



Summary of Petition no. 2031 / 2021:

1. Introduction:

Paschim Gujarat Vij Company Limited (PGVCL) is one of the distribution companies engaged in distribution of electricity in the west zone area of Gujarat.

The Paschim Gujarat Vij Co. Ltd obtained its Certificate of Commencement of Business on the 15th October, 2003. However, the company had not commenced its commercial operations during the financial year ended 31st March, 2005. The Company has started commercial function w.e.f. 1st April 2005.

The Gujarat Electricity Regulatory Commission (hereinafter referred to as "GERC" or "the Hon'ble Commission"), an independent statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, is vested with the authority of regulating the power sector in the State inter alia including setting of tariff for electricity consumers. The Hon'ble Commission is now deemed to be the Commission established under Sub-Section (1) of Section-3 of the Gujarat Electricity Industries (Reorganization and Regulations) Act, 2003.

The Hon'ble Commission notified the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016 ("MYT Regulations, 2016") on 29th March 2016 and shall be applicable for determination of tariff in all cases covered under the regulations from 1st April, 2016 onwards till 31st March 2020.

The Hon'ble Commission vide its Order in Suo-Motu Petition no.1955 of 2021 dated 24th Sept.2021 directed generating companies, licensees and utilities to file their tariff applications for approval of true-up for FY 2020-21 and for determination of Annual ARR and Tariff for FY 2022-23 on or before 30th November, 2021 based on the principles and methodologies as provided in the GERC MYT Regulations, 2016.

Submission by PGVCL to the Hon’ble Commission

As the FY 2020-21 is over and annual accounts of PGVCL are also audited, PGVCL is filing its Petition for True-up of FY 2020-21 in accordance with MYT Regulations, 2016, to the Hon’ble Commission for its approval.

2. True –Up for FY 2020-21:

(a) Category wise Sales and Revenue for FY 2020-21:

The actual energy sales for FY 2020-21 are as under:

Table: Category-wise Sales

| Sr. No. | Particulars | Sales(MUs) | |
|----------|----------------------------|--------------------------|------------------------|
| | | FY 2020-21 (Approved) | FY 2020-21 (Actual) |
| A | LT Consumers | | |
| 1 | RGP | 4,204.57 | 4,177.97 |
| 2 | GLP | 146.27 | 142.49 |
| 3 | Non-RGP & LTMD | 3,919.76 | 3,582.47 |
| 4 | Public Water Works | 945.26 | 632.19 |
| 5 | Agriculture - Metered | 4,060.12 | 3,199.34 |
| 6 | Agriculture - Unmetered | 4,570.16 | 4,684.05 |
| 7 | Street Lighting | 81.14 | - |
| 8 | EV Charging | | 0.00 |
| | LT Total (A) | 17,927.27 | 16,418.51 |
| B | HT Consumers | | |
| 8 | Industrial HT | 13,932.12 | 11,494.94 |
| 9 | Railway | | - |
| | HT Total (A) | 13,932.12 | 11,494.94 |
| | Grand Total (A + B) | 31,859.39 | 27,913.45 |

(b) Distribution loss for FY 2020-21:

Actual Distribution loss for FY 2020-21 vis-à-vis approved is as under.

| Sr. No. | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) |
|---------|---------------------|--------------------------|------------------------|
| 1 | Distribution Losses | 16.00% | 17.87% |

(c) Energy Requirement:

The gross energy requirement for PGVCL is as follows (Actual vis-à-vis approved)

