEDCL Reply:**

Income from Open Access charges of Rs 157.17 CR is considered under Note 30 - Revenue from Operations in Audited Accounts. It is highlighted in attached **note 30** below.

<b>NOTE – 30</b>		
<b>REVENUE FROM OPERATIONS</b>		
		(₹ in Lakhs)
<b>PARTICULARS</b>		<b>FOR THE YEAR ENDED 31-MAR-23</b>
LT-I - Residential BPL		1,304.80
LT-I – Residential		18,82,551.12
LT-II – Commercial		7,36,598.23
LT-III - Public Water Works		46,370.42
LT-IV – Agriculture		8,36,171.06
LT-IV - Agriculture Unmetered		4,36,304.24
LT-IV - Agriculture Others		5,141.51
LT-IV - Agriculture Poultry		6,754.84
LT-V – Industrial		6,51,314.23
LT-V – Power loom		1,45,099.74
LT-VI - Street Light		-
LT Street Light		85,750.80
LT-VII(A) - Temporary - Religious		-
LT-VII(B) -Temporary - Others		0.03
LT-VIII - Advertising and Hoarding		-
LT-IX- Crematoriums and Burial Grounds		-
LT-Public Services		8,155.70
LT-Public Services Others		58,031.06
LT-XI- Charging Station		164.06
HT-I- Industrial		33,14,450.39
HT-Seasonal		12,391.14
HT-II-Commercial		2,68,560.81
HT-III-Railway Traction		11,841.66
HT-IV- Public Water Works		1,56,007.21
HT-V-Agricultural		45,284.91
HT-V-Agricultural Others		15,229.42
HT-V-Agricultural Poultry		3,800.39
HT-VI- Group Housing /Commercial Complex		19,099.12
HT-VIII(A)-Temporary Supply - Religious		-
HT-VIII(B)-Temporary Supply -Others		-
HT-Public Services		38,326.34
HT-Public Services Others		97,233.04
HT-Port		-
HT-Metro/Monorail		-
HT-Electric Vehicle		3,012.07
HT-Auxiliary Consumer		-129.30
unbilled revenue		
Open Access Category		15,716.65

**Query 67. 2.34 and 2.35**

- MSEDCL has claimed Rs 310.04 Cr towards income from income from trading of Surplus Power in FY 2022-23 and Rs 52.46 Cr income from Additional surcharges in FY 2022-23. MSEDCL to clarify the head under which such expenses have been booked in the Audited Accounts and reconcile the same with the claim made under the Petition.
- MSEDCL to clarify whether the average rate of sale of surplus power is higher than average cost of energy purchase incurred by MSEDCL for procuring such power for sale. Additionally, MSEDCL needs to provide a detailed justification for the sale of power at a rate lower than procurement cost.

**MSEDCL Reply:**

- Income from Trading of Surplus Power of Rs 310.04 is considered under Note 30 - Revenue from Operations under head Sale to Traders in audited accounts. It is highlighted in attached note below.

<b>NOTE – 30</b>		
<b>REVENUE FROM OPERATIONS</b>		
		(₹ in Lakhs)
<b>PARTICULARS</b>		<b>FOR THE YEAR ENDED 31-MAR-23</b>
LT-I - Residential BPL		1,304.80
LT-I – Residential		18,82,551.12
LT-II – Commercial		7,36,598.23
LT-III - Public Water Works		46,370.42
LT-IV – Agriculture		8,36,171.06
LT-IV - Agriculture Unmetered		4,36,304.24
LT-IV - Agriculture Others		5,141.51
LT-IV - Agriculture Poultry		6,754.84
LT-V – Industrial		6,51,314.23
LT-V – Power loom		1,45,099.74
LT-VI - Street Light		-
LT Street Light		85,750.80
LT-VII(A) - Temporary - Religious		-
LT-VII(B) -Temporary - Others		0.03
LT-VIII - Advertising and Hoarding		-
LT-IX- Crematoriums and Burial Grounds		-
LT-Public Services		8,155.70
LT-Public Services Others		58,031.06
LT-XI- Charging Station		164.06
HT-I- Industrial		33,14,450.39
HT-Seasonal		12,391.14
HT-II-Commercial		2,68,560.81
HT-III-Railway Traction		11,841.66
HT-IV- Public Water Works		1,56,007.21
HT-V-Agricultural		45,284.91
HT-V-Agricultural Others		15,229.42
HT-V-Agricultural Poultry		3,800.39



<b>NOTE – 30</b>		
<b>REVENUE FROM OPERATIONS</b>		
		(₹ in Lakhs)
<b>PARTICULARS</b>		<b>FOR THE YEAR ENDED 31-MAR-23</b>
HT-VI- Group Housing /Commercial Complex		19,099.12
HT-VIII(A)-Temporary Supply - Religious		-
HT-VIII(B)-Temporary Supply -Others		-
HT-Public Services		38,326.34
HT-Public Services Others		97,233.04
HT-Port		-
HT-Metro/Monorail		-
HT-Electric Vehicle		3,012.07
HT-Auxiliary Consumer		-129.30
unbilled revenue		
Open Access Category		15,716.65
Sale of energy to Distribution Franchise		3,43,662.75
Recoveries from Theft of Power/Malpractice		27,316.90
Sale to Traders		31,004.06

Income from Additional Surcharge of Rs. 52.46 CR is income considered in Note 30 -Revenue from Operations in Audited Accounts. Breakup shown as below.

<b>Particulars</b>	<b>Rs in CR</b>	<b>Remark</b>
Additional surcharge HT-I- Industrial	40.94	Included in Revenue from HT-I Industrial of Rs .33144.50 Cr
Additional surcharge HT-II-Commercial	9.57	Included in Revenue from HT-II Commercial of Rs .2685.60 Cr
Add surcharge HTPS Others	1.94	Included in Revenue from HT-1 Industrial of Rs .972.33 Cr
	<b>52.46</b>	

- b. In FY 2022-23 the average rate of sale of surplus power (Rs. 8.50 per unit) is higher than average cost of energy purchase incurred by MSEDCL.

**Query 68. Table No. 68:**

MSEDCL has claimed RLC refund of Rs. 1.42 Crore. MSEDCL should validate reasons for such claims.

**MSEDCL Reply:**

MSEDCL submits detailed reasons for claimed RLC refund in the table below –

<b>Reasons to claim RLC refund</b>			
<b>ARR for FY 2022-23</b>	<b>68</b>	a) MSEDCL has claimed RLC refund of Rs. 1.42 Crore. MSEDCL should	MSEDCL has given RLC refund of 1.43 Cr to HT & LT consumers for FY 2022-23 hence claimed for it.

		validate reasons for such claims.	
--	--	-----------------------------------	--

List of RLC refund (HT and LT consumers) is attached as **Annexure Datagap Set 1\_Query 68 & 85\_LT\_RLC\_REFUND** and **Annexure Datagap Set 1\_Query 68 & 85\_HT\_RLC\_REFUND**.

## ARR Components FY 2023-24

### Query 69. Table No. 20

O&M Expenses for FY 2023-24 mentioned in Table no. 20 do not match Form 3. In Form 3, the O&M Expenses are shown including Impact of payment to MPECS. Since the Impact of payment to MPECS is separate head under ARR, MSEDCL needs to rectify the O&M expenses in Form 3.

### MSEDCL Reply:

MSEDCL submits that the reply to the said query shall be submitted subsequently.

### Query 70. Table No. 22: Employee Expenses as per accounts

MSEDCL needs to provide detailed break-up and clarification of increased comprehensive income for FY 2023-24. Comprehensive Income increased from Rs. 55.49 Cr in FY 2022-23 to Rs. 432.25 Crore in FY 2023-24.

### MSEDCL Reply:

As per IND AS 19, Actual Gain or Loss due to change in Actual Assumptions are considered in Other Comprehensive Income (OCI). Actual Gain or Losses on gratuity and pension is considered under OCI. The reason for increase is as below.

FY 2023-24

Particulars	Rs. In Cr.	Remarks
Change in Discount Rate	88.50	Increase in Liability due to change in Discount rate from 7.49% to 7.21%
Change in Salary Escalation Rate	193.81	The salary rate has changed to Next year 19% thereafter 3% (with 18% increase in every 5th year)
Impact due to Salary Experience	106.82	Salary for continuing employees has increased by 9% against an assumption of 3% for the year.
Impact due to Experience - Others	44.09	Actual vs Expected Attrition
Pension	-0.97	
Total	432.25	

Letter of gratuity and pension details attached as **Annexure Datagap Set 1\_Query 70\_Gratuity** and **Annexure Datagap Set 1\_Query 70\_pension**.

**Query 71. Format Capex and Capitalization**

- a. MSEDCL is required to provide the CBA for the various DPR schemes approved by the Commission and is to provide the details in the template provided below:

Scheme ref.	Status of CBA submission	Reference Letter

**MSEDCL Reply:**

- a. The details of all the projects and the requisite information requested by the Hon'ble Commission are attached as below annexures:
1. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Distribution
  2. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Project
  3. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_SPD\_IT\_RE\_TESTING
  4. Annexure Datagap Set 1\_Query 54, 71\_APPRAISAL LETTERS.

**Query 72. Capex-Capitalization**

- a. MSEDCL needs to submit the Capex information into Approved DPR, pending for approval DPR, DPR Not received and non-DPR. The Capital cost of Schemes should be shown under a separate header approved cost, actual cost and cost overrun and provide the in-principle approval no. The time phasing for the scheme should be shown by MSEDCL as approved time of completion, actual time for completion, time overrun and interest during construction due to time overrun. The following details should be provided by MSEDCL in the template given below.

Scheme Name	In-principle Approval No. & Date *	Details for Cost Over Run (if any)			Details for Time Over Run			
		Approved Cost	Revised Cost	Justification for overrun	Original Completion	Revised Completion	Justification for the overrun	IDC (in Rs.)
<b>DPR - Approved By the Commission</b>								
<b>DPR - Pending for Approval</b>								
<b>Non – DPR</b>								

\* Copy of Approval letters to be submitted for every in-principle approved scheme.

**MSEDCL Reply:**

- a. The details of all the projects and the requisite information requested by the Hon'ble Commission are attached as below annexures:
1. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Distribution
  2. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_Project
  3. Annexure Datagap Set 1\_Query 54, 55, 71, 72\_SPD\_IT\_RE\_TESTING
  4. Annexure Datagap Set 1\_Query 54, 71\_APPRAISAL LETTERS

**Query 73. Para 2.15, Table 37 of petition, Audited Accounts Note 37 (Pg no 913)**

- a. Depreciation claimed in petition Rs 2,725.39 Cr which does not match with audited account Note 37 (Rs 3626.97 Cr).
- b. MSEDCL needs to rectify any error or provide reconciliation for the same.
- c. In the Form 5 of MYT Format, it has mentioned that the distribution licensee to submit certification from the Statutory Auditor for the capping of depreciation at ninety per cent of the allowable capital cost of the asset.
- d. MSEDCL needs to provide the same for FY 2023-24.
- e. MSEDCL is also required to provide asset-wise depreciation data including but not limited to GFA, depreciation, accumulated depreciation, capitalization date, asset description, etc. for the financial year 2023-24, from SAP system.

**MSEDCL Reply:**

**Reply for a, b**

MSEDCL would like to submit to the Hon'ble Commission that the Opening GFA as per MSEDCL's Audited Accounts is Rs. 74,243.46 Cr excluding the impact of Final Transfer Scheme/Restructuring Plan and subsequent revaluation.

