

In Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 265 of 2018

In the matter of
Revision of Intra-State Transmission Tariff determined in Order dated 22 July, 2016 in
Case No. 91 of 2016 in pursuance of Mid-term Review process

Coram

Shri. Anand B. Kulkarni, Chairperson
Shri. I. M. Bohari, Member
Shri. Mukesh Khullar, Member

ORDER

Date: 12 September, 2018

1. Background of Transmission Pricing Framework in Maharashtra

1.1. In its Order dated 27 June, 2006 in Case No. 58 of 2005, the Commission has set out the Transmission Pricing Framework ('the Framework') for the State of Maharashtra in accordance with the principles outlined in that Order.

2. Framework for determination of Transmission Tariff for 3rd Control Period of Multi Year Tariff

2.1. The MYT Regulations, 2015, along with its amendment in November, 2017, are applicable for the 3rd Control Period from FY 2016-17 to FY 2019-20. Regulation 61 specifies the methodology and principles for determining the Transmission Tariff for the use of the Intra-state transmission system (InSTS) and Base Transmission Capacity Rights (Base TCR) of Transmission System Users (TSUs).

2.2. Regulation 62 specifies the methodology and principles for sharing of Total Transmission System Cost (TTSC) among the TSUs and Regulation 63 outline the treatment for usage of InSTS by long term TSUs. Regulation 66 specifies the treatment of Transmission Losses of InSTS to be borne by TSUs.

- 2.3. Accordingly, the Commission had determined the Transmission Tariff for 3rd Control Period from FY 2016-17 (to be applicable with effect from 1st July, 2016), FY 2017-18, FY 2018-19 and FY 2019-20 under its Order dated 22nd July, 2016 in Case 91 of 2016. Under the said Order, the Commission has also approved the Base TCR for each TSU and approved the sharing of TTSC amongst the TSUs.
- 2.4. Further, the fourth proviso of Regulation 61.2 and second proviso of Regulation 61.3 of MYT Regulations, 2015 specify that the revision in the transmission system users, their Base TCR, revision in TTSC on account of Mid-term review process of transmission licensees and corresponding revision in Transmission Tariff shall be undertaken at the time of Mid-term review. The relevant extracts of the MYT Regulations, 2015 are as under:

Relevant Extract of Fourth Proviso of Regulation 61.2

61.2 The Commission shall approve yearly 'Base Transmission Capacity Rights' as average of Coincident Peak Demand and Non-Coincident Peak Demand for TSUs as projected for 12 monthly period of each year (t) of the Control Period, representing the 'Capacity Utilisation' of Intra-State transmission system and accordingly determine yearly 'Base Transmission Tariff', in accordance with the following formula:

....

*Provided also that on completion of each year of the Control Period, MSLDC shall submit the recorded CPD and NCPD data or the Allotted capacity, as the case may be, for past 12 months in respect of each Transmission System User and **on the basis of the same, the Base TCR shall be suitably revised at the time of Mid-Term Review and at the end of the Control Period for the subsequent years. (emphasis added)***

Relevant Extract of Second Proviso of Regulation 61.3

61.3 Base Transmission Tariff for each Year shall be determined as ratio of approved 'TTSC' for intra-State transmission system and approved 'Base Transmission Capacity Rights' and shall be denominated in terms of "Rs/kW/month" (for long-term/medium term usage) or in terms of "Rs/kWh" (for short-term bilateral open access transactions usage, short-term collective transactions over Power Exchange and for Renewable Energy transactions) in accordance with the following formula:

....

....

*Provided further that any revisions in **Base Transmission Capacity Rights and Base Transmission Tariff as determined in Regulations 61.2 and 61.3 due to the***

variation in the actual and approved CPD and NCPD shall be made at the time of Mid-Term Review and at the end of the Control Period for the subsequent years: (emphasis added)

2.5. In view of above, the Commission had undertaken Mid-term review of ARR of transmission licensees and also sought the actual data of month-wise Coincident Peak Demand (CPD) and Non-Coincident Peak Demand (NCPD) of TSUs for past period of FY 2016-17 and FY 2017-18, details of which have been elaborated in subsequent paragraphs of this Order.

2.6. In addition, the Commission has issued an Order in the matter of Review Petition filed by TPC-D against the earlier Transmission Tariff Order in Case 91 of 2016 through its Order dated 2 February, 2018 in Case No. 142 of 2016. Under the said Order, the Commission has taken note of the issues and concerns raised by TPC-D and observed as under:

*“17. In view of the foregoing and the clear and express provisions of the MYT Regulations, 2015, the Commission finds no error apparent, oversight or other ground on the aspects of the impugned Order raised by TPC-D that would warrant review. However, **the Commission may consider the suggestions of TPC-D with regard to revision of the Transmission Charges at the time of the MTR in case of addition of a new Distribution Licensee as a TSU prospectively, in line with addition of a new Transmission Licensee.**” (emphasis added)*

2.7. Further, the Commission has received submissions from TPC-D vide its letter dated 24 July 2018, outlining their views and suggestions in respect of Transmission tariff determination at the time of Mid-term Review. The Commission has noted specific suggestion of TPC-D with respect to determination of Base-TCR for future years and has addressed the same in this Order.