ENERGY REQUIREMENT AND ENERGY BALANCE

| Energy Balance | | | | |
|----------------|--|------------|------------------------|----------------------|
| S.No. | Particulars | Unit | FY 2020-21 Approved | FY 2020-21 Actual |
| 1 | Energy Sales | MUs | 31,859.39 | 27,913.45 |
| 2 | Distribution Losses | MUs | 6,068.46 | 6,071.28 |
| | | % | 16.00% | 17.87% |
| 3 | Energy Requirement | MUs | 37,927.85 | 33,984.73 |
| 4 | Less: Local Power Purchase by Discom (Net of sale to KPT) | MUs | | 212.89 |
| 5 | Power Purchase at T<>D periphery from | MUs | 37,928 | 33,772 |
| 6 | Transmission Losses | MUs | 1,519.00 | 1,224.56 |
| | | % | 3.85% | 3.50% |
| 7 | Total Energy to be input to Transmission System | MUs | 39,446.85 | 34,996.40 |
| 8 | Pooled Losses in PGCIL System | MUs | 581.10 | 621.09 |
| 9 | Add: Local Power Purchase by Discom | MUs | | 212.89 |
| 10 | Total Energy Requirement | MUs | 40,027.95 | 35,830.38 |

(d) Capital Expenditure:

Capital Expenditure incurred by PGVCL in FY 2020-21 vis-à-vis approved is as under:



CAPITAL EXPENDITURE

Rs. in Crores

| | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) | Deviation |
|----------|--|--------------------------|------------------------|---------------|
| A | Distribution Schemes | | | - |
| | Normal Development Scheme | 358.18 | 294.85 | 63.33 |
| | System Improvement Scheme | 100.00 | 186.74 | (86.74) |
| | Electrification of hutments | 7.00 | 2.47 | 4.53 |
| | Scheme for meters including installation of SMART Meters | 80.00 | 49.20 | 30.80 |
| | Total | 545.18 | 533.27 | 11.91 |
| B | Rural Electrification Schemes | | | - |
| | Special Component plan | 1.50 | 1.89 | (0.39) |
| | RE Normal + Tatkal + Dark Zone | 935.00 | 449.10 | 485.90 |
| | Total | 936.50 | 450.99 | 485.51 |
| C | Non Plan Schemes | | | - |
| | SCADA/DMS | - | - | - |
| | Total | - | - | - |
| D | Other New Schemes | | | - |
| | Civil work | 10.00 | - | 10.00 |
| | Shunt Capacitor | 10.00 | - | 10.00 |
| | Fencing to Distribution Transformer | 15.00 | - | 15.00 |
| | Aerial Bunch Conductors | 1.00 | - | 1.00 |
| | HVDS | 100.00 | 54.75 | 45.25 |
| | Under Ground System | 132.00 | - | 132.00 |
| | SKJY | 50.00 | 76.40 | (26.40) |
| | Marine Cable for Shiyalbet | - | - | - |
| | IPDS | - | - | - |
| | DDUGJY | - | - | - |
| | Solar Ag Pump | - | - | - |
| | FPI | 1.00 | - | 1.00 |
| | DISS | 10.00 | 12.37 | (2.37) |
| | Others schemes (General Schemes) | - | - | - |
| | Smart Village | - | - | - |
| | Coastal area scheme | 40.00 | 39.95 | 0.05 |
| | Total | 369.00 | 183.46 | 185.54 |
| | Capital Expenditure Total | 1,850.68 | 1,167.72 | 682.96 |

(e) Funding of CAPEX

The detailed breakup of funding of capital expenditure during FY 2020-21 is mentioned below.

FUNDING OF CAPITALISATION

Rs. in Crores

| Sr. No. | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) | Deviation |
|----------|-------------------------------|--------------------------|------------------------|---------------|
| 1 | Capitalization | 1,850.68 | 1,167.75 | 682.93 |
| 2 | Less : Consumer Contribution | 215.03 | 200.35 | 14.68 |
| 3 | Grants | 107.50 | 172.08 | (64.58) |
| 4 | Balance Capitalisation | 1,528.15 | 795.32 | 732.83 |
| 5 | Debt @ 70% | 1,069.70 | 556.72 | 512.98 |
| 6 | Equity @ 30% | 458.44 | 238.59 | 219.85 |

(f) Aggregate Revenue Requirement of FY 2020-21:

Aggregate Revenue Requirement for FY 2020-21 for PGVCL in comparison with values approved by the Hon'ble Commission is as under.