Accordingly, the depreciation has been reworked on a pro-rata basis on the revised Opening GFA for FY 2023-24 for the purpose of True-Up which is summarized below.

Table Depreciation reconciliation for FY 2023-24 (in Rs. Crores)

S. No	Particulars	FY 2023-24
1	Opening GFA (Actual)	74,243.46
2	Opening GFA as per MERC	62,248.29
3	Add: Capitalization during the year	4,971.74
4	Less: Consumer Contribution & Grants	2,089.81
5	Closing GFA (Regulatory)	63,396.44
6	Depreciation (Actual)	3,343.70
7	Depreciation (Claimed in proportion to Actual)	2,725.39

The above claim of depreciation is in line with the methodology adopted by the Hon'ble Commission in previous MYT and MTR orders.

**Reply for point c & d**

MSEDCL has informed the Statutory Auditor to provide the same. Once received the same will be submitted subsequently.

- e. MSEDCL would like to submit that the asset register is attached herewith as **Annexure**

**Datagap Set 1\_Query 73e.**

**Query 74. Table 39: Interest on loan FY 2023-24 & Form No. 6**

- The figures in Table 39 do not match the figures given in Form 6. MSEDCL needs to rectify the error if any.
- Opening and closing balance of loan from PFC, REC, various banks and total term loan not matching with audited accounts (Note 18 Pg no 693).

	As per Audited accounts (Opening and closing)		As per present petition (Tariff format F6 – E)	
PFC	1827.01	2211.55	9341.91	7711.75
REC	9915.07	7997.37	1171.52	1068.37
Others	.....	.....	.....	.....
Total	36126.34	36212.30	11903.06	10149.26

- Whether MSEDCL has evaluated refinancing option as Rate of Interest is higher for loan taken from REC/ PFC? MSEDCL shall submit efforts taken for refinancing of loan.

**MSEDCL Reply:**

- MSEDCL submits that the reply to the said query shall be submitted subsequently.
- As per standard practice, borrowing position prepared on actual basis without considering provision effect. Detailed reply along with provision entries are attached in excel format for your reference. Further while matching these entries with financials note no.24 should be taken along with Note no.18.

Interest on loan FY 2023-24:

Source	Opening Balance of April-2023						
	Opening balance as per books of account FY 2023-24			Opening balance as per Form 6	Difference		
	Note No.18	Note No.24	Total Op Balance		Difference	MTL Balance	Interest Accrued but not due
<b>PFC</b>	1827.01	138.51	1965.53	1738.59	226.94	0.00	226.94
<b>REC</b>	9915.07	3658.10	13573.17	9330.12	4243.05	4200.00	43.05
<b>Others</b>	0.00	0.00	0.00		0.00	0.00	0.00
<b>PNB</b>	749.64	19.22	768.86	768.86	0.00	0.00	0.00
<b>PSB</b>	543.02	0.00	543.02	543.02	0.00	0.00	0.00
<b>MIDC</b>	123.52	0.00	123.52	123.52	0.00	0.00	0.00

MIDC Int free loan from Gov	2.32	0.00	2.32	190.00	-187.68	0.00	-187.68
MSKVY Int free loan from Gov				0.00			
GoM	6.71	1.93	8.64	8.64	0.00	0.00	0.00

Closing Balance of March-2024							
Source	Closing balance as per books of account FY 2023-24			Closing balance as per Form 6	Difference		
	Note No.18	Note No.24	Total Cl. Bal		Difference	MTL Balance	Interest Accrued but not due
PFC	2211.55	144.94	2356.49	2146.32	210.17	0.00	210.17
REC	7997.37	2013.06	10010.43	7710.28	2300.15	2261.90	38.25
Others			0.00		0.00	0.00	0.00
PNB	677.27	111.05	788.32	788.32	0.00	0.00	0.00
PSB	535.14	45.00	580.14	580.13	0.00	0.00	0.00
MIDC	123.52	0.00	123.52	123.52	0.00	0.00	0.00
MIDC Int free loan from Gov	9.06	0.00	9.06	190.00	-938.61	0.00	-938.61
MSKVY Int free loan from Gov				757.67			
GoM	4.78	1.93	6.71	6.71	0.00	0.00	0.00

- c. Most of the banks required security from the government. MSEDCL will avail refinancing option only when MSEDCL gets refinancing loan at Bank competitive rate from other Financial Institutions. At present the refinancing process is under way.

**Query 75. Table No. 45 & 47 Actual Interest on Working capital claimed in FY 2023-24**

MSEDCL has submitted interest on working capital which is higher than approved in MTR Order for FY 2023-24. MSEDCL shall provide the following details in MS Excel spreadsheet:

- Month-wise working capital requirement (Opening & Closing Balance)
- Source of funding.
- Tenure
- Applicable Interest rate

**MSEDCL Reply:**

MSEDCL submits that the details of month wise working capital requirement with sources of funding, tenure and interest rates are attached as **Annexure Datagap Set 1\_Query 75** (Excel Sheet) to this document.

**Query 76. Table 48, Format 6A, Audited book of accounts Note 36**

The value of finance charges for 2023-24 as provided in Format 6A (Rs. 49.79 Cr.) does not

match with the value provided in the Audited book of accounts note 36. MSEDCL is to rectify the same or provide the necessary reconciliation for the same.

**MSEDCL Reply:**

- a. MSEDCL submits the reconciliation of form 6A with note 36 - Finance Expenses in audited accounts is as below.

**Reconciliation with Note 36 Finance Expenses with Form 6A of MYT**

Particulars	Amt in Rs Cr.	
	31.03.2024	31.03.2024
<b><u>(B) Other Borrowing costs</u></b>		
Financial Charges	9.75	
Bank Charges	40.74	
Prior Period Interest & Finance Charges		
Total		<b>50.49</b>
Considered in form 6A		43.71
Considered in Form 6B		
Other Interest and Charges	0.01	
Interest on security deposit on bill collection agency	5.01	5.01
Sub-total		
Interest Exp-Pay Fixation and Trade Payable not considered in MYT	1.76	1.76
Total		<b>50.49</b>

**Query 77. Table 51 of Petition. Provision for bad and doubtful debts for FY 2023-24**

Actual Trade Receivables mentioned in table 51 do not match with the figures in Note 11 (Pg. 891) of audited accounts. MSEDCL to rectify the error if any. MSEDCL needs to provide reconciliation of proposed trade receivables figures with audited accounts.

**MSEDCL Reply:**

Note 11- Trade Receivables & Note 14 - Other Financial Assets- Current of Audited accounts include Trade receivables. Reconciliation of Trade receivables, considered in MYT, with Note 11 & 14 is as below:-

TRADE RECEIVABLES AS AT 31-MAR-2024		
PARTICULARS	₹ in CR )	
NOTE – 11	AS	AT
	31-MAR-24	
(a) Considered Good - Secured [refer Note No.39(5)(II)(i)(a)]*	5142.89	
(b) Considered Good - Unsecured		
(i) Receivable from Government of Maharashtra towards subsidy /Grant etc [refer Note no. 39(7) for subsidy receivable]	216.82	
(ii) Other	27537.68	
(c) Significant increase in Credit Risk	29705.66	

TRADE RECEIVABLES AS AT 31-MAR-2024	
PARTICULARS	(₹ in CR )
NOTE – 11	AS AT 31-MAR-24
(d) Credit Impaired	5214.18
<b>NOTE -14</b>	
(a) Unbilled Revenue	5900.16
(i) Considered good-Secured [refer Note No.39(5)(II)(i)(a)]	12.35
(ii) Considered Good - Unsecured	663.99
(iii) Significant increase in Credit Risk	25320.11
(iv) Credit Impaired	2167.89
Total Trade Receivables for MYT	101881.75

**Query 78. Table 52, Audited account Note 38 (pg. no 913)**

MSEDCL to provide detailed break-up of expenses towards non-moving items claimed under other expenses for FY 2023-24.

**MSEDCL Reply:**

MSEDCL submits that there is provision for inventory lying in stock for more than one year. It is made on the basis of system generated age wise inventory report.

**Query 79. Table 54:**

MSEDCL has claimed Rs 561.63 Cr towards incentives and discounts given to the customer in FY 2023-24. MSEDCL to clarify the item under which such expenses have been booked under the Audited Accounts and reconcile the same with the claim made under the Petition with details. Further MSEDCL need to submit the sub-head wise details of the incentives and discounts provided such as prompt payment rebate, power factor incentive.

**MSEDCL Reply:**

Detail break up of Incentives & Discounts of Rs. 561.63 CR is as under. It is included in Rs 1592.03 cr under Note 30 in Audited accounts under head Prompt Payment & discounts.

Particulars	Amount (in CR)
Discount to consumers for timely payment of bills	505.96
Incentive to prepaid Consumers	-0.02
Go Green Discount to Consumers	4.89
Digital Payment Discount	41.30
1.5% REBATE TO DISTRIBUTION FRANCHISE	9.51
	<b>561.63</b>

**Query 80. Format 8**

Cell number I21 (consumer contribution) of tariff form F8 (RoE) is not linked it should be linked with relevant cell in from 4.4 (consumer contribution).

**MSEDCL Reply:**



MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 81. Para 2.28 (pg. no 66)**

MSEDCL should provide reference to the audited book of accounts or provide documentary evidence to validate the payment made to MPECS of Rs. 28.38 Cr.

**MSEDCL Reply:**

MSEDCL submits documentary evidence to validate the payment made to MPECS of Rs. 28.38 Cr. Attached as **Annexure Datagap set 1\_Query 81.**

**Query 82. Para 2.29 (Pg no 66)**

MSEDCL should provide reference to the audited accounts or provide documentary evidence to validate the payment made to Incremental and consumption and Bulk consumption Rebate of Rs. 1030.40 Cr.

**MSEDCL Reply:**

MSEDCL submits that the reconciliation for payments made to incremental and consumption and bulk consumption rebate is detailed below for ready reference.

<b>Particulars</b>	<b>Amount in Rs. Cr.</b>
Incremental Consumption Rebate HT E.V.	-
Incremental Consumption Rebate HT-Publi	11.14
Incremental Consumption Rebate HT-Pub	5.02
Incremental Consumption Rebate HT G Hsg	1.23
Green power tariff HT-Group Housing /Co	-
Incremental Consumption Rebate HT-V-Ag	0.00
Incremental Consumption Rebate HT-V-Agr	-
Green power tariff HT AG Others	-
Incremental Consumption Rebate HT PWW	12.27
Incremental Consumption Rebate HT TRAC	2.13
Green power tariff HT-III-Railway Tract	-
Incremental Consumption Rebate HT season	5.06
Incremental Consumption Rebate HT Comer	24.92
Incremental Consumption Rebate HT Indus	481.25
Incremental Consumption Rebate LT-II-Co	24.00
Incremental Consumption Rebate LT Indus	69.22
Consistent Payment Rebate LT V INDUSTRI	0.00
Incremental Consumption Rebate LT Gram	-0.00
Incremental Consumption Rebate LT EV-	0.00
Incremental Consumption Rebate LT AG Po	-0.00
Incremental Consumption Rebate HT AG	0.05
Consistent Payment Rebate HT PWW	0.00

Particulars	Amount in Rs. Cr.
Green power tariff HT-V-Agricultural Po	-
Bulk consumption Rebate HT AG Poultry	-
Bulk consumption Rebate HT Seasonal	0.24
Bulk Consumption Rebate applicable to H	0.02
Bulk Consumption Rebate to HT Industrial	393.86
<b>Total</b>	<b>1030.40</b>

Incremental consumption Rebate & Bulk Consumption rebate of Rs. 1030.40 cr. is considered in Note 30 - Revenue from Operations in Audited Accounts under head Prompt Payment, Incremental & Other Discounts of Rs. 1592.03 Cr.