2.8. In view of the foregoing and in pursuance of the Mid-term review process as envisaged under the provisions of MYT Regulations, 2015, the Commission hereby undertakes revision of Base TCR and revises the Transmission Tariff for the balance period of the Third Control Period as elaborated under the subsequent paragraphs of this Order.

3. Constituents of InSTS for determination of TTSC for FY 2018-19 and FY 2019-20

3.1. As outlined in the transmission pricing framework, all the Transmission Licensees in the State from part of the InSTS, and their approved Aggregate Revenue Requirements (ARRs) are to be considered for determining the TTSC, as follows:

- a. Maharashtra State Electricity Transmission Co. Ltd. (MSETCL)'s Final ARR True-up of ARR for FY 2015-16 and FY 2016-17, Provisional True-up ARR for FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September, 2018 in Case No. 168 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- b. Tata Power Co. (Transmission Business) (TPC-T)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September, 2018 in Case No. 204 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- c. Reliance Infrastructure Ltd. (Transmission Business) (RInfra-T)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September, 2018 in Case No. 201 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- d. Jaigad Power Transmission Ltd. (JPTL) was granted Transmission Licence No. 1 of 2009. JPTL's Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September, 2018 in Case No. 167 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- e. Adani Transmission (India) Ltd. (ATIL)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September, 2018 in Case No. 170 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- f. Maharashtra Eastern Grid Power Transmission Co. Ltd. (MEGPTCL)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18,

and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September,2018 in Case No. 169 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.

- g. Vidarbha Industries Power Ltd. (VIPL-T)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September,2018 in Case No. 198 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- h. Amaravati Power Transmission Co. Ltd. (APTCL)'s Final ARR True-up of FY 2015-16 and FY 2016-17, Provisional ARR True-up of FY 2017-18, and Revised ARR estimates for FY 2018-19 and FY 2019-20 has been approved vide Order dated 12 September,2018 in Case No. 197 of 2017. Accordingly, that Order has been considered for the determination of Transmission Tariff in the present Order.
- i. Sinnar Power Transmission Co. Ltd. (SPTCL)'s, is yet to achieve CoD of its Transmission System, and has not filed its Petition for Capital Cost and ARR approval for the 3rd Control Period. Accordingly, it has not been considered in the present Order.

3.2. For the purpose of revision of the TTSC and the revision in Transmission Tariff for FY 2018-19 and FY 2019-20, the revised approved ARRs as per Mid-term review (MTR) process of the Transmission Licensees forming part of InSTS have been considered in the present Order.

Table 1: Transmission Licensees ARR approval Orders considered

Transmission Licensees	MTR Orders considered for recovery in TTSC for FY 2018-19 and FY 2019-20
MSETCL	Case No. 168 of 2017
ATIL	Case No. 170 of 2017
MEGPTCL	Case No. 169 of 2017
VIPL-T	Case No. 198 of 2017
RInfra-T	Case No. 201 of 2017
TPC-T	Case No. 204 of 2017
JPTL	Case No. 167 of 2017
APTCL	Case No. 197 of 2017

3.3. Approved revenue gaps of previous years/past period recoveries on account of True-up of past years up to FY 2016-17, along with carrying cost/holding cost, and the provisionally approved revenue gap/surplus for FY 2017-18 determined in the

respective MTR Orders for recovery in FY 2018-19, have been considered while computing the TTSC for FY 2018-19 and FY 2019-20.

4. TTSC of InSTS for FY 2018-19 and FY 2019-20

4.1. Regulation 61 of the MYT Regulation, 2015 specifies the methodology for the determination of TTSC for 3rd Control Period:

“61. Determination of Intra-State Transmission Tariff

61.1 The aggregate of the yearly revenue requirement for all Transmission Licensees shall form the “Total Transmission System Cost” (TTSC) of the Intra-State transmission system, to be recovered from the Transmission System Users (TSUs) for the respective year of the Control Period, in accordance with the following formula:

$$TTSC(t) = \sum_{i=1}^n (ARR_i)$$

Where,

TTSC (t) = Pooled Total Transmission System Cost of year (t) of the Control Period

n = Number of Transmission Licensee(s);

ARR_i = Yearly revenue requirement approved by the Commission for ith Transmission Licensee for the yearly period (t) of the Control Period;

Provided that in case of transmission system projects undertaken in accordance with the Guidelines for competitive bidding for transmission under Section 63 of the Act, the Aggregate Revenue Requirement as per the annual Transmission Service Charges (TSC) quoted by such projects, shall be considered for aggregation under the TTSC.

4.2. In view of above, the stand-alone ARRs for FY 2018-19 and FY 2019-20 as approved under respective MTR Orders, in case of following Transmission Licensees have been considered for arriving at the TTSC as summarised in the following Table.