AGGREGATE REVENUE REQUIREMENT FOR FY 2020-21

Rs. in Crores

| Sr. No. | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) | Deviation |
|-----------|--|--------------------------|------------------------|-----------------|
| 1 | Cost of Power Purchase | 15,435.93 | 14,134.48 | 1,301.45 |
| 2 | Operation & Maintenance Expenses | 1,162.62 | 1,133.46 | 29.15 |
| 2.1 | Employee Cost | 1,062.21 | 968.45 | 93.76 |
| 2.2 | Repair & Maintenance | 174.53 | 199.64 | (25.11) |
| 2.3 | Administration & General Charges | 187.50 | 172.74 | 14.76 |
| 2.4 | Other Expenses Capitalised | (261.63) | (207.37) | (54.26) |
| 3 | Depreciation | 799.62 | 900.57 | (100.95) |
| 4 | Interest & Finance Charges | 485.55 | 441.83 | 43.72 |
| 5 | Interest on Working Capital | - | - | - |
| 6 | Provision for Bad Debts | 2.15 | 0.41 | 1.74 |
| 7 | Sub-Total [1 to 6] | 17,885.86 | 16,610.74 | 1,275.11 |
| 8 | Return on Equity | 640.56 | 634.69 | 5.87 |
| 9 | Provision for Tax / Tax Paid | 28.71 | 36.16 | (7.45) |
| 10 | Total Expenditure (7 to 9) | 18,555.13 | 17,281.59 | 1,273.53 |
| 11 | Less: Non-Tariff Income | 258.58 | (104.04) | 362.62 |
| 12 | Add: DSM Expenses | 2.50 | | |
| 13 | Aggregate Revenue Requirement (10 - 11) | 18,299.05 | 17,385.63 | 913.42 |

(g) Net Gain/ (Loss) :

Net Gain/Loss to PGVCL on account of controllable factors and uncontrollable factors is given here under.

NET GAIN/ (LOSS) FOR FY 2020-21

| Sr. No. | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) | Rs. in Crores | |
|-----------|----------------------------------|--------------------------|------------------------|--|--|
| | | | | Gain/(Loss) due to Controllable Factors | Gain/(Loss) due to Uncontrollable Factors |
| 1 | Cost of Power Purchase | 15,435.93 | 14,134.48 | (297.66) | 1,599.11 |
| 2 | Operation & Maintenance Expenses | 1,162.62 | 1,133.46 | 83.41 | (54.26) |
| 2.1 | Employee Cost | 1,062.21 | 968.45 | 93.76 | - |
| 2.2 | Repair & Maintenance | 174.53 | 199.64 | (25.11) | - |
| 2.3 | Administration & General Charges | 187.50 | 172.74 | 14.76 | - |
| 2.4 | Other Expenses Capitalised | (261.63) | (207.37) | - | (54.26) |
| 3 | Depreciation | 799.62 | 900.57 | - | (100.95) |
| 4 | Interest & Finance Charges | 485.55 | 441.83 | - | 43.72 |
| 5 | Interest on Working Capital | - | - | - | - |
| 6 | Provision for Bad Debts | 2.15 | 0.41 | 1.74 | - |
| 7 | Return on Equity | 640.56 | 634.69 | - | 5.87 |
| 8 | Provision for Tax / Tax Paid | 28.71 | 36.16 | - | (7.45) |
| 9 | ARR (1 to 8) | 18,555.13 | 17,281.59 | (212.51) | 1,486.03 |
| 10 | Non - Tariff Income | 258.58 | (104.04) | - | 362.62 |
| 11 | Total ARR (9-10) | 18296.551 | 17,385.63 | (212.51) | 1,123.42 |

(h) Revenue for FY 2020-21: Actual Revenue of PGVCL vis-à-vis approved for FY 2020-21.