**Query 83. Para 2.33 (Pg. no. 71)**

MSEDCL has claimed Rs 270.85 Cr towards income from open access charges in FY 2023-24. MSEDCL to clarify the item under which such expenses have been booked under the Audited Accounts and reconcile the same with the claim made under the Petition.

**MSEDCL Reply:**

Income from Open Access charges of Rs270.85 CR is considered under Note 30 - Revenue from Operations in Audited Accounts . It is highlighted in attached note 30 below.

<b>NOTE – 30</b>	
<b>REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31-MAR-24</b>
LT-I - Residential BPL	1,150.15
LT-I - Residential	23,11,624.21
LT-II - Commercial	8,80,102.63
LT-III - Public Water Works	58,507.41
LT-IV - Agriculture	12,60,200.35
LT-IV - Agriculture Unmetered	5,72,938.78
LT-IV - Agriculture Others	5,694.23
LT-IV - Agriculture Poultry	8,668.62
LT-V - Industrial	7,50,577.34
LT-V – Power loom	1,62,005.01
LT-VI - Street Light	-

<b>NOTE – 30</b>	
<b>REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31-MAR-24</b>
LT Street Light	98,698.79
LT-VII(A) - Temporary - Religious	-
LT-VII(B) -Temporary - Others	0.37
LT-VIII - Advertising and Hoarding	-
LT-IX- Crematoriums and Burial Grounds	-
LT-Public Services	10,024.12
LT-Public Services Others	73,372.80
LT-EV- Charging Station	739.00
HT-I- Industrial	37,99,742.74
HT-Seasonal	24,161.13
HT-II-Commercial	3,13,506.18
HT-III-Railway Traction	17,337.71
HT-IV- Public Water Works	1,84,073.87
HT-V-Agricultural	1,06,076.51
HT-V-Agricultural Others	17,303.58
HT-V-Agricultural Poultry	6,305.66
HT-VI- Group Housing /Commercial Complex	24,584.59
HT-VIII(A)-Temporary Supply - Religious	-
HT-VIII(B)-Temporary Supply -Others	-
HT-Public Services	44,573.63
HT-Public Services Others	1,19,570.36
HT-Port	-
HT-Metro/Monorail	-
HT-Electric Vehicle	7,193.46
HT-Auxiliary Consumer unbilled revenue	4.21
Open Access Category	27,085.37

<b>NOTE – 30</b>	
<b>REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31-MAR-24</b>
Sale of energy to Distribution Franchise	3,77,688.83
Recoveries from Theft of Power/Malpractice	26,631.31
<b>Sale to Traders</b>	<b>28,851.40</b>
(a) Revenue from Sale of Power :	1,13,18,985.93
( b) Sales:	
Electricity duty assessed	9,06,585.73
Tax on Sale of Elect. Assessed	47,110.59
Electricity duty assessed (contra)	-
Tax on Sale of Elect. Assessed (Contra)	47,110.59
LBT Recovered from consumer	-
LBT PAYABLE (Contra)	-
	-
Less : Prompt Payment, Incremental and Other Discounts	1,59,203.15
Sub Total (a)	1,11,59,782.78
(b) Other Operating Revenue	
Standby charges	45,984.11
Miscellaneous charges from consumers	36,330.81
Sub Total (b)	82,314.92
Total :::: (a+b)	1,12,42,097.70

**Query 84. Para 2.34 & 2.35 (Pg no 72)**

- MSEDCL has claimed Rs 288.51 Cr towards income from Trading of Surplus Power in FY 2023-24 and Rs 80.50 Cr income from Additional surcharges in FY2023-24. MSEDCL to clarify the item under which such expenses have been booked under the Audited Accounts and reconcile the same with the claim made under the Petition.
- MSEDCL to clarify whether the average rate of sale of surplus power is higher than average cost of energy purchase incurred by MSEDCL for procuring such power for sale. Additionally, MSEDCL needs to provide a detailed justification for the sale of power at a rate lower than procurement cost.

**MSEDCL Reply:**

- a. Income from Trading of Surplus Power of Rs 288.51 is considered under Note 30 - Revenue from Operations under head Sale to Traders in audited accounts. It is highlighted in attached note below. Also, Income from Additional Surcharge of Rs. 80.50 CR is income considered in Note 30 -Revenue from Operations in Audited Accounts. Breakup shown as below –

Particulars	Rs in CR	Remark
Additional surcharge HT-I- Industrial	68.48	Included in Revenue from HT-I Industrial of Rs .33997.42 Cr
Additional surcharge HT-II- Commercial	10.70	Included in Revenue from HT-II Commercial of Rs .3135.06 Cr
Add surcharge HTPS Others	1.32	Included in Revenue from HT-1 Industrial of Rs .1195.70 Cr
	<b>80.50</b>	

**Note 30:**

<b>NOTE – 30</b>	
<b>REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31-MAR-24</b>
LT-I - Residential BPL	1,150.15
LT-I - Residential	23,11,624.21
LT-II - Commercial	8,80,102.63
LT-III - Public Water Works	58,507.41
LT-IV - Agriculture	12,60,200.35
LT-IV - Agriculture Unmetered	5,72,938.78
LT-IV - Agriculture Others	5,694.23
LT-IV - Agriculture Poultry	8,668.62
LT-V - Industrial	7,50,577.34
LT-V - Power loom	1,62,005.01
LT-VI - Street Light	-
LT Street Light	98,698.79
LT-VII(A) - Temporary - Religious	-
LT-VII(B) -Temporary - Others	0.37
LT-VIII - Advertising and Hoarding	-
LT-IX- Crematoriums and Burial Grounds	-
LT-Public Services	10,024.12
LT-Public Services Others	73,372.80
LT-EV- Charging Station	739.00
HT-I- Industrial	37,99,742.74
HT-Seasonal	24,161.13
HT-II-Commercial	3,13,506.18
HT-III-Railway Traction	17,337.71
HT-IV- Public Water Works	1,84,073.87
HT-V-Agricultural	1,06,076.51
HT-V-Agricultural Others	17,303.58
HT-V-Agricultural Poultry	6,305.66

<b>NOTE – 30</b>	
<b>REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31-MAR-24</b>
HT-VI- Group Housing /Commercial Complex	24,584.59
HT-VIII(A)-Temporary Supply - Religious	-
HT-VIII(B)-Temporary Supply -Others	-
HT-Public Services	44,573.63
HT-Public Services Others	1,19,570.36
HT-Port	-
HT-Metro/Monorail	-
HT-Electric Vehicle	7,193.46
HT-Auxiliary Consumer	-4.21
unbilled revenue	
Open Access Category	27,085.37
Sale of energy to Distribution Franchise	3,77,688.83
Recoveries from Theft of Power/Malpractice	26,631.31
Sale to Traders	28,851.40
(a) Revenue from Sale of Power :	1,13,18,985.93
( b ) Sales:	
Electricity duty assessed	9,06,585.73
Tax on Sale of Elect. Assessed	47,110.59
Electricity duty assessed (contra)	-9,06,585.73
Tax on Sale of Elect. Assessed (Contra)	-47,110.59
LBT Recovered from consumer	-
LBT PAYABLE (Contra)	-
	-
Less : Prompt Payment, Incremental and Other Discounts	1,59,203.15
Sub Total (a)	1,11,59,782.78
(b) Other Operating Revenue	
Standby charges	45,984.11
Miscellaneous charges from consumers	36,330.81
Sub Total (b)	82,314.92
Total ::::: (a+b)	1,12,42,097.70

- b. In FY 2023-24 the average rate of sale of surplus power (Rs. 8.38 per unit) is higher than average cost of energy purchase incurred by MSEDCL.

**Query 85. Table No. 69**

MSEDCL has claimed RLC refund of Rs. 2.77 Crore. MSEDCL should validate reasons for such claims.

**MSEDCL Reply:**

MSEDCL submits detailed reasons for claimed RLC refund in the table below –

<b>Reasons to claim RLC refund</b>
------------------------------------

<b>ARR for FY 2023-24 Table No. 69</b>	<b>85</b>	MSEDCL has claimed RLC refund of Rs. 2.77 Crore. MSEDCL should validate reasons for such claims.	MSEDCL has given RLC refund of 0.34 Cr to HT & LT consumers for FY 2024-25 hence claimed for it.
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List of RLC refund (HT and LT consumers) is attached as **Annexure Datagap Set 1\_Query 68 & 85\_LT\_RLC\_REFUND** and **Annexure Datagap Set 1\_Query 68& 85\_HT\_RLC\_REFUND**.

### Provisional True-up for FY 2024-25

#### Query 86. Table 87: Capitalization for FY 2024-25

- MSEDCL to automate Total Capitalization amount in Form 4.3 using a summation formula.
- MSEDCL has estimated capitalization of Rs. 12,673.90 Crore for FY 2024-25, whereas Commission approved capitalization for FY 2024-25 is Rs 2386.54 Crore MSEDCL needs to provide proper justification for the significant deviation of Capitalization from the Commission approved figure.
- MSEDCL should provide capitalization details of Estimated other Assets as claimed by MSEDCL for FY 2022-23.

#### MSEDCL Reply:

- MSEDCL submits that the updated capex, capitalization, and Form 4.3 & 4.4 are attached as **Annexure Datagap Set 1\_Query 86a, 98b, 98c, 99a**.
- MSEDCL submits that in the MTR order 226 of 2022, The Hon'ble Commission has approved capitalization for FY 2024-25 Rs.2,386.54 Cr. against the projection of Rs 14,981.66 Cr. In this regard, the Hon'ble Commission's observation is reproduced below.

*"6.8.10 The Commission has verified the DPR schemes submitted by MSEDCL and has not considered Rs. 6,669.74 Crores and Rs. 12,594.98 Crores in FY 2023-24 and FY 2024-25 respectively. DPR schemes such as RDSS (PMA), RDSS (System Strengthening), DT metering Plan and Reactive Power Management Schemes are pending for approval, so the Commission is not approved for FY 2023-24 and FY 2024-25."*

Now MSEDCL has claimed the capitalization of Rs 12,673.90 Cr. which is in line with the projections submitted in the earlier MTR petition. Further, some schemes have received necessary approvals from MERC, Ministry of Power i.e. RDSS Loss reduction, and System Strengthening work of MSKVY 2.0 under RDSS etc in March 24 and projections for FY 24-25 also includes projections for the newly formed schemes which are necessary for improving system reliability, availability of day time power, loss reduction etc.

- MSEDCL submits that the reply to the said query shall be submitted subsequently.