Table 2: Standalone ARR approved in MTR Orders for FY 2018-19 and FY 2019-20 (Rs Crore)

Transmission Licensee	Approved as per MTR Orders		Reference Orders
	FY 2018-19	FY 2019-20	
MSETCL	3,368.64	3,525.47	Case No. 168 of 2017
ATIL	118.65	114.58	Case No. 170 of 2017
MEGPTCL	1,006.34	975.58	Case No. 169 of 2017
VIPL-T	4.78	4.64	Case No. 198 of 2017
RInfra-T	287.21	318.44	Case No. 201 of 2017
TPC-T	643.97	703.15	Case No. 204 of 2017
JPTL	82.31	80.07	Case No. 167 of 2017

Transmission	Approved as per MTR Orders		Reference Orders
APTCL	55.24	53.21	Case No. 197 of 2017
Total ARR	5,567.14	5,775.14	

4.3. In addition, to the approval of stand-alone ARRs, in the respective MTR Orders. The Commission has also approved the revenue gaps of previous years and past period recoveries in the True-up of past years upto FY 2016-17, along with the carrying cost/holding cost, and the stand-alone revenue gap/surplus for FY 2017-18 to be recovered in FY 2018-19. These have been considered while computing the TTSC for FY 2018-19.

Table 3: Approved Past period revenue gap/(surplus) and carrying/(holding cost) in MTR Orders for FY 2018-19 (Rs Crore)

Transmission Licensee	Approved as per MTR Orders in FY 2018-19	Reference Orders
MSETCL	(502.24)	Case No. 168 of 2017
ATIL	(2.66)	Case No. 170 of 2017
MEGPTCL	159.08	Case No. 169 of 2017
VIPL-T	1.27	Case No. 198 of 2017
RInfra-T	(8.95)	Case No. 201 of 2017
TPC-T	(115.10)	Case No. 204 of 2017
JPTL	(13.90)	Case No. 167 of 2017
APTCL	49.68	Case No. 197 of 2017
Total ARR	(432.82)	

4.4. Accordingly, the total ARR covering approved stand-alone ARR and approved revenue gaps/past period recovery/surplus and the carrying cost/holding cost of the respective Transmission Licensees, as considered for revision of TTSC and corresponding revision in recovery of Transmission Tariff in FY 2018-19 and FY 2019-20 are as shown in the Table below:

Table 4: Total ARR (incl. past period revenue gap/(surplus) and carrying/(holding cost) as approved in MTR Orders for FY 2018-19 and FY 2019-20 (Rs Crore)

Transmission Licensee	Approved as per MTR Orders		Reference Orders
	FY 2018-19	FY 2019-20	
MSETCL	2,866.40	3,525.47	Case No. 168 of 2017
ATIL	115.99	114.58	Case No. 170 of 2017
MEGPTCL	1,165.42	975.58	Case No. 169 of 2017
VIPL-T	6.05	4.64	Case No. 198 of 2017
RInfra-T	278.26	318.44	Case No. 201 of 2017
TPC-T	528.87	703.15	Case No. 204 of 2017
JPTL	68.41	80.07	Case No. 167 of 2017
APTCL	104.92	53.21	Case No. 197 of 2017
Total ARR	5,134.32	5,775.14	

5. Revision of Base TCR

- 5.1. Regulation 61.2 of the MYT Regulations, 2015 specifies Base TCR as the average of co-incident peak demand (CPD) and non-coincident peak demand (NCPD) of the TSUs projected for the 12 Monthly period of each year of the Control Period. Further, the fourth proviso to Regulation 61.2 specifies the conditions for revision in Base TCR at the time of Mid-term Review. Relevant extracts of the Regulations are as under:

The Commission shall approve yearly 'Base Transmission Capacity Rights' as average of Coincident Peak Demand and Non-Coincident Peak Demand for TSUs as projected for 12 monthly period of each year (t) of the Control Period, representing the 'Capacity Utilisation' of Intra-State transmission system and accordingly determine yearly 'Base Transmission Tariff', in accordance with the following formula :—

Base Transmission Capacity Rights (Base TCR) for the yearly period (t)

Where,

CPD(t) = Average of projected monthly Coincident Peak Demand for the yearly period (t) of Control Period for each Transmission System User (u)

NCPD(t) = Average of projected monthly Non-Coincident Peak Demand for the Yearly period (t) of Control Period for each Transmission System User (u) :

Provided that for the first year of the Control Period, the Base Transmission Capacity Rights for all Transmission System Users shall be determined based on average monthly CPD and NCPD of the Transmission System Users prevalent during the 12 months prior to date of coming into effect of these Regulations or 12 months prior to filing of the Petition by the Transmission Licensees, depending on availability of such data :

Provided further that the Allotted Capacity for long-term Open Access Users excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base Transmission Capacity Rights:

Provided also that the Yearly CPD and NCPD or the Allotted capacity, as the case may be, to be considered for determination of the subsequent yearly Base Transmission Capacity Rights shall be computed at the beginning of the Control Period based on the past trend and on the basis of demand projections made by various TSUs connected to the Intra-State transmission system as part of their MYT Petitions for the Control Period:

Provided also that on completion of each year of the Control Period, MSLDC shall submit the recorded CPD and NCPD data or the Allotted capacity, as the case may be, for past 12 months in respect of each Transmission System User and on the basis of the same, the Base TCR shall be suitably revised at the time of Mid-Term Review and at the end of the Control Period for the subsequent years. (emphasis added)

- 5.2. Under the Transmission Tariff Order (Case No. 91 of 2016), the Commission has determined Base TCR in respective of following Distribution Licensees operating in the State viz. Maharashtra State Electricity Distribution Company Limited (MSEDCL), Tata Power Company Ltd. (TPC-D), Reliance Infrastructure Ltd. (Distribution Business) (RInfra-D), Brihanmumbai Electricity Supply, and Transport Undertaking (BEST) and two Deemed Distribution Licensees in operating in the State viz. Indian Railways (IR) and Mindspace Business Park Pvt. Ltd. (MBPPL).
- 5.3. The Commission notes that there exist several other SEZs in the State in addition to MBPPL that have been granted status of deemed distribution licensee and are at various stages of operation. While for some of these deemed Distribution Licensees, Commission has issued regulatory Orders for approval of ARR and determination of Tariff as per MYT Regulations, 2015 or approved Power procurement for the 3rd Control period through recent Orders, others are yet to initiate process of regulatory filings in line with requirements under their licence conditions of operation. The Commission has sought information from STU/SLDC regarding the status of operations of such SEZs for ascertaining their Base TCR and accordingly for their inclusion as TSUs for the purpose of sharing of TTSC charges in line with Regulation 62.1 and 2.1 (78) of MYT Regulations, 2015. The Commission has also sought suggestions from STU regarding the same.
- 5.4. Regulation 62.1 of the MYT Regulation, 2015 is reproduced as under for ease of reference.

“62.1 The long-term Transmission System Users shall share the TTSC of the intra-State transmission system in the proportion of Base Transmission Capacity Rights of each Transmission System User to the total Base Transmission Capacity Rights allotted in the intra-State transmission system.”

- 5.5. TSU is defined under Regulation 2.1 (78) of the MYT Regulations, 2015 that is reproduced as under for ease of reference.

“(78) “Transmission System User” for the purpose of these Regulations means the Distribution Licensees and long-term Open Access Users, but excludes partial Open Access Users.”

- 5.6. As per above provisions under MYT Regulations, 2015, all the Distribution Licensees, being TSU, shall share TTSC subject to applicable conditions.
- 5.7. Various SEZs in the State for which Deemed Distribution Licensee status has been issued along with specific conditions of licensee are as under:
- a) Mindspace Business Parks Pvt. Ltd. (MBPPL)
 - b) Maharashtra Airport Development Corporation (MADC)
 - c) Gigaplex Estate Pvt. Ltd. (GEPL)
 - d) Nidar Utilities Panvel LLP (Nidar)
 - e) Quadron Business Park Ltd. (Quadron)
 - f) Newfound Properties and Leasing Pvt. Ltd. (Newfound)
- 5.8. While MBPPL is already considered as TSU and is sharing TTSC for the State, the Commission proceeds to evaluate the other SEZs listed above. STU has confirmed that other SEZs have neither signed (Bulk Power Transmission Agreement (BPTA) nor has entered into LTOA or MTOA arrangement. However, Gigaplex SEZ has been granted Connectivity permission of 15.63 MW and Nidar SEZ has been granted Connectivity permission of 6 MW by STU. The Commission notes that grant of connectivity permission does not automatically grant Transmission Capacity Right for utilisation unless BPTA or approval of power procurement plan in case of distribution licensee or approval for LTOA/MTOA in case of OA Users is put in place. The Commission further notes that in case of Gigaplex SEZ, MYT Order for 3rd Control Period has been issued vide Order dated 12 March, 2018 in Case No. 149 of 2016. As regards Nidar SEZ, the Commission has approved power procurement for the period FY 2018-19 and FY 2019-20 vide Order dated 3 August, 2018 in Case No. 117 of 2017. In view of the same, there is visibility of projected demand by these SEZs (viz. Gigaplex SEZ and Nidar SEZ) during the third Control Period for the purpose of ascertaining the Base TCR in such cases and the same has also been approved by this Commission. In case of other SEZs, viz., MADC, Quadron and Newfound, no such Orders have yet been issued. In view of the foregoing, Gigaplex SEZ and Nidar SEZ with visibility of projection of demand and approved power procurement plan over the balance period of the 3rd Control Period, these distribution licensees, have been considered for the purpose of sharing of TTSC, as long term TSUs.
- 5.9. Therefore, for the purpose of this Transmission Tariff Order, in pursuance to the Mid-term review of 3rd Control period, the Commission has considered Gigaplex Estate Pvt. Ltd. and Nidar Utilities Panvel LLP also as TSUs for sharing the TTSC for FY 2018-19 and FY 2019-20.