REVENUE FOR FY 2020-21

Rs. in Crores

| Sr. No. | Particulars | FY 2020-21 (Approved) | FY 2020-21 (Actual) |
|----------|--|--------------------------|------------------------|
| 1 | Revenue from Sale of Power | 12,686.53 | 16,126.69 |
| 2 | Revenue from FPPPA | 5,065.64 | |
| 3 | Other Income (Consumer related) | 183.98 | 306.36 |
| 4 | Total Revenue excluding subsidy (1 + 2 + 3) | 17,936.15 | 16,433.05 |
| 5 | Agriculture Subsidy | 459.55 | 461.41 |
| 6 | Total Revenue including subsidy (4 + 5) | 18,395.70 | 16,894.45 |

(i) Revenue Gap for FY 2020-21:

The Hon'ble Commission in its order has approved Aggregate Revenue Requirement of Rs. 18,299.05 Crores for FY 2020-21. The Hon'ble Commission had also added Revenue gap/ (surplus) of Rs. (313.34) Crores due to Truing up of FY 2018-19 in the Aggregate Revenue Requirement.

As per the mechanism specified in the MYT Regulation 2016, PGVCL proposes to pass on a sum of 1/3rd of total gain/(loss) on account of controllable factors i.e. Rs. (70.84) on account of uncontrollable factor i.e. Rs. 1123.42 Crores to the consumers. Adjusting these to the net Aggregate Revenue Requirement, PGVCL has arrived at the Revised Aggregate Revenue Requirement for FY 2020-21 at Rs. 17,559.81 Crores.

This revised Aggregate Revenue Requirement is compared against the revised income under various heads including Revenue with Existing Tariff of Rs. 16,126.69 Crores, Other Consumer related Income of Rs. 306.36 Crores, Agriculture Subsidies of Rs. 461.41 Crores and GUVNL profit allocation of Rs. 32.71 Crore, summing up to a Total Revenue of Rs. 16,927.17 Crores. Accordingly, total Revenue Gap / (Surplus) of PGVCL for FY 2020-21 after treatment of gain/(loss) due to controllable / uncontrollable factors is computed at Rs. (632.64) Crores as shown in the table below:

REVENUE GAP/ (SURPLUS) FOR FY 2020-21

Rs. in Crores

| Sr. No. | Particulars | FY 2020-21 (Actual) |
|---------|--|------------------------|
| 1 | Aggregate Revenue Requirement originally approved for FY 2020-21 | 18,299.05 |
| 2 | Less: (Gap) / Surplus of FY 2018-19 | (313.34) |
| 3 | Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer | 1,123.42 |
| 4 | Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss) | (70.84) |
| 5 | Revised ARR for FY 2020-21 (1 - 2 - 3 - 4) | 17,559.81 |
| 6 | Revenue from Sale of Power | 16,126.69 |
| 7 | Other Income (Consumer related) | 306.36 |
| 8 | Total Revenue excluding Subsidy (6 + 7) | 16,433.05 |
| 9 | Agriculture Subsidy | 461.41 |
| 10 | GUVNL Profit / (Loss) Allocation | 32.71 |
| 11 | Total Revenue including Subsidy (8 + 9 + 10) | 16,927.17 |
| 12 | Revised (Gap)/ Surplus after treating gains/(losses) due to Controllable/ Uncontrollable factors (11 - 5) | (632.64) |

The Hon'ble Commission is requested to approve above mentioned gap/ (surplus) and allow PGVCL to recover the same in FY 2022-23.

3. Determination of ARR and Tariff for FY 2022-23:

The GERC (Multi-Year Tariff) Regulations, 2016 provides that:-

- 3.1 These Regulations shall come into effect from the date of their publication in the Official Gazette and shall remain in force till 31st March, 2021, unless otherwise reviewed/extended.