#### Query 87. Table 88: Depreciation for FY 2024-25 & Form 5

- MSEDCL to submit asset class-wise GFA addition & Depreciation in the Form 5 for FY 2024-25.
- MSEDCL has considered the Opening GFA for FY 2024-25 without grants and consumer contribution. MSEDCL has to reconcile grants and consumer contribution received in FY 2023-24 from its audited accounts.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.
- b. MSEDCL submits that the reconciliation tables is as below:

<b>Total Grant received as per Balance sheet</b>	<b>3,713.50</b>
add: DPDC Grant (previous year grant carry forward)	169.84
add : grant utilised for ag special package	45.02
add: RDSS-Dvp of Particular Vulnerable Tribal Grp(PVTG)	0.25
	<b>3,928.61</b>
Less: HVDS grant utilised in previous year	140
less: HVDS grant transfer to ag policy	350
Less: DPDC Grant used in next year	576.66
Grant-Government of Maharashtra-MIDC In	762.34
Grant for Under RDSS for next year	-
Grant for Under PSDF	-
Grant Tribal Component Program	91.00
Grant Nirantar Veej Yojana	226.51
Grant Mukhiya Mantri Saurya Vahini Yojana	40
Grant as per format	1742.10

**Query 88. Table 92: Interest on Working capital & Interest on Security Deposit**

MSEDCL has calculated interest on security deposit considering the interest rate of 5.70%. However, as per the MERC MYT Regulation 2019, the interest on security deposit shall be equal to bank rate as on 1st April of the year. MSEDCL to rectify the rate considered for calculation of interest and revised the submission accordingly.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 89. Table 94: Provision for Bad and Doubtful debts (Wires and Supply)**

- a. For Retail Supply Business provision for Bad Debts is estimated 1604.64 crores whereas approved is 730.52 crores. So, MSEDCL should provide specific reasoning regarding this deviation.

**MSEDCL Reply:**

- a. MSEDCL respectfully submits reason for deviation in provision for Bad debts of Rs. 1604.64



Cr. Whereas approved is Rs. 730.52 Cr below –

*MSEDCL submits that Provision of bad debt generally depends on the nature of the business and the risk involved in the business. A business typically estimates the amount of bad debt based on historical experience.*

***MSEDCL further submits that the actual provision for FY 2023- 24 is Rs. 1528.23 Cr. and therefore provision for Bad debts of Rs. 1604.64 Cr. for FY 2024-25 is in line with provision made for FY 2023-24. However, provision estimated for FY 2024-25 shall be written off after the approval of the Hon'ble Commission.***

***MSEDCL reserves its right to seek claim on bad-debts at the time of truing-up as per the provisions of the MYT Regulations, 2019....”***

#### **Query 90. Table 95: Other Expenses FY 2024-25**

Provision for Non-Moving Items, Other Interest and Charges, Interest on security deposit on bill collection agency are the following which is not approved by Commission in MTR Order Case No. 226 of 2022, however MSEDCL has now requested to allow these expenses.

MSEDCL should justify the reasons for such claims.

#### **MSEDCL Reply:**

The inventory is purchased for maintenance of electrical infrastructure of Company for maintaining continuous supply of electricity. This is the provision for Inventory lying in stock for more than one year.

MSEDCL submits that the collection agencies are appointed for collection of revenue and deposit is taken from agency as security of non-performance and interest is paid as per rules and as per bank rate.

Hon'ble Commission while computing Non-Tariff income does not consider the interest earned on deposits made by the billing agency, hence to keep the ARR balanced the interest other interest and charges and interest on security deposit on bill collection agency should be approved under “*Other Expenses*” as part of ARR. Considering such interests as non-tariff income of MSEDCL in ARR and not considering the same as part of ARR would lead to reduction in justified ARR of discom.

#### **Query 91. Table 101**

In Para 3.25 MSEDCL has mentioned that it has estimated the Incremental Consumption and Bulk consumption rebate at the same level as actuals for FY 2023-24. However, in table 101, a 5% increase in incremental consumption rebate of FY 2023-24 is proposed. MSEDCL to rectify the error.

#### **MSEDCL Reply:**

MSEDCL submits that the revised para 3.25 is reproduced as below:

“MSEDCL has estimated the Incremental Consumption and Bulk consumption rebate with a nominal increase of 5% on year on year.”

#### **Query 92. 102 & 103: ARR for Distribution Wires & Supply Business**

b. In Para 3.16, it has mentioned that MSEDCL is not projecting any finance charges for FY

2024-25 and will claim the same during true-up. However, at the ARR tables, Other Finance Charges are shown as Rs. 4.59 Cr and Rs. 41.31 Crore for wires & supply business respectively. MSEDCL to rectify the error.

- c. MSEDCL has claimed RLC refund of Rs. 16.68 Crore. MSEDCL should validate reasons for such claims.

**MSEDCL Reply:**

- b. MSEDCL submits that the reply to the said query shall be submitted subsequently.  
 c. MSEDCL submits detailed reasons for claimed RLC refund in the table below –

<b>Reasons to claim RLC refund</b>			
<b>ARR for Wires &amp; Supply Business for FY 2024-25</b>	<b>92-b</b>	MSEDCL has claimed RLC refund of Rs. 16.68 Crore. MSEDCL should validate reasons for such claims.	MSEDCL has given RLC refund of 2.49 Cr to HT & LT consumers for FY 2023-24 hence claimed for it.

List of RLC refund (HT and LT consumers) is attached as **Annexure Datagap Set 1\_Query 92b\_LT\_RLC\_REFUND** and **Annexure Datagap Set 1\_Query 92b\_HT\_RLC\_REFUND**.

**Query 93. Table 105**

MSEDCL should submit the breakup of expenses considered under Other/Miscellaneous expense and revenue of Subsid/grant, under head of non-tariff income for FY 2024-25.

**MSEDCL Reply:**

MSEDCL submits that Other Sundry Expenses includes, expenses under various heads as below. As expenditures vary year to year , same is considered on projected basis at 5%.

<b>Particulars</b>	<b>Rs in Cr</b>
	<b>Projected for FY 2024-25</b>
Shortage /excess on Physical Verification	0.64
Refund of Regulatory Liability Charges (RLC) as per MERC Order [refer Note no. 36(27)]	0.38
Provision of loss of Cash	45.95
Penalty Charges	0.03
loss on obsolescence of stores	2.29
Loss on sale of fixed assets	0.01
Other Sundry Expenses	1.13
Provision for Bad & Doubtful Debts for others	46.93
Other Expenses for previous years	0.32
Other Excess provision in Prior Period	0.45
Reward for Theft Detection	1.36
<b>Total</b>	<b>99.48</b>

**Query 94. Table106**

In Para 3.30 MSEDCL has mentioned that it has estimated the Income from Open Access Charges same as approved by the Commission for FY 2024-25. However, in table 106, the proposed income from open access charges is different from the approved number. MSEDCL to rectify the error.

**MSEDCL Reply:**

MSEDCL submits that the revised para 3.30 is as reproduced below:

“MSEDCL has considered an escalation of approx. 10% on the actual income from Open Access Charges of FY 2023-24.”

**Query 95. Para 3.2**

- a. MSEDCL needs to correct a typographical error in Para 3.32 of MYT petition.
- b. Additionally, MSEDCL claimed Rs. 0.14 Cr in its petition, which is significantly lower than the approved amount of Rs. 109.46 Cr. MSEDCL attributed this discrepancy to the non-applicability of additional surcharge under Green Energy Open Access. It has been observed that MSEDCL has assumed maximum no. of consumers will opt for green energy open access and accordingly claimed income from Additional Surcharges. MSEDCL needs to justify such an assumption and if required, needs to revisit the assumption considered and accordingly the income claimed from additional surcharge for FY 2024-25.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.
- b. MSEDCL submits that as per amendment to Regulation 14 in MERC (Distribution Open Access) Second Amendment Regulation 2023 provides that additional surcharge shall not be applicable for Green Energy Open Access consumers, if fixed charges are being paid by such consumer. Considering that all the Open Access customers of MSEDCL will continue paying fixed charges to MSEDCL, MSEDCL has accordingly estimated only Rs. 0.14 Crores as income from Additional Surcharge for FY 2024-25.

**ARR Projection from FY 2025-26 to FY 2029-30****Query 96. Para 4.21 / Table 147 (Opex)**

MSEDCL has not provided the cost-benefit analysis and savings in O&M Expenses resulting from the Opex schemes as part of the submissions in the Petition. MSEDCL is required to provide the same for all the schemes claimed under Opex.

**MSEDCL Reply:**

MSEDCL submits that the cost – benefit analysis of all the opex schemes is attached as **Annexure Dataset Set 1\_Query 96.**

**Query 97. Para 4.21 / Table 147 (Opex)**

- a. MSEDCL is to provide a brief note on the selection of service providers for various Opex schemes as claimed in the petition which includes cost competitiveness of selection process

followed, letter of award for the various schemes as mentioned in the Scheme.

The Note should also refer to the provision of Capex Regulations 2022 of the Commission.

**MSEDCL Reply:**

MSEDCL submits that tender advertisement published through newspaper and Maha Discom website. As per the CVC/MEITY guidelines, the term and conditions are applied for floating of tender. After submission of technical and commercial bid their technical evaluation is carried out. Selection will be done through bidding process based on L1 criteria for technically qualified bidder.

Sr No	Opex Scheme Name	LOA issued to Vendor	LOA Amount In Cr
1	Centralised Customer Care Centre Services	M/s Arceus Infotech Pvt Ltd.	136.13
2	Substation Monitoring System (SMS)	M/s Amnex Infotech pvt Ltd. in consortium with M/s Rite water solution India pvt, ltd and synergy system and solution pvt. ltd.	383.29
3	MSEDCL Cloud Project	M/s SM Networks & Solutions Pvt. Ltd.	98.52
4	Vehicle Tracking System	M/s CE Info Systems Ltd	2.56
5	Business Analytics and Demand Forecasting Solution	M/s SCS Tech India pvt ltd. in consortium partner M/s Mercados Energy Markets India pvt ltd.	32.56
6	Enterprise GIS & Network Analysis Solution	M/s SCS Tech India pvt ltd. in consortium with M/s Sliver Touch Tech Ltd.	46.95
7	ERP SAP S4 HANA	M/s. Deloitte Touche Tohmatsu India LLP	106.9
8	Procurement of SD-WAN Solution	M/s SM network & solution Pvt Ltd.	53.16
9	Redevelopment of MSEDCL IT Systems under the RDSS Scheme	M/s Idea Infinity IT Solutions Pvt Ltd.	9.71
10	SMS Services	M/s BSNL tower corporation Limited (BTCL)	33.64
11	Annual Technical Support of SAP /Oracle Software Licences	M/s Oracle India Pvt. Ltd.	7.82

**Query 98. Para 4.22/Table 148 (Capex and Capitalization) & Form 4**

MSEDCL has submitted the capex and capitalization for FY 2025-26 to FY 2029-30:

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Projected	Projected	Projected	Projected	Projected
Capital Expenditure	23,016.32	17,508.01	9,339.01	9,534.92	3,472.97
Capitalization	23,454.75	18,913.43	10,023.94	9,791.78	4,294.74

- a) MSEDCL needs to provide details of capex approved by the Commission during MYT period with ref of approval in table below:

Sr.	Particular of capex approved	Amount of approved Capex in Rs. Lakh	MERC approval Ref.

MSEDCL also needs to provide the year wise of phasing of expenditure approved by the Commission.

- b) Capitalization for FY 2025-26 does not match with the data in Form 4. MSEDCL to rectify the error.
- c) MSEDCL to automate Total Capitalization amount in Form 4.3 using a summation formula.
- d) MSEDCL needs to provide proper justification for the huge Capitalization for future years.