5.10. As regards considering open access transactions in the State by M/s Indo Rama Synthetics Ltd. (IRSL), M/s Sai Wardha Power Company Ltd. and Essel MP Energy Ltd., for TTSC sharing, the Commission had already evaluated these in the previous TTSC Orders in Case No. 57 of 2015 and Case No. 91 of 2016 and therefore, the same is not discussed again in this Order.

5.11. The Maharashtra State Load Despatch Centre (MSDLC) has provided month-wise CPD and NCPD details for the above TSUs for FY 2017-18. The Commission has considered the Base Transmission Capacity of 20,352.44 MW based on the 12 Monthly Average of CPD and NCPD of TSUs from April, 2017 to March, 2018 as summarised in the following Table:

Table 5: Month wise Average of CPD and NCPD for Distribution Licensees in FY 2017-18 (MW)

FY 2017-18	MSEDCL	TPC-D	RInfra-D	BEST	MBPPL	Railways*	GEPL	State
Apr-17	18064.54	869.14	1556.55	883.50	15.06	322.21	3.41	21714.41
May-17	17613.41	894.81	1559.94	925.00	15.36	320.72	3.66	21332.91
Jun-17	16514.98	901.80	1556.70	906.00	15.28	318.75	3.82	20217.33
Jul-17	15819.40	821.98	1399.57	823.50	14.37	312.91	3.59	19195.31
Aug-17	16287.51	803.15	1431.61	823.00	13.82	311.86	3.49	19674.44
Sep-17	15732.42	819.04	1492.15	855.00	14.92	311.23	3.74	19228.50
Oct-17	15756.61	852.48	1431.88	884.00	13.88	321.09	3.96	19263.89
Nov-17	17289.34	790.16	1353.70	777.50	13.00	327.40	3.53	20554.63
Dec-17	16691.81	690.87	1221.10	689.50	11.61	318.38	3.35	19626.62
Jan-18	17562.22	681.92	1302.20	728.00	13.00	341.45	3.62	20632.42
Feb-18	17584.03	720.15	1404.99	767.00	13.33	321.92	3.84	20815.27
Mar-18	18392.78	830.16	1533.47	859.50	14.79	338.24	4.61	21973.55
Average	16942.42	806.31	1436.99	826.79	14.03	322.18	3.72	20352.44

**(In accordance with Order in Case No. 53 of 2017, for the purpose of sharing of standby charges for Mumbai, disaggregated value of 'Average of CPD & NCPD' of Indian Railways amongst its Mumbai Operations and rest of Maharashtra Operations, shall be considered in the respective MTR Orders for such Licensees)*

5.12. As per fourth proviso of Regulation 61.2 of the MYT Regulations, 2015, the Base TCR for TSUs; approved for FY 2018-19 and FY 2019-20 under the MYT Order shall be suitably revised based on average of past 12 months Coincident Peak Demand and Non-Coincident Peak Demand data.

5.13. However, as will be seen from the above Table, the data of average CPD and NCPD of Nidar is not available for the past years as its operations as a Distribution Licensee started only later during the year. Besides, in case of various TSUs, such as Gigaplex,

IR and Nidar, no MTR Petition has been filed and thus there is no latest projection of Demand that is available for consideration of the Commission for projecting Base TCR.

5.14. In addition, TPC-D as part of its views and suggestions in respect of Transmission tariff determination at the time of Mid-term Review, submitted vide letter dated 24 July 2018 in lieu of the ruling of the Commission in Order in Case No. 142 of 2016, has also suggested to review and revise the methodology of projection of Base TCR and allocation thereof as adopted in earlier Transmission Tariff Order, in light of their submissions.

5.15. Therefore, in the absence of historical CPD/NCPD data in case of few TSUs, different approaches for projection of Base TCRs for various TSUs over the FY 2018-19 and FY 2019-20 have been considered, as elaborated under subsequent paragraphs. The Commission while deciding on the said approaches has also taken note of the suggestion made by TPC-D vide its letter dated 24 July, 2018. Accordingly, the approaches considered for the projection of Base TCRs of the various TSUs over the FY 2018-19 and FY 2019-20, is summarised in the following Table:

Table 6: Basis of projection of Base TCR of TSUs

TSU	Basis of projecting Base TCR	
	FY 2018-19	FY 2019-20
MSEDCL	As per fourth proviso of Regulation 61.2 and second proviso of Regulation 61.3, the actual CPD/NCPD data for past 12 months (i.e. FY2017-18) has to be considered for revision in Base TCR at the time of Mid-Term Review. Accordingly, following methodology is considered for revision in Base TCR for FY 2018-19 and FY 2019-20:	
TPC-D		
RInfra-D		
BEST		
	a) Actual CPD-NCPD data for FY2016-17 and FY 2017-18 along with Annual Growth Rate is considered;	
	b) Annual Growth Rate for Demand Projection (MW) data for (FY 2018-19 & FY 2019-20), as per MTR Petition is derived;	
	c) Escalation rate derived as average of Annual Growth Rates of (a) past actual CPD-NCPD and (b) Demand Projection as per MTR petition	
	d) Base TCR for FY 2018-19 and FY 2019-20 is determined by applying the derived Escalation Rate on actual Base TCR for FY 2017-18 for respective distribution licensees.	