(a) Saving of Inherent Power of the Commission

- A Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice or to prevent the abuse of the process of the Commission.
- B Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act, a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
- c Nothing in these Regulations shall, expressly or by implication, bar the Commission to deal with any matter or exercise any power under the Acts for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

Power of Relaxation

The Commission, for reasons to be recorded in writing, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.”

In view of the background and reasons mentioned above and looking to the requirement and importance of timely determination of tariff for supply of electricity, the Hon’ble Commission has proposed to differ implementation of newMYT control period by one year and adopt the determination of annual ARR and determination of tariff for FY 2021-22. Further, the Hon’ble Commission vide its Order in Suo-Motu Petition no.1955 of 2021 dated 24th Sept.2021 directed generating companies, licensees and utilities to file their tariff applications for approval of true-up for FY 2020-21 and for determination of Annual ARR and Tariff for FY 2022-23 on or before 30th November, 2021 based on the principles and methodologies as provided in the GERC MYT Regulations, 2016.

Accordingly, PGVCL is filing Aggregate Revenue Requirement and tariff for FY 2022-23 to the Hon'ble Commission.

(a) Projection of Energy Requirement for FY 2022-23

Approach for Sales Projection

It has been observed from past experience that the historical trend method has proved to be a reasonably accurate and well accepted method for estimating the load, number of consumers and energy consumption. In light of the above, PGVCL has estimated the above for various customer categories primarily based on the CAGR trends during past years. Wherever the trend has seemed unreasonable or unsustainable, the growth factors have been corrected by the company, to arrive at more realistic projections.

Summary of Growth & Projections

The growth rates observed in the energy sold to each consumer category has been analysed for the purpose of sales projections for FY 2022-23. The analysis of the growth rate lends insight into the behaviour of each category and hence forms the basis of forecasting the sales for each category.

Category-wise Units Sold

CAGR has been computed for each consumer category for the past 5-year period FY 2016-17 to FY 2020-21, the 4-year period FY 2017-18 to FY 2020-21, the 3-year period FY 2018-19 to FY 2020-21, and the 2-year period FY 2019-20 to FY 2020-21, along with the y-o-y growth rate of FY 2019-20 over FY 2020-21:

Following table summarises the growth rate assumptions

GROWTH RATE FOR SALES, NO. OF CONSUMERS AND CONNECTED LOAD

| Sr. No. | Category | Sales | Consumers | Connected Load |
|---------|---------------------------|------------------------------------|-----------|----------------|
| | Low Tension | | | |
| 1 | RGP | 2.87% | 2.62% | 4.77% |
| 2 | GLP | 0.00% | 3.66% | 8.83% |
| 3 | Non-RGP & LTMD | 4.40% | 2.49% | 6.66% |
| 4 | Public Water Works | 0.00% | 2.75% | 4.90% |
| 5 | Agriculture - Unmetered | 0.00% | 0.00% | 0.00% |
| 6 | Agriculture - Metered | Based on no. of connection release | | |
| 7 | Electric Vehicle Charging | 0.00% | 0.00% | 0.00% |
| | High Tension | | | |
| 1 | Industrial HT | 5.00% | 5.00% | 5.00% |

The estimated Sales, No. of consumers and Connected load based on the above growth rates and as per the methodology used for agriculture metered category are projected in the table below:

PROJECTION OF SALES (MUS)

| Sr. No. | Category | FY 2022-23 |
|---------|---------------------------|---------------|
| | Low Tension | |
| 1 | RGP | 4,128 |
| 2 | GLP | 196 |
| 3 | Non-RGP & LTMD | 4,178 |
| 4 | Public Water Works | 625 |
| 5 | Agriculture - Unmetered | 4,684 |
| 6 | Agriculture - Metered | 3,479 |
| 7 | Electric Vehicle Charging | 0 |
| | Sub Total | 17,289 |
| | High Tension | |
| 1 | Industrial HT | 13,851 |
| | Sub Total | 13,851 |
| | Total | 31,141 |