**MSEDCL Reply:**

- a. MSEDCL submits that the information requested by the Hon'ble Commission in the requisite formats is shared as **Annexure Data Set 1\_Query 98 a.**

Sr. No.	Particulars of capex approved	Amount of approved Capex in Rs. Lakh	MERC approval Ref.
System Strengthening (MSKVY 2.0)	Applied for approval vide letter No 32549 dated 15.10.2024	279187.00	Applied for approval vide letter No 32549 dated 15.10.2024

Approval letter for the capex investment is attached as **Annexure Datagap Set 1\_98a\_approval.**

- b. MSEDCL requests the Hon'ble Commission to consider the values of total capitalization submitted as **Annexure Datagap Set 1\_Query 86a, 98b, 98c, 99a.**
- c. MSEDCL submits that the format 4.3 has been automated using summation formula and the updated form 4.3 is submitted as **Annexure Datagap Set 1\_Query 86a, 98b, 98c, 99a.**
- d. MSEDCL submits that the huge capitalization in future years is due to the implementation of Central Sponsored capital schemes such as RDSS which will be utilized for the development of network infrastructure and upgradation, improving operational efficiency.

RDSS – Loss reduction & Feeder separation scheme also forms part of improvement of network reliability and loss reduction.

MSEDCL's network spreads over 3.08 Lakh square km geographical area of Maharashtra and serves around 3 crore consumers' base.

Further 100% Govt. of Maharashtra funded schemes such as District Planning Development Council (DPDC) schemes, this scheme is focused to benefit Schedule Cast, Nav Buddha beneficiaries and fill the gap between tribal and non-tribal areas to improve the living of tribal people. Projections under DPDC are done by considering the rise in previous year trend of sanctioned funds by GoM.

Further MSEDCL is implementing MSKVY 2.0 for daytime availability of power to the consumers hence it is essential to undertake system strengthening and capacity augmentation at existing substations to facilitate the effective evacuation of power generated from decentralized solar projects System Strengthening is proposed under System Strengthening (MSKVY 2.0) scheme.

New consumers (2025-30) scheme is planned for timely release of connections to the prospective consumers of MSEDCL.

**Query 99. Table 149**

- a. Capitalization for FY 2025-26 does not match with Form 8. MSEDCL to rectify the error.
- b. Form 8 values do not match with Table 149. MSEDCL to rectify the error.

**MSEDCL Reply:**

- a. MSEDCL submits that updated Form 8 is attached as **Annexure Datagap Set 1\_Query 86a, 98b, 98c, 99a.**
- b. MSEDCL submits the corrected values of table 149 of the petition for the FY 2025-26 are as below:

Sr. No.	Particulars	FY 2025-26
	<b>Funding pattern of capital expenditure</b>	<b>Projections</b>
1	Total Capital Expenditure	23,016.32
2	Consumer Contribution	250.00
3	Grants received during the year	9,627.97
4	Equity	3,157.58
5	Debt	9,980.77
	<b>Funding pattern of capitalisation</b>	
<b>6</b>	<b>Total Capitalisation</b>	<b>23,454.75</b>
7	Consumer Contribution	254.76
8	Grants received during the year	9,811.37
	<b>Balance to be funded</b>	<b>13,388.62</b>
9	Equity amount	3,217.73
10	Debt amount	10,170.89
11	Equity (%)	24%
12	Debt (%)	76%

**Query 100. Regulatory Formats F5**

- a. MSEDCL to submit asset class-wise GFA addition & Depreciation for FY 2025-26 to FY 2029-30.
- b. In the MERC MYT Reg. 2024, separate depreciation rates are given for new Capital Schemes or New Assets. However, MSEDCL has applied a weighted average rate of depreciation on opening GFA for FY 2023-24 to calculate the depreciation for the next control period. MSEDCL to compute the depreciation as per rates given in the regulations.

**MSEDCL Reply:**

**Reply for point a, b**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 101. Table 152: Interest on Working Capital & Form 7**

- a. MSEDCL has calculated interest on security deposit considering the interest rate of 5.70%. However, as per the MERC MYT Regulation 2024, the interest on security deposit shall be equal to bank rate as on 1st April of the year. MSEDCL to rectify the rate considered for calculation of interest and revised the submission accordingly.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 102. Para 4.27**

It has been mentioned that MSEDCL is not projecting any finance charges for the control period and will claim the same during true-up of the respective years. However, in the ARR summary table, it has added other finance charges for the control period. MSEDCL to rectify the error.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 103. Para 4.28 :**

- a. MSEDCL has considered some percentage rise in interest & principle part for receivables from AG & Non-Ag consumers. MSEDCL to provide the rational for such percentage.

**MSEDCL Reply:**

MSEDCL has consider collection efficiency at the rate of 98% for Non-AG Consumers and 95% for AG Consumers.

As per instructions of GOM, MSEDCL is implementing Mukhyamanti Baliraja Mofat Vij Yojana 2024 and Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan Yojana & Magel Tyala Saur Krishi Pump Yojana. The Schemes are implemented for installation of off-grid Solar Agricultural pumps in Maharashtra. The GOM/ Company expects that the solar pumps will reduce the burden on MSEDCL for power supply to AG consumers resulting in reduction of overall electricity bills as well as arrears. Due to this collection efficiency of AG consumers is considered at 95%.

Considering the collection Efficiency, MSEDCL has considered 2% rise in Non-AG Consumers principal & Interest arrears. For AG consumers the Rise of 5% for principal & 10% for Interest arrears is considered.

**Query 104. Para 4.29**

- a. MSEDCL is to provide the basis for the value of escalation of 5% considered for Other Expenses.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 105. Para 4.31**

MSEDCL is to provide the basis for the value of escalation of 5% considered for incentives and discounts.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Query 106. Para 4.35**

MSEDCL is to provide the basis for the value of escalation of 5% considered for each item of NTI.

**MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Schedule of Charges**

**Query 107. Section No. 10.2**

Table No. 225.

MSEDCL has stated that the centages over and above the total estimated cost of materials is 23.00%. However, it is observed that proposed charges are in the range of 30% to more than 100%.

MSEDCL needs to justify the steep rise in the charges.

**MSEDCL Reply:**

- i. MSEDCL submits that the main reasons for the steep rise in the charges:
  - Increase in the Material Rates as per approved MSEDCL Cost Data 2024-25.
  - While Calculation of Service Connection Charges, the 23% Centages on cost of Smart Meter is also considered. As the Cost of Smart Meters are on higher side compared to earlier considered regular static meters, the total proposed Service Connection Charges are increased.



**Query 108. General**

MSEDCL has not provided any basis for considering the rate of material while developing the schedule of Charges. MSEDCL to provide the basis for considering the rate of material along with supporting documents on sample basis.

**MSEDCL Reply:**

MSEDCL submits that, the rates of materials are considered as per approved MSEDCL Cost Data 2024-25.

The factors considered for finalizing Cost Data 2024-25:

- i. Rates taken from Manufacturers.
- ii. Invoices submitted by vendors in ongoing schemes.
- iii. IEEMA Indices & Changes as compared to previous Cost Data.
- iv. Cost Data Rates of other State Utilities for FY 23-24 & FY 24-25.
- v. Changes in Consumer Price Index / Cost Inflation Index.
- vi. Govt. DSR for Civil Item Rates.

**Query 109. Section no. 10.3, Table no. 225**

MSEDCL has not proposed any revision in charges for "For Metro and Big Cities" under 1c.

MSEDCL needs to justify the same.

**MSEDCL Reply:**

MSEDCL submits that, Metro and Big Cities predominantly have an underground system. Therefore, the charges proposed for the Underground System will apply to Metro and Big Cities as well, and no separate charges are being proposed for them.

**Query 110. Section no. 10.3, Table no. 226, item no. b**

The charges proposed for "10-60A Smart Meter (including GPRS communication Module) as per IS:16444 Part-I" are almost 200 % of the present charges. MSEDCL needs to justify the steep rise in the charges.

**MSEDCL Reply:**

MSEDCL submits that it has taken into account the rates quoted by AMISP agencies for providing 10-60A Smart Meters in the SOC.

**Query 111. Section no. 10.3, Table no. 226, item no.3C**

Under "300/5 A Smart Meter with CTs, Meter Box & MCCB", a new item is added in the Schedule of charges.

However, at para no. 45 below table 226, it is mentioned that "Meter box will be provided by MSEDCL at its own cost.". Accordingly, MSEDCL needs to justify the reason for charging cost of meter box under item 3c.

**MSEDCL Reply:**

MSEDCL submits that the cost considered for "300/5 A Smart Meter with CTs, Meter Box &

MCCB” is Rs. 42,651/- as per approved MSEDCL Cost Data 2024-25. As part of the total amount, the cost of meter box has been considered at Rs. 3,050/- as per Cost Data 2024-25.

By reducing the cost of Meter Box, the revised cost for “300/5 A Smart Meter with CTs & MCCB without meter Box” would be Rs. 39,601/- which would be charged from the consumer. MSEDCL would only be providing meter box at its own cost.

**Query 112. Section no. 10.3, Table no. 226, item no.3C**

Under “HT TOD Smart Meter as per IS:16444 Part-I”, a new item is added in Schedule of charges.

MSEDCL needs to provide justification of charges.

**MSEDCL Reply:**

MSEDCL was in receipt of various circulars from Ministry of Power, Govt. of India regarding implementation of smart meters. As per directives of Ministry of Power, Govt. of India, MSEDCL had invited various tenders for implementation of smart meters. The standard Bidding Document (SBD) for same was provided by Rural Electrification Corporation Ltd., (RECL).

The Financial Bid (Price Bid) of subject SBD includes Smart HT ToD Meters.

The rates quoted by AMISP agencies for providing HT ToD Smart Meter are considered in SOC.

**Query 113. Section No. 10.3**

The new charges proposed by MSEDCL for “Processing fees for change of name/ change of ownership of generator”.

This is administrative work, and charges may not be related to Capacity of plant. Further, MSEDCL also need to elaborate on the expenditure it is likely to incur on this activity and accordingly, justify the proposed charges. MSEDCL also needs to clarify the linkage of these charges to capacity of solar generator.

**MSEDCL Reply:**

MSEDCL has signed EPA/PSA/PPA with numerous RE generators. The effect of change in ownership and change in name of the generators has to be taken in revise EPA/PSA/PPA in the name of the new owner and revise EPA/PSA/PPA is to be signed with the new owner.

The change of ownership/ Change of Name needs legal verification of documents like, respect of land ownership, project sale deed, NCLT Order etc.

The processing of Capacity of Solar generator means the Capacity of Solar Project

The project capacity of the individual solar power project within the solar park is minimum 250 kW and the aggregate capacity of all the projects in the solar park is minimum 1 MW (Government Resolution No.: Apau -2015/pra.kra.49/part- 8/Eng-7).

The State Agency processing fees for Change of Name and Change of ownership are Rs 25000/- Plus 18% GST per project.

Expenditures:

- i. Number of applications related to Change of Name/ Change of Ownership of generator is increased tremendously.
- ii. MSEDCL is in process for development of online system for submission of application & documents related to Change of Name/ Change of Ownership of generator with online payment of application fee.
- iii. MSEDCL has to pay service charges to service provider of online payment system.
- iv. Generator has to upload required documents on which is having 50 to 100 MB Capacity. Thus, MSEDCL have to purchase additional storage space to save all the documents.
- v. Discrepancies in applications shall be communicated to applicants via electronic media.
- vi. Issuance of Periodical Covey letters.
- vii. Processing fees of Change of Name/ Change of Ownership of generator not revised since last decade.

**Query 114. Section No. 10.3**

**Charges for Open Access**

The Commission vide order in case No. 226 of 2022 has clubbed operating charges in two categories i.e., up to 5 MW and above 5 MW.

MSEDCL has segregated the charges which are on the higher side. Accordingly, MSEDCL needs to provide justification for segregation and the proposed charges.