TSU	Basis of projecting Base TCR	
	FY 2018-19	FY 2019-20
Mindspace Business Parks Pvt. Ltd	Same approach as applicable for above distribution licensees, since the actual CPD/NCPD data for MBPPL for FY 2016-17 and FY 2017-18 is available and revised demand projections as per MTR Petition are also available to determine the revised Growth factors.	

TSU	Basis of projecting Base TCR	
	FY 2018-19	FY 2019-20
Indian Railways (IR) (Mumbai & Rest of Maharashtra - combined)	a) Growth Rate of Actual CPD & NCPD data of FY 2016-17 & FY 2017-18, available. (Aggregate Demand data combined for Mumbai and Rest of Maharashtra) b) No Demand Projection (MW) data available for FY 2018-19 & FY 2019-20 c) Hence, Escalation rate as considered under MYT Order for IR is retained for projection purposes. d) Base TCR for FY 2018-19 and FY 2019-20 is determined by applying Escalation Rate on actual Base TCR for FY 2017-18 for Indian Railways	

TSU	Basis of projecting Base TCR	
	FY 2018-19	FY 2019-20
GEPL (Gigaplex Estate Pvt. Ltd.)	Demand Projections as per MYT Order (Case No. 149 of 2016 dated 12 March, 2018) has been considered	
Nidar Utilities Panvel LLP	Approved capacity for Peak Power Purchase for FY 2018-19 and FY 2019-20 has been considered	

5.16. MSLDC is directed to submit, upon completion of FY 2018-19 and FY 2019-20, data recorded CPD and NCPD data or the allotted capacity, as the case may be, for the past 12 months in respect of each TSU. On that basis, the Commission shall suitably revise Base TCR projected above at the end of the 3rd Control Period for the subsequent years.

5.17. Accordingly, the revised Base TCR for TSUs for FY 2018-19 and FY 2019-20 has been projected as shown in the following table:

Table 7: Revised Base TCR for FY 2018-19 and FY 2019-20

TSU	FY 2018-19		FY 2019-20	
	TCR (MW)	TCR (%)	TCR (MW)	TCR (%)
MSEDCL	17891.12	83.52%	18892.94	83.80%
RInfra-D	1495.59	6.98%	1556.59	6.90%
BEST	851.19	3.97%	876.31	3.89%
TPC-D	824.80	3.85%	843.71	3.74%
Central/IR	328.63	1.53%	335.20	1.49%
MBPPL	14.12	0.07%	14.22	0.06%
GEPL	8.30	0.04%	12.00	0.05%
Nidar	6.50	0.03%	15.00	0.07%
Total	21420.24	100.00%	22545.95	100.00%

6. Determination of Transmission Tariff for FY 2018-19 and FY 2019-20

6.1. Regulation 61.3 of the MYT Regulations, 2015 specifies the formula for the determination of Base Transmission Tariff of each year for Long, Medium and Short term transactions as follows:

“61.3 Base Transmission Tariff for each Year shall be determined as ratio of approved

‘TTSC’ for intra-State transmission system and approved ‘Base Transmission Capacity Rights’ and shall be denominated in terms of “Rs/kW/month” (for long-term/medium-term usage) or in terms of “Rs/kWh” (for short-term bilateral open access transactions usage, short-term collective transactions over Power Exchange and for Renewable Energy transactions) in accordance with the following formula :

Base Transmission Tariff (t) (long-term/medium-term) = TTSC (t) / Base TCR (t)
(Rs/kW/month or Rs/MW/day)

Base Transmission Tariff (t) (Short-term) = TTSC (t) / $\sum_{i=1}^n$ (Energy Transmitted by Tx (i))
(Rs/kWh)

Where,

TTSC (t) = Pooled cost for InSTS for yearly period (t) of the Control Period;

Base TCR (t) = Base Transmission Capacity Rights for the yearly period (t);

n = Total number of Transmission Licensee(s) in that particular year of Control Period;

Txi = ith Transmission Licensee:

Provided that the energy units transmitted by the Transmission Licensees shall be based on the energy input requirement of the Distribution Licensees at Generation-InSTS interface point, as projected by each Distribution Licensee as part of its MYT Petition for the Control Period and as approved by the Commission:

Provided further that any revisions in Base Transmission Capacity Rights and Base Transmission Tariff as determined in Regulations 61.2 and 61.3 due to the variation in the actual and approved CPD and NCPD shall be made at the time of Mid-Term Review and at the end of the Control Period for the subsequent years:

Provided also that in case new Transmission Licensees are added to the intra-State transmission network during the Control Period, then the TTSC, Base Transmission Capacity Rights and Base Transmission Tariff as referred under Regulations 61.1, 61.2 and 61.3 shall be re-determined for each remaining Year of the Control Period.”