PROJECTION OF NO. OF CONSUMERS

| Sr. No. | Category | FY 2022-23 |
|---------|---------------------------|------------------|
| | Low Tension | |
| 1 | RGP | 39,94,456 |
| 2 | GLP | 43,896 |
| 3 | Non-RGP & LTMD | 7,34,737 |
| 4 | Public Water Works | 19,404 |
| 5 | Agriculture - Unmetered | 2,56,119 |
| 6 | Agriculture - Metered | 8,78,529 |
| 7 | Electric Vehicle Charging | 1 |
| | Sub Total | 59,27,141 |
| | High Tension | |
| 1 | Industrial HT | 6,903 |
| | Sub Total | 6,903 |
| | Total | 59,34,044 |

PROJECTION OF CONNECTED LOAD (MW/MVA)

| Sr. No. | Category | FY 2022-23 |
|---------|---------------------------|---------------|
| | Low Tension | |
| 1 | RGP | 4,265 |
| 2 | GLP | 227 |
| 3 | Non-RGP & LTMD | 4,034 |
| 4 | Public Water Works | 224 |
| 5 | Agriculture - Unmetered | 2,055 |
| 6 | Agriculture - Metered | 6,022 |
| 7 | Electric Vehicle Charging | 0 |
| | Sub Total | 16,827 |
| | High Tension | |
| 1 | Industrial HT | 4,722 |
| | Sub Total | 4,722 |
| | Total | 21,549 |

(b) Projection of Distribution Loss and Energy Requirement:

DISTRIBUTION LOSS FOR FY 2022-23

| Particulars | FY 2022-23 (Projected) |
|-------------------|---------------------------|
| Distribution Loss | 17.50% |

(c) Energy Requirement for the FY 2022-23:

ENERGY BALANCE FOR FY 2022-23

| S.No. | Particulars | Unit | FY 2022-23 (Projected) |
|-------|---|------------|---------------------------|
| 1 | Energy Sales | MUs | 31,140.60 |
| 2 | Distribution Losses | MUs | 6,605.58 |
| | | % | 17.50% |
| 3 | Energy Requirement | MUs | 37,746.18 |
| 4 | Less: Power Purchase from SSDSP | MUs | 465.10 |
| 5 | Power Purchase required from GUVNL | MUs | 37,281.08 |
| 6 | Transmission Losses | MUs | 1,440.44 |
| | | % | 3.72% |
| 7 | Total Energy to be input to Transmission System | MUs | 38,721.52 |
| 8 | Pooled Losses in PGCIL System | MUs | 621.09 |
| 9 | Add: Power Purchase from SSDSP | MUs | 465.10 |
| 10 | Total Energy Requirement | MUs | 39,807.71 |

(d) Power Purchase Cost: Bulk Supply Tariff:

For estimation of Power Purchase Cost methodology of Bulk Supply Tariff (BST) is proposed with the objective of keeping uniform retail tariff throughout the State. The BST for DISCOMs includes the cost of power purchase from various generating stations, the transmission costs of PGCIL, GETCO and the cost of bulksupplier GUVNL. The amount available for power purchase with the four DISCOMs is arrived at by subtracting the sum of total expenses other than the power purchase cost of all the four DISCOMs from the total revenue of the four DISCOMs. The difference between the net power purchase cost and the amount available with the four Discoms, indicates the revenue gap. This revenue gap varies from Discom to Discom. The bulk supply tariffs for the four Discoms are fixed keeping in view the magnitude of the revenue gap. For the FY 2021-22, total gap projected is Rs.568 Crores for the sector as a whole, for PGVCL, the proportionate allocated gap for FY 2022-23 works out to be Rs. 204 Crores. The allocated gap amount of each DISCOM has been added to the amount available for power purchase for that DISCOM and the figure has been divided by the number of units projected to be purchased by the DISCOMs to arrive at BST at Rs/kWh. Accordingly BST for PGVCL for FY 2022-23 works out to Rs. 3.83 per Kwh and total Power Purchase Cost of Rs. 15253 Crores.