**MSEDCL Reply:**

MSEDCL has also proposed clubbed operating charges in two categories i.e., up to 5 MW and above 5 MW. The justification is as below: -

- i. Deployment of Engineers and staff.
- ii. As per DOA Regulations 2019 Individual SEM installed for separate RE generator, hence collection of reading of generator meter increases.
- iii. 3. Testing of generation meter.
- iv. 4. Purchase of meter reading instruments and Laptops for meter reading.
- v. 5. A multiple monthly joint meter reading is to be taken for consumers from multiple generators.
- vi. 6. Providing vehicle for monthly joint meter reading. The rate of fuel is almost doubled.
- vii. 7. Forwarding the metering data from the consumer end through electronic media.
- viii. 8. Monitoring of daily schedule of open access consumers.
- ix. 9. Keeping the track of schedules from WRLDC, MSLDC and Exchange website for billing.
- x. 10. Compilation of consumer wise, date wise monthly schedule.
- xi. 11. Development in open access billing software as per changes in Regulations and MERC various Orders.
- xii. 12. Separate IT system and IT manpower for processing of open access bills.

As the volume of OA applications are increasing on day-to-day basis, the expenditure of MSEDCL has gone up with reference to the reasons cited under operating fee activities.

**Query 115. Section 10.3, Table no. 226, 3A**

Cost of Meter, Metering Cubicle

No charges are proposed for “250/5 A Meter with CTs & MCCB”. MSEDCL to clarify if it is proposing any charges under this head. If yes, then the amount needs to be specified.

**MSEDCL Reply:**

MSEDCL is not proposing any charges for “250/5 A Meter with CTs & MCCB”.

As per Supply Code Regulations 2021, consumers having load up to 160 kW can be released on LT side. To accommodate the current on 160 kW load, 250/5 Amp capacity Meters will not be sufficient. Hence instead of 250/5 A Meter, MSEDCL is proposing charges for “300/5 A Meter with CTs & MCCB”.

**Query 116. Section 10.3, Table no. 226, 4D**

HT ToD Meter

“HT TOD Smart Meter as per IS:16444 Part-I”

MSEDCL to justify proposed charges.

**MSEDCL Reply:**

MSEDCL was in receipt of various circulars from Ministry of Power, Govt. of India regarding implementation of smart meters. As per directives of Ministry of Power, Govt. of India, MSEDCL had invited various tenders for implementation of smart meters. The standard Bidding Document (SBD) for same was provided by Rural Electrification Corporation Ltd., (RECL).

The Financial Bid (Price Bid) of subject SBD includes Smart HT ToD Meters.

The rates quoted by AMISP agencies for providing HT ToD Smart Meter are considered in SOC.

**Query 117. Section 10.3**

Administrative charges for cheque bouncing.

There is an increase of 33% in cheque bouncing charges. MSEDCL to clarify the reason for the proposed increase in charges.

**MSEDCL Reply:**

MSEDCL submits that the 33% rise in cheque bouncing charges are proposed to control the willful malpractices from the consumers.

**Separation of Agriculture & Non-Agriculture Supply**

**Query 118. Para 7.4 Separate ACoS for Agricultural Consumers:**

MSEDCL needs to provide a clear justification for bifurcating ARR components, excluding power purchase costs, based on the projected sales ratio of LT-IV agricultural sales to total sales.

Additionally, MSEDCL mentioned that the Hon'ble Commission can determine a separate tariff for agricultural companies from FY 2026-27 onwards, instead of waiting until FY 2028-29.

However, this request was not included in MSEDCL's prayers. Therefore, MSEDCL shall modify its prayers to reflect this request.

Further, MSEDCL has proposed separate ACoS for AG & Non-AG company and shown modified ACoS before and after segregation of AG company from FY 2026-27 to FY 2029-30. ACoS shown before segregation does not match with the proposed ABR claimed in Para 9.3.

Further, MSEDCL shall provide category wise ABR & cross subsidy level proposed before & after segregation for each year of the 5th Control period in following formats.

Consumer Category	Before Segregation		After Segregation	
	ABR	Cross Subsidy Level	ABR	Cross Subsidy Level
LT I				
LT II				
.....				
Total LT				
HT I				
HT II				
Total HT				
Gross Total				

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.

**Other Queries**

**Query 119. Implementation of Demand Side Management Measure**

- a. As per the Regulation 104.3, distribution licensee to submit its existing level of own energy consumption and provide the trajectory for the reduction of such own energy consumption in the Control Period. The relevant extract from the Regulation is given below:

*“104.3 The Distribution Licensee shall submit its existing level of own energy consumption and Energy Conservation measure at the beginning of the Control Period and provide the trajectory for the reduction of such own energy consumption through the implementation of Energy Efficiency improvement scheme/plan under Capital Expenditure or Opex Expenditure as part of the MYT Petition alongwith the target of Energy Efficiency related savings, and monitoring plan in line with principles provided the MERC (Demand Side Management Implementation Framework) Regulations, 2010 as amended from time to time. Provided that, the Distribution Licensee shall submit its Energy Efficiency Programmes’ /Scheme’s Cost Effectiveness Assessment for the expected trajectory.”*

- b. MSEDCL has neither submitted its existing level of energy consumption nor submitted trajectory for the reduction of own consumption for control period. MSEDCL to submit the same.

**MSEDCL Reply:**

- a. MSEDCL submits that the reply to the said query shall be submitted subsequently.
- b. MSEDCL submits that the reply to the said query shall be submitted subsequently.

#### **Query 120. Form 20 & 22**

MSEDCL has not submitted Form No. 20 & Form No. 22 with the MYT Petition. MSEDCL needs to submit Form 20 & 22.

#### **MSEDCL Reply:**

MSEDCL submits that the reply to the said query shall be submitted subsequently.

#### **Query 121. Voltage Wise Asset Allocation**

- a. MSEDCL is required to provide voltage-wise asset details in accordance with the prescribed MYT formats. As per the MERC MYT Regulation 2024, a detailed methodology for asset allocation has been outlined. Furthermore, MSEDCL was directed in previous tariff orders to submit voltage-wise tariff details. However, MSEDCL has not taken adequate steps to comply with these requirements.
- b. MSEDCL is requested to provide justification for not undertaking voltage-wise asset bifurcation and explain the reasons for non-submission of the MYT forms. Additionally, MSEDCL is required to submit the voltage-wise asset details in the prescribed MYT formats along with prescribed documents/information.

#### **MSEDCL Reply:**

Reply to a, b.

MSEDCL submits that the reply to the said query shall be submitted subsequently.

#### **Query 122. Compliance to Directives**

- a. As per MERC MYT Reg. 2024, the MSEDCL needs to submit a consolidated statement of the status of the adherence of prevailing Regulations and / or the directives of the Commission in the earlier Orders (including Tariff as well as Non-Tariff Orders). The Relevant extract from the regulation is reproduced below:

*“Along with the Petition for determination of Tariff or Fees and Charges and Truing up under these Regulations, the Petitioner shall submit consolidated statement of the status of the adherence of prevailing Regulations and / or the directives of the Commission in the earlier Orders (including Tariff as well as Non-Tariff Orders) along with the justification of non-compliance, if any:*

*Provided that, in case of non-adherence of the prevailing Regulations and/ or directives of the Commission, with unsatisfactory justification, the Commission may consider applying disincentive of INR One Crore per default at the time of approval of the ARR.”*

- b. However, in the MYT petition, MSEDCL has submitted compliance status of very few specific orders only and has not submitted consolidated statement of compliance of past orders directives. MSEDCL needs to submit consolidated statement of the status of the adherence of prevailing Regulations and / or the directives of the Commission in the earlier Orders (including Tariff as well as Non-Tariff Orders) along with the justification of non-compliance.

**MSEDCL Reply:**

Reply of a, b

Hon'ble Commission has initiated Suo-motu hearing in Case no. 04/SM/2024 regarding Review of status of Compliance of Directives in MTR Order dated 31st March 2023 in Case No. 226 of 2022. In the said matter, MSEDCL had submitted its comprehensive reply dated 1<sup>st</sup> July 2024 regarding updated status of compliances to all the directives, attached as **Annexure Datagap Set 1\_Query 127-149a**. During course of second hearing, MSEDCL has made additional submissions in the matter vide its reply dated 23<sup>rd</sup> Sept. 2024, attached as **Annexure Datagap Set 1\_Query 127-149b**. Further, as directed by Hon'ble Commission, MSEDCL had also submitted a brief compliance report for all the directives dated. 17<sup>th</sup> Nov 2024, attached as **Annexure Datagap Set 1\_Query 127-149c**.

**Query 123. Special Trajectory of certain variables**

- a. As per MERC MYT Reg. 2024, the MSEDCL needs to submit trajectory for certain variables. The extract from the regulations is reproduced below:

*“7.1 The Commission, while approving the Multi-Year Tariff Petition, may stipulate a trajectory for certain variables, including but not limited to transmission losses, distribution losses, Reliability Indices, System Average Interruption Frequency Index (SAIFI), System Average Interruption Duration Index (SAIDI) to monitor and report the supply availability and wires availability, Aggregate Technical and Commercial Losses (AT&C Loss), collection efficiency, and payment efficiency.”*

- b. Accordingly, MSEDCL needs to provide trajectory of certain variables.

**MSEDCL Reply:**

- a. MSEDCL Submits that, MSEDCL is regularly monitoring Reliability Indices, System Average Interruption Frequency Index (SAIFI), and System Average Interruption Duration Index (SAIDI). For improving quality of supply and minimization of power interruptions, MSEDCL is currently working on Network Strengthening through RDSS scheme. In this scheme installation of new sub stations, augmentation of power transformers, up gradation of overhead conductor's and installation of smart meters to feeders for recording feeder interruptions and other electrical parameters is in progress. 95% feeders have been installed smart meters and remaining will be completed by Dec-24. Also, various agencies are deployed for regular preventive maintenance and breakdown maintenance for minimising of interruptions.
- b. Trajectory of Reliability indices estimated is as follows:

Reliability Indices	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
SAIFI	1.09	1.06	1.03	1.00	0.97	0.94
SAIDI	102.23	99.16	96.18	93.30	90.50	87.78

MSEDCL regularly monitors the Reliability Indices for all the circles and does publish

monthly information of Reliability indices of circles on MSEDCL website.

As per MOP Guidelines % AT&C Loss reduction Target for MSEDCL up to FY 2029-30 is as tabulated as below:

Target	FY2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2027-29	FY 2027-30
% AT&C Loss (OA less)	13%	12%	11%	10%	9.50%	9%
Distribution Loss	13%	12%	11%	10%	9.50%	9%
Collection Efficiency	100%	100%	100%	100%	100%	100%

- The Collection Efficiency for FY2023-24 is 95.82%.
- MSEDCL is taking efforts for achieving 100% collection efficiency.
- MSEDCL is receiving Govt. subsidy to AG consumers below 7.5HP as Baliraja scheme.
- MSEDCL is taking follow up for Govt. dues.
- MSEDCL is implementing PD amnesty scheme, carrying disconnection drives and new connections release on priority.

**Query 124. Status of compliance with new Regulation**

- a. The Ministry of Power has recently issued the “Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024 which became applicable to the distribution licensees from 10th October 2024. MSEDCL to provide details regarding status of compliance with the requirements under the newly issued rules.

**MSEDCL Reply:**

- a. MSEDCL submits that it will incorporating the disclosures in the annual accounts of FY 2024-25.

**Query 125. Government Subsidy**

- a. MSEDCL to submit total Government subsidy claimed for FY 2022-23 & FY 2023-24 and actual subsidy received for respective years.