(e) Capital Expenditure Plan:

The scheme-wise projected capital expenditure for FY 2021-22 to FY 2022-23 is shown below:

CAPITAL EXPENDITURE PLAN FOR FY 2022-23

Rs. in Crores

| | Particulars | FY 2022-23 (Projected) |
|----------|--|---------------------------|
| A | Distribution Schemes | |
| | Normal Development Scheme | 325.00 |
| | System Improvement Scheme | 225.95 |
| | Electrification of hutments | 6.00 |
| | Scheme for meters including installation of SMART Meters | - |
| | Total | 556.95 |
| B | Rural Electrification Schemes | |
| | Special Component plan | 0.91 |
| | RE Normal + Tatkal + Dark Zone | 540.00 |
| | Total | 540.91 |
| D | Other New Schemes | |
| | HVDS | 64.50 |
| | Under Ground System | - |
| | SKJY | 50.00 |
| | FPI | - |
| | DISS | 25.00 |
| | Coastal area scheme | 34.00 |
| | Total | 173.50 |
| | Capital Expenditure Total | 1,271.36 |

(f) Funding of CAPEX:

Funding of above mentioned CAPEX is envisaged through various sources categorized indebt four headings namely: Consumer Contribution, Grants, Equity and Debt.

FUNDING PLAN OF CAPITAL EXPENDITURE

Rs. in Crores

| Sr. No. | Particulars | FY 2022-23 (Projected) |
|----------|-------------------------------|---------------------------|
| 1 | Capitalisation | 1,271.36 |
| 2 | Less : Consumer Contribution | 200.35 |
| 3 | Less: Grants | 172.08 |
| 4 | Balance Capitalisation | 898.93 |
| 5 | Debt @ 70% | 629.25 |
| 6 | Equity @ 30% | 269.68 |

(g) Summary of ARR proposed for FY 2022-23 :

Table below shows projection of Aggregate Revenue Requirement by PGVCL for FY 2022-23.

PROJECTED ARR FOR FY 2022-23

| | | Rs. in Crores |
|-----------|--|---------------------------|
| Sr. No. | Particulars | FY 2022-23 (Projected) |
| 1 | Cost of Power Purchase | 15,252.98 |
| 2 | Operation & Maintenance Expenses | 1,374.61 |
| 2.1 | Employee Cost | 1,189.77 |
| 2.2 | Repair & Maintenance | 190.70 |
| 2.3 | Administration & General Charges | 215.00 |
| 2.4 | RDSS Metering Opex | 81.96 |
| 2.5 | Extraordinary Items | - |
| 2.6 | Net Prior Period Expenses / (Income) | - |
| 2.7 | Other Expenses Capitalised | (302.82) |
| 3 | Depreciation | 1,020.37 |
| 4 | Interest & Finance Charges | 367.09 |
| 5 | Interest on Working Capital | - |
| 6 | Provision for Bad Debts | 0.41 |
| 7 | Sub-Total [1 to 6] | 18,015.46 |
| 8 | Return on Equity | 710.43 |
| 9 | Provision for Tax / Tax Paid | 36.16 |
| 10 | Total Expenditure (7 to 9) | 18,762.05 |
| 11 | Less: Non-Tariff Income | 292.43 |
| 12 | Aggregate Revenue Requirement (10 - 11) | 18,469.61 |

PGVCL request the Hon'ble Commission to approve the above mentioned Aggregate Revenue Requirement for FY 2022-23.

4. Tariff for FY 2022 -23

Estimate Revenue at existing Tariff for FY 2022-23:

TOTAL REVENUE FOR FY 2022-23

Rs. in Crores

| Sr. No. | Particulars | FY 2022-23 (Projected) |
|----------|---|---------------------------|
| 1 | Revenue with Existing Tariff | 12,563.02 |
| 2 | FPPPA Charges @ Rs. 1.80/ unit | 5,605.31 |
| 3 | Other Income (Consumer related) | 306.33 |
| 4 | Agriculture Subsidy | 423.71 |
| 5 | Total Revenue including subsidy (1 to 4) | 18,898.37 |

Estimated Revenue Gap for FY 2022-23 at Existing Tariff

ESTIMATED REVENUE GAP FOR FY 2022-23 AT EXISTING TARIFF

Rs. in Crores

| Sr. No. | Particulars | FY 2022-23 (Projected) |
|----------|---|---------------------------|
| 1 | Aggregate Revenue Requirement | 18,469.61 |
| 2 | Less: Revenue (Gap)/ Surplus from True up of FY 2020-21 | (632.64) |
| 3 | Total Aggregate Revenue Requirement | 19,102.25 |
| 4 | Revenue with Existing Tariff | 12,563.02 |
| 5 | FPPPA Charges @ Rs. 1.80/ unit | 5,605.31 |
| 6 | Other Income (Consumer related) | 306.33 |
| 7 | Agriculture Subsidy | 423.71 |
| 8 | Total Revenue including subsidy (4 to 7) | 18,898.37 |
| 9 | Revenue (Gap) / Surplus (8 - 3) | (203.88) |

The Hon'ble Commission is requested to approve the above mentioned gap.

The consolidated resultant revenue gap for all four distribution companies is Rs. 568 Crores which can be met through efficiency improvement measures.

There are no changes/revision/modification proposed in the tariff structure by the company for FY 2022-23

5. Prayer

PGVCL respectfully prays to the Hon'ble Commission;

1. To admit this Petition seeking True up of FY 2020-21, Aggregate Revenue Requirement for FY 2022-23 and Tariff Proposal for FY 2022-23.
2. To approve the True up for FY 2020-21 and allow sharing of gains/ (losses) with the Consumers as per sharing mechanism prescribed in the GERC MYT Regulations, 2016.
3. To allow recovery of Revenue (Gap) / Surplus of FY 2020-21 as part of Tariff determination for FY 2022-23.
4. To approve Aggregate Revenue Requirement for FY 2022-23 as submitted by the Petitioner.
5. To consider approved True up parameters & ARR of GSECL, GETCO and SLDC while finalizing Tariff of the Petitioner.
6. Pass suitable orders for implementation of Tariff Proposal for FY 2022-23 for making it applicable from 1st April, 2022 onwards.
7. To grant any other relief as the Hon'ble Commission may consider appropriate.
8. The Petitioner craves leave of the Hon'ble Commission to allow further submissions, addition and alteration to this Petition as may be necessary from time to time.
9. Pass any other Order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.

6. Provisions for availing the petition copy :

Copy of the petition will be available for inspection as well as for sale at the cost of Rs. 200/- to the interested persons at the office of The Chief Engineer, Corporate Office, Paschim Gujarat Vij Company Ltd, Laxminagar, Nana Mava Road, Rajkot-360 004 and at the office of the Superintending Engineer of PGVCL, in Charge of O&M Circle. For obtaining the copy of the petition by post, postage fee @ Rs.50/- will be payable extra.

NOTE: - The total amount in such event is to be sent by Money Order or Demand Draft payable in favor of Paschim Gujarat Vij Company Ltd.

The electronic copies of the above mentioned petition are available at website www.guvnl.com and www.pgvcl.com

7. Guideline for submission of response:

In accordance with GERC (Conduct of Business) Regulations 2004, it is hereby notified that the persons who are interested in filing their objections/suggestions on the above subject matter petition, may file the same with the Secretary, Gujarat Electricity Regulatory Commission, 6th floor, GIFT One, Road 5C, Zone 5, GIFT City, Gandhinagar – 382 355 along with the document on which they want to rely upon, in five sets, duly supported by an affidavit with the copy to the undersigned on or before 06.01.2022 and also indicate whether they intend to be heard in person.