**MSEDCL Reply:**

- a. MSEDCL submits that the total subsidy claimed and received for the FY 2022-23 and FY 2023-24 are as below:



Scheme Name	FY 2022-23		FY 2023-24	
	Total Subsidy Claimed	Actual Subsidy Received	Total Subsidy Claimed	Actual Subsidy Received
1	2	3	4	5
Agriculture Subsidy GEN	5,368	5,808	8,369	7,356
Agriculture Subsidy SCP	271	297	277	205
Agriculture Subsidy TSP	221	249	227	191
<b>AG Subsidy</b>	<b>5,860</b>	<b>6,354</b>	<b>8,873</b>	<b>7,752</b>
Power loom Subsidy	2,363	2,050	1,940	1,987
Textile Subsidy	865	972	678	776
Industrial Subsidy	2,798	3,388	441	1,200
<b>Grand Total</b>	<b>11,886</b>	<b>12,765</b>	<b>11,932</b>	<b>11,715</b>

**Query 126. General comments**

- a. MSEDCL to ensure that the tables and paragraphs in the Petition are appropriately numbered for easy reference.

**MSEDCL Reply:**

- a. MSEDCL submits that appropriate care will be taken to structure future petitions and submissions in a manner that ensures easy understanding and reference for the Hon'ble Commission.

**Section 5: Data Gaps related to Directives of MTR order case No. 226 of 2022 Compliance to Directives**

**Status of Compliance**

**Query 127. Pg 49 (2.9.5) - Customer related processes, service delivery related issues & Billing Process**

*“The Commission directs MSEDCL to prepare zone wise process flow diagram marked with time frame for billing (start from Meter reading to handover of bills to consumers). Further, suitable timelines be prepared considering field circumstances and pass on appropriate directions to field offices. The Commission will review the said exercise during the next MYT filing.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.3 of MSEDCL's reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon'ble Commission in case no 226 of 2022 dated 1<sup>st</sup> July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 128. Pg 454 (7.1.40) - List of AG dominant feeders**

*“The Commission hereby directs MSEDCL to submit list of AG dominant feeders with their AT&C loss levels during FY2022-23 alongwith operational modalities for implementation of such differential Tariff for AG consumers, **within three months** from date of issuance of the Order and also provide wide publicity for same including publishing the same on its website to implement this arrangement.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.14 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1<sup>st</sup> July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 129. Pg 547 (8.1.18) - Power availability assessment**

*“The Commission appreciates MSEDCL’s efforts in terms of executing power banking contracts. The Commission directs MSEDCL to carry out its power availability assessment based on its seasonal demand patterns & explore more avenues on the banking front.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.16 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1<sup>st</sup> July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 130. Pg 549 (8.3.8) - Audit of billing software/system**

*“the Commission expresses its displeasure that MSEDCL has not yet undertaken third party audit of its billing software/system despite such recommendation in the last MYT Order in Case 322 of 2019. The Commission hereby directs that MSEDCL should conduct a third-party process audit of its billing processes, including audit of its billing software/system and should submit action taken report with observations of third-party auditor within one year from date of issuance of this Order.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.17 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1<sup>st</sup> July 2024 and para 1.6.16 of Additional submission dated 23<sup>rd</sup> Sept 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** and **Annexure Datagap Set 1\_Query 127-149b** respectively to this document.

**Query 131. Pg 551 (8.4.7) - Power Quality**

*“the Commission expresses its displeasure that even after 3 years since issuance of MYT*

Order in Case No. 322 of 2019, the MSEDCL has not yet finalized the tender specification for engagement of service provider on this critical power quality issue. The Commission hereby directs that MSEDCL should complete exercise of installation and measurement of planned power quality meters under OPEX mode at its substations and submit action taken report within one year from the date of issuance of this Order.”

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.18 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 132. Pg 553 (8.7.5) - Improvement in Reliability Indices for all circles/divisions and publish such information on website.**

*“The Commission has taken note of the submission for the initiatives undertaken for select Circles. But MSEDCL’s submission fall short in showcasing improvement in reliability indices, and it is not backed by supplementary data. Hence, the Commission further directs MSEDCL to closely monitor the Reliability Indices for all circles/divisions and publish such information on its website.”*

**MSEDCL Reply:**

Currently MSEDCL is calculating reliability indices through IT system by considering all 11 KV & 22 KV urban and rural Non-AG feeder outages above 5 minutes. Also, smart meters have been installed on 95% of feeders and remaining will be installed by December 2024. After installation of smart meters to all the feeders, reliability indices will be calculated without human intervention.

**Query 133. Pg 553 (8.7.6) - Methodology for computing reliability indices**

*“The Commission also notes that MSEDCL has been uploading the reliability indices on its website on regular interval, however sanctity of such indices becomes questionable when large number of consumers especially in rural area complaints about supply instructions. Hence, the Commission directs MSEDCL to submit methodology based on which it is computing reliability indices at present and action plan for computing such indices without human intervention. Said submission shall be filed **within six month** from date of this Order.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.19 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 134. Pg 555 (8.8.9) - Implementation of automatic compensation mechanism**

*“the Commission hereby directs MSEDCL to implement the automatic compensation mechanism at the earliest but **not later than six months** from issuance of this Order. MSEDCL should provide wide publicity for automatic compensation mechanism on its website and submit action taken report **within six months** from issuance of this Order.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.20 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024 and para 1.9 of Additional submission dated 23<sup>rd</sup> Sept 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** and **Annexure Datagap Set 1\_Query 127-149b** respectively to this document.

**Query 135. Pg 556 (8.9.4) - Report of circle-wise number of applications for net-metering/interconnections for RTPV systems**

*“The Commission hereby directs the MSDECL to submit detailed status report of circle-wise number of applications for net-metering/interconnections for RTPV systems as received, processed and pending during each month of FY 2022-23 **within three months** from date of issuance of this Order. MSEDCL should strictly adhered to timelines as per notified Regulations and procedures/practice directions in this respect.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.21 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 136. Pg 563 (8.13.4) - kVAh metering**

*“The Commission expresses its displeasure that MSEDCL has completed exercise of kVAh meter installation and other system modifications for LT consumers (above 20 kW) to enable kVAh Metering for such consumers despite clear target for implementation specified in the last MYT Order in Case 322 of 2019. The Commission hereby directs that MSEDCL should complete this exercise **within one year** from date of issuance of this Order and **submit six monthly** status report.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.13 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 137. Pg 567 (8.20.2) - Roadmap on cross-subsidy reduction**

*“To have larger visibility on cross-subsidy reduction roadmap and its implication on consumer tariff, the Commission directs MSEDCL to submit 10 years roadmap for Cross subsidy reduction and its implication on subsidized categories during next tariff filing so that it can be debated and decided through public consultation process.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under section 11.2 of the MSEDCL’s MYT petition for the 5<sup>th</sup> control period for FY 2025-26 to FY 2029-30 under case no 217 of 2024. However, the details shall be submitted subsequently.

**Query 138. Pg 568 (8.21.1) - Comments and allegations of the consumers on the financial indiscipline and auditor’s adverse remarks in the Audited Reports**

*“The Commission notes the serious comments and allegations of the consumers on the financial indiscipline and auditor’s adverse remarks in the Audited Reports. The Commission also notes that, MSEDCL’s submission on the issues raised by consumers is not satisfactory and to the points. The Commission directs MSEDCL to submit point wise reply to such objections with action plan to take corrective action **within six months** from the date of this Order.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.6 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024 and para 1.5.26 and para 1.6 of Additional submission dated 23rd Sept 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** and **Annexure Datagap Set 1\_Query 127-149b** respectively to this document.

**Query 139. Pg 568 (8.22.1) - Releasing of unmetered Ag connections.**

*“The Commission is of the view that, releasing unmetered connections instead of converting unmetered to metered connection, is non-compliance of the Commission’s directions. The Commission expresses its strong displeasure for non-compliance by MSEDCL on the directions of the Commission and directs MSEDCL to initiate the internal enquiry for releasing the un-metered Ag connections during FY 2020-21 and FY 2021-22 and submit the Zone-wise compliance report to the Commission **within six months** from the date of this Order.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.7 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024 and para 1.6.19 of Additional submission dated 23rd Sept 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** and **Annexure Datagap Set 1\_Query 127-149b** respectively to this document.

**Query 140. Pg 568 (8.23.1) - Adjudication of all pending disputes against generators**

*“The Commission notes that un-reconciled claimed amount of the generator represent the contingent liability for MSEDCL and it should be expeditiously resolved/ settled in terms of PPA including adjudication through regulatory process. Considering large quantum of disputed claims and its adverse implications, the Commission directs MSEDCL to file separate Petition **within a month** from date of this Order before the appropriate Commission for adjudication of all pending dispute by making concerned generator as a necessary party.”*

**MSEDCL Reply:**

- a. MSEDCL submits that the compliance of the said directive has been submitted under para 2.8 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

**Query 141. Pg 567 (8.19.4 & 8.19.5) - PD consumers & Bad Debts**

*“The Commission has noted that substantial quantum of bad debts is rising. ...Considering substantial live and permanently disconnected consumers, MSEDCL may prepare a scheme for recovery of the same in consultation with Government of Maharashtra.”*

**MSEDCL Reply:**

- a. MSEDCL submits that in compliance to the above directive by the Hon’ble commission it has launched Mahavitaran Abhay Yojana 2024 on dt. 29.08.2024 for period 3 Months. (1st Sept 2024 to 30th Nov 2024) and extended up to 31st Dec. 2024.

The key highlights of the scheme are as under

- i. 100% Interest & DPC waiver
- ii. Waiver of Demand Charges from TD to PD period.
- iii. No Interest from PD date to application date.
- iv. Option for consumer to pay in One Stroke/ Instalments
- v. Additional rebate of 5% for HT consumers and 10% to LT consumers on principal arrears if paid in one stroke.
- vi. New connection on receipt of 30% down payment on principal arrears & 06 interest free instalments on the balance principal arrears.
- vii. The fictitious/average billing issues raised by Consumers are assigned to Circle office /Subdivision and same are resolved immediately.

Eligibility to Participate in the Scheme

- i. All HT/LT PD (Excluding PWW & AG) consumers including DF area.
- ii. Consumers made PD on or before 31.03.2024 are eligible to participate.
- iii. The consumers having Decree order issued but not executed for 12 years & no appeal is filed before any court are eligible for the scheme.
- iv. The consumers having Decree order issued but twelve years are not completed,

amount payable is as per Decree order with 50% rebate in interest.

- v. The Consumers in Litigation shall unconditionally withdraw the filed petition/case to participate in the scheme.

Details of consumers availed benefit of Mahavitaran Abhay Yojana- 2024 as on 13.12.2024 is as below:

Consumer Category	Consumer Count	Amount Paid (Rs. Cr.)
HT	340	21.00
LT	75,233	79.91
<b>TOTAL</b>	<b>75,573</b>	<b>100.91</b>

**Query 142. Pg 552 (8.6.3) - Implementation of dynamic and season ToD**

*“the Commission further observes that there is need to enable dynamic and season ToD to respond to the market requirements and other technological developments taking place. MSEDCL should ensure that the meters are capable and programmable with ToD features so that such regulatory measure of dynamic ToD and Seasonal ToD could be implemented with ease in the interest of consumers as well as utility can harness the dynamic demand response features that would enable utility to optimize its power procurement and maximize gains in response to the real time market requirements. Accordingly, MSEDCL should ensure that all new meter procurement should include such features.”*

**MSEDCL Reply:**

- a. MSEDCL submits that proposal of ToD is submitted under section 6.4 of MSEDCL's MYT petition for the 5<sup>th</sup> control period for FY 2025-26 to FY 2029-30 under case no 217 of 2024. The smart meters being procured under RDSS would be equipped with ToD provision.

**Query 143. Pg 78 (2.24.16) - Web based applications for change in demand**

*“MSEDCL should file petition **within three months**, as to how applications for change in demand can be facilitated through web-based applications in the interest of ease of doing business for the consumers.”*

**MSEDCL Reply:**

- a. MSEDCL submits that Two consumers requested for change in demand more than once within a billing cycle. They have been informed about the regulatory provision, which permits only one change in demand per billing cycle. None of the consumer has approached the Hon'ble Commission seeking approval for multiple change in demand changes within a single billing cycle, therefore no response/petition has been filed. Currently, the online auto Change in Demand reduction facility is available once per billing cycle, provided there is no need for CT/PT changes.

**Query 144. Pg 378 (6.4.67) - Surplus Power**

*“...the Commission observes that significant quantum of surplus power is expected in FY 2023-24 and FY 2024-25 in case all contracted generating capacity is considered to be*

available. MSEDCL should ascertain that necessary fuel tie-up arrangements for such contracted generating capacity is in place or take necessary actions/remedial measures as per provisions of the contracts/PPA.”

#### **Query 145. Pg 378 (6.4.69) - Surplus Power**

“...surplus energy of around 35850 MUs in FY 2023-24 and 39313 MUs in FY 2024-25. Considering per unit average power purchase cost for the respective year, the yearly revenue could be around Rs. 17792 Crores in FY 2023-24 and Rs. 19541 Crores in FY 2024-25. Hence, MSEDCL should explore various options for selling the surplus power through short-term/ medium-term bilateral contracts or through Power Exchanges in an optimal and efficient manner such that the revenue from surplus trade of power can help in optimizing effective cost of power procurement. In any case, in view of the likely surplus, any future long-term/medium-term contracting for power procurement during FY 2023-24 and FY 2024-25 (except of RE power procurement to meet RPO target) shall be demonstrated to meet the test of efficacy of power procurement and further optimization of overall cost of power procurement. Further, MSEDCL shall also review its PPAs and explore options to optimize the impact of the fixed cost of the contracted capacity.”

#### **MSEDCL Reply: For Query 144 and 145**

MSEDCL submits that the compliance of the said directive has been submitted under para 2.2 of MSEDCL’s reply to submission for Suo Moto hearing on review of compliance of various directions issued by Hon’ble Commission in case no 226 of 2022 dated 1st July 2024. The same is attached as **Annexure Datagap Set 1\_Query 127-149a** to this document.

Further, MSEDCL submits that it has ascertained that for all the contracted generating stations there should be necessary fuel arrangement available with each plant. MSEDCL from time to time has taken follow up with the contracted generating station for maintaining adequate coal stock. The correspondence made are attached as **Annexure Datagap Set 1\_Query 144**.

#### **Query 146. Pg 411 (6.15.6 & 6.15.7) - Collection efficiency & receivables**

“With regards to Supply business, the Commission observes that in view of the collection efficiency as reported by MSEDCL of around 95% and will be going to increase in the ensuing years, the estimates of receivables for FY 2023-24 and FY 2024-25 are very high. Besides, stringent measures should be initiated by MSEDCL to improve collection efficiency reduce receivable incl. recovery of past dues. It can be observed the total receivable as projected by MSEDCL for FY 2023-24 is around Rs. 74,070.94 Crore which is almost 70.52% of the annual ARR of MSEDCL. This is an alarming situation.

In view of the above, MSEDCL should strengthen its collection drive and put every efforts in clearing its receivable in a time bound manner. Any action/inactions that are detrimental to enhance collection efficiency otherwise pose undue burden on paying consumers and affects day to day cash flow management of MSEDCL itself.”

#### **MSEDCL Reply:**

MSEDCL submits that it has taken multiple initiatives to reduce losses and enhance revenue collection, the details of the same are listed below:

- a. Loss Reduction



1. Checking of '0' units consumption consumers
  - Total MSEDCL consumers are 2.52 Cr (LT non-Ag).
  - Consumers with '0' consumption – 15.83 Lakhs (i.e., 6.28 %).
  - Monthly target is given for verification & necessary corrective action.
2. Checking of '1-30' units consumption consumers
  - Total MSEDCL consumers are 2.52 Cr (LT non-Ag).
  - Consumers with '1-30' units' consumption- 50.36 Lakhs (i.e. 20 %)
3. PD consumer's verification & PD arrears recovery
  - Total PD consumers – 34.49 Lakhs, PD arrears Rs 4023.17 Cr.
  - PD verification activity is intensified to keep vigil on the PD consumers.
  - PD verification is done through Mobile app.
  - "Mahavitaran Abhay Yojana 2024" is introduced from Sep2024 for PD consumers.
  - Till date 73,416 consumers have participated in the scheme by paying Rs 99.04 Cr
  - Targets are given for PD verification & PD arrears recovery.
4. Faulty meter replacement
  - Faulty meters are being replaced by the smart meters.
  - Region wise agencies are appointed for smart meter installation.
5. Billing Intelligence & Data Analysis
  - Development of ATMS Software for detection of suspected Theft of Metered Consumers.
  - Consumers Meter Data received from AMR/MRI are analyzed centrally.
  - Suspected consumers list is made available for the field employees for site verification & further necessary action.
6. Theft Drives
  - Rigorous theft drives are being conducted.
  - Dedicated flying squad at circle level for theft detection.
  - Theft detection target for FY 2024-25 is 60000 Nos. of cases.
  - Till date, 27254 Nos of cases detected amounting Rs 117 Cr
  - Appropriate actions are initiated U/S 135/126 of EA Act-2003.
7. Photo verification
  - Meter reading photos are verified to confirm the correct bill to the consumer.
  - Meter reading photo is accepted if the reading in photo is same as reading punched by the meter reader, else it is rejected.
  - Meter reading agency is penalized for photo rejection.
  - Photo verification is done on sample basis (10%) at corporate level & all the photos are allotted to field for field verification.

- The recent (Oct24) photo rejection percentage is 0.7% against the target of 1%
8. Feeder Loss reduction
- 100% Feeder Metering by Smart Meters
  - DTC Metering with Smart Meter is in Progress.
  - 735 feeders are selected for loss reduction and monitoring of the same from Head Office
  - Feeder & DTC metering program.
  - Faulty meter replacement.
  - Up gradation of Conductor.
  - Use of Arial Bunch Cables in theft prone areas.
  - Theft detection drives
- b. Revenue Recovery
1. Composite Billing for Corporate consumers
    - Consumer friendly and interactive platform developed to corporate / Govt. consumers having multiple connections across the state (MSEDCL Jurisdiction), to facilitate Corporate / Govt. consumers to track all his MSEDCL bills on one platform.
    - Wallet facility to consumers for auto payment processing.
    - Various discounts like 1% discount of prompt payment, discount of digital payment & GO GREEN discount of Rs 10 per bill.
    - Till date 51,666 consumers are registered through 41 groups.
    - Composite billing helps to reduce man-hours of MSEDCL on recovery.
  2. Utilization of Call Center
    - Call center employees are utilized for calling arrears list consumers.
    - For calling PD consumers to participate in the amnesty scheme.
  3. Consumers Complaints Monitoring
    - Centralized Consumer Complaints Monitoring System is implemented.
    - Average complaints received & resolved in a year are approx. 1 Lakhs per month.
    - Source of complaints are IVRS, Mobile app, WSS, e-mails & walk-in-consumers in MSEDCL office.
    - Regular review and follow up is taken for timely resolution of complaints.
  4. Govt. connection arrears recovery
    - Continuous follow up is taken with UDD & RDD authority for payment of Street Light & PWW electricity bills.
    - During FY 24-25, Rs 720 Cr are received against PWW & STL connections.
    - GoM has approved Rs 3880 Cr. against interest & DPC of PWW & STL as per OTS Scheme.
  5. Recovery position

- Fortnightly review of arrears recovery against the given target is taken at corporate office.
- More attention is being paid to recovery of arrears.
- GoM has released Rs 2715 Cr against Ag current bill (Jun24 Quarter)

**Query 147. Pg 549 (8.3.10) - Web based services.**

*“Further, the Commission observes that as per Supply Code Regulations, 2021, the MSEDCL and distribution licensees should provide various services including new connections/applications through web-based portal/interface, in the interest of ease of doing business as well as expeditious disposal of the applications, which has been initiated by MSEDCL. However, the implementation on this web-based processing seem to be lacking, hence, MSEDCL should submit **quarterly status report** regarding the services rendered which has been mandated to be provided in online mode using web interface and also provide reasons for addressing delays/ measures taken to address the deficiencies in the same.”*

**MSEDCL Reply:**

MSEDCL is providing its consumer services including new connections / applications through Web Self Service portal and ‘Mahavitaran’ mobile app for consumers. As per guidelines of Ease of Doing Business, a dashboard for ‘New Connection Applications’ is made available in public domain on MSEDCL website i.e., [www.mahadiscom.in](http://www.mahadiscom.in) à Consumer Portal à Knowledge Center à Ease of Doing Business à Dashboard for LT New Service Connections (Non-Ag).

Further it is to inform that MSEDCL has provided facility to its consumer through web-based portal / mobile application for online applications such as Change in Name, Address correction, Load change, Change in contract demand, SD Refund application, Refund of Electricity Duty, ED exemption, Solar Rooftop application, Off Grid Ag solar pumps, Application for open access, Go-Green registration etc.

The quarterly report regarding the services rendered in online mode, will be made available as per format required.

**Query 148. Pg 298 (5.9.5) - Asset class-wise break-up of GFA based on accumulated depreciation.**

*“The Commission sought yearly depreciation and GFA (with Asset class-wise break-up) having accumulated depreciation less than 70%, between 70% and 90% and greater than 90%. MSEDCL in its reply to data gap submitted the details of Depreciation as an Annexure to data gap and the same was reviewed. MSEDCL should maintain details of Depreciation and GFA in the same manner and should be furnished along with all future tariff Petitions.”*

**MSEDCL Reply:**

MSEDCL submits that the asset register is attached as annexure for FY 2022-23 and FY 2023-24. **Annexure Datagap Set 1\_Query 148 FY 2022-23 & Annexure Datagap Set 1\_Query FY 2023-24** respectively.

**Query 149. Pg 547 (8.1.16) - Sale of surplus power to deemed licensees.**

*“...MSEDCL should also explore sale of surplus power to other deemed licensees such as SEZs as and when they initiate their power procurement through tender process.”*

**MSEDCL Reply:**

MSEDCL submits that it has been actively exploring opportunities to sell surplus power to deemed distribution licensees, such as Special Economic Zones (SEZs). The company has participated in tenders floated by Maharashtra State Industrial Township Ltd. and Jawaharlal Nehru Port Trust. However, MSEDCL was not successful in securing these contracts.

It is to submit that the power requirements of SEZs are typically one or two years. Given MSEDCL's surplus power during periods of low demand, decisions regarding participation in such tenders are made based on the quantum of power required by SEZs and the anticipated power supply position.

Due to voluminous data, all annexures are uploaded in Drive and the link of the same is provided as below;

[https://drive.google.com/drive/folders/1hGVfyzRIEqb9XG7pa7LRE\\_9iO6LXMJay?usp=sharing](https://drive.google.com/drive/folders/1hGVfyzRIEqb9XG7pa7LRE_9iO6LXMJay?usp=sharing)