6.2. In line with Regulation 61.3 and based on the TTSC and Base TCR approved in this Order, the Commission has determined the Transmission Tariff for use of the InSTS for FY 2018-19 and FY 2019-20.

Table 8: Transmission Tariff for FY 2018-19 and FY 2019-20 considering TTSC

TSU - Distribution Licensees	Units	FY 2018-19		FY 2019-20	
		MYT Order	Approved in this Order	MYT Order	Approved in this Order
TTSC (approved)	Rs. Crore	6519.27	5,134.32	6599.91	5,775.14
Base TCR (approved)	MW	21403.52	21,420.24	22718.93	22,545.95
Transmission Tariff (long term/medium term)	Rs./kW/month	253.82	199.75	242.09	213.46
Transmission Tariff (short term/short term collective/renewable energy)	Rs./kWh	0.34	0.27	0.32	0.29

7. Sharing of TTSC among TSUs

7.1. Regulation 62 of the MYT Regulations, 2015 specifies the mechanism for sharing the TTSC among TSUs as follows:

“62. Sharing of TTSC by long-term TSUs—

62.1 The long-term Transmission System Users shall share the TTSC of the intra-State transmission system in the proportion of Base Transmission Capacity Rights of each Transmission System User to the total Base Transmission Capacity Rights allotted in the intra-State transmission system.

62.2 The Annual Transmission Charge payable by Transmission System User shall be computed in accordance with the following formula:—

$$ATC(u)(t) = TTSC(t) \times ([Base\ TCR(u)](t) / [Base\ TCR(u)](t)) / \sum_{i=1}^n (Base\ TCR(u))(t)$$

Where,

ATC(u)(t) = Annual Transmission Charges to be shared by Transmission System User (u) for the yearly period (t);

$$\text{Base TCR } (u) = [\text{CPD } (u) (t) + \text{NCPD } (u) (t)] / 2$$

Where,

Base TCR represents the Base Transmission Capacity Right of each Transmission System User (u) for the yearly period (t);

CPD (u) (t) = Average Coincident Peak Demand of the Transmission System User (u) for the yearly period (t);

NCPD (u) (t) = Average Non-coincident Peak Demand of the Transmission System User (u) for the yearly period (t);

Provided that the Allotted Capacity for long-term Open Access Users, excluding partial Open Access Users shall be considered in lieu of the average monthly CPD and NCPD for calculating the Base TCR for such Open Access Users.

- 7.2. The TTSC for FY 2018-19 and FY 2019-20, has to be shared among the Long-Term TSUs comprising the Distribution Licensees in accordance with their contribution to Base TCR as summarised in the following Table:

Table 9: Annual Sharing of TTSC among TSUs for FY 2018-19 and FY 2019-20

TSU – Distribution Licensees	FY 2018-19						FY 2019-20					
	MYT Order			Approved in this Order			MYT Order			Approved in this Order		
	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC for FY 2018-19 (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC for FY 2018-19 (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC for FY 2019-20 (Rs. Crore)	Share of avg. of CPD and NCPD (MW)	Share of avg. of CPD and NCPD (%)	Share of TTSC for FY 2019-20 (Rs. Crore)
MSEDCL	17,734	82.86	5,401.63	17891.12	83.52	4288.40	18,874	83.08	5,482.99	18892.94	83.80	4839.42
TPC-D	1,067	4.99	325.00	824.80	3.85	197.70	1,170	5.15	339.93	843.71	3.74	216.12
RInfra-D	1,435	6.70	437.03	1495.59	6.98	358.49	1,474	6.49	428.23	1556.59	6.90	398.72
BEST	888	4.15	270.60	851.19	3.97	204.03	915	4.03	265.88	876.31	3.89	224.47
MBPPL	19	0.09	5.79	14.12	0.07	3.39	20	0.09	5.81	14.22	0.06	3.64
Central/Indian Railway	260	1.22	79.22	338.63	1.53	78.77	265	1.17	77.07	335.20	1.49	85.86
GEPL	-	-	-	8.30	0.04	1.99	-	-	-	12.00	0.05	3.07
Nidar	-	-	-	6.50	0.03	1.56	-	-	-	15.00	0.07	3.84
TOTAL	21,404	100.00	6,519.27	21420.24	100.00	5134.32	22,719	100.00	6,599.91	22545.95	100.00	5775.14

7.3. This Transmission Tariff Order shall be applicable with effect from 1 September, 2018. The STU, i.e. MSETCL, shall collect the monthly Transmission Charges from the respective TSUs in the subsequent month, as provided in the Regulations, with the first monthly period commencing from September, 2018, as follows:

Table 10: Sharing of TTSC among TSUs for the Period from FY 2018-19 to FY 2019-20 (Rs Crore)

TSU - Distribution Licensees	FY 2018-19				FY 2019-20			
	MYT Order		Approved in this Order		MYT Order		Approved in this Order	
	Annual	Monthly	Annual*	Monthly	Annual	Monthly	Annual	Monthly
MSEDCL	5,401.63	450.13	4288.40	357.37	5,482.99	456.92	4839.42	403.29
TPC-D	325.00	27.08	197.70	16.47	339.93	28.33	216.12	18.01
RInfra-D	437.03	36.42	358.49	29.87	428.23	35.69	398.72	33.23
BEST	270.60	22.55	204.03	17.00	265.88	22.16	224.47	18.71
MBPPL	5.79	0.48	3.39	0.28	5.81	0.48	3.64	0.30
Central Railway	79.22	6.60	78.77	6.56	77.07	6.42	85.86	7.16
GEPL	-	-	1.99	0.17	-	-	3.07	0.26
Nidar	-	-	1.56	0.13	-	-	3.84	0.32
Total	6,519.27	543.27	5134.32	427.86	6,599.91	549.99	5775.14	481.26

* Applicable from September, 2018.

7.4. Above Transmission Charges are payable by all long-term TSUs irrespective of their actual utilisation recorded during their period of operation. Any difference between the actual utilization of Transmission Capacity by a long-term TSU and the allocated Transmission Capacity (i.e. Base TCR) shall be governed by Regulation 63 of the MYT Regulations, 2015 which reads as follows:

“63. Usage of Intra-State Transmission System—

The charges for intra-State transmission usage shall be shared among various TSUs in the following manner:—

(a) Long-term TSU with recorded demand up to Base TCR shall not be subjected to payment of short-term transmission charges;

(b) Long-term TSU with recorded demand greater than Base TCR but lower than Contracted Capacity shall make payment of short-term Transmission charges for the recorded demand in excess of Base TCR:

(c) Where the recorded demand of long-term TSU is greater than Contracted Capacity, the TSU shall bear additional transmission charges as specified in the Regulations of the Commission Governing Transmission Open Access:

Provided that short-term transmission charges and additional transmission charges, if payable or paid by long-term TSUs in accordance with the clauses (a), (b) and (c) above, shall be adjusted during subsequent billing period upon availability of information regarding actual recorded demand by such long-term TSUs.”

7.5. In case any new long term or medium term OA consumer (including deemed distribution licensees such as SEZs) is granted TCR during the year, such TSU shall be liable to pay the Transmission Charges as applicable for long term and medium term (in Rs/kW/month) at the Transmission Tariff determined as per Table 8 of this Order, corresponding to the TCR. The Commission will decide the mechanism for inclusion of such TSUs in the process of recovery/sharing of the TTSC in its subsequent Transmission Tariff Order.

8. Recovery of ARR of Transmission Licensees for FY 2018-19 and FY 2019-20

8.1. In accordance with Regulation 61, the ARR of the Transmission Licensee are pooled to derive the TTSC, and each Licensee is entitled to recover its approved ARR from the Transmission Charges collected by the STU from the TSUs.

8.2. This Transmission Tariff Order is applicable from 1 September, 2018. The STU shall collect Transmission Tariff for each calendar month from the TSUs as per the timelines provided in the Regulations, with the first monthly period commencing from September, 2018. Each Transmission Licensee shall be entitled to recover its ARR, as considered in these TTSC workings, from the Transmission Tariff collected by the STU, on a monthly basis. The Transmission Licensees should claim recovery of their respective ARRs by raising monthly bills on the STU covering their component of Intra-State Transmission Charges as follows:

Table 11: Recovery of ARR of Transmission Licensees in FY 2018-19 and FY 2019-20 (Rs. Crore)

Transmission Licensees	FY 2018-19				FY 2019-20			
	MYT Order		Approved in this Order		MYT Order		Approved in this Order	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
MSETCL	4189.74	349.15	2,866.40	238.87	4277.18	356.43	3,525.47	293.79
ATIL	118.29	9.86	115.99	9.67	113.98	9.50	114.58	9.55
MEGPTCL	1034.07	86.17	1,165.42	97.12	1006.69	83.89	975.58	81.30
VIPL-T	5.51	0.46	6.05	0.50	5.38	0.45	4.64	0.39
Rinfra-T	320.15	26.68	278.26	23.19	315.33	26.28	318.44	26.54

Transmission Licensees	FY 2018-19				FY 2019-20			
	MYT Order		Approved in this Order		MYT Order		Approved in this Order	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
TPC-T	711.09	59.26	528.87	44.07	745.89	62.16	703.15	58.60
JPTL	86.93	7.24	68.41	5.70	83.82	6.99	80.07	6.67
APTCL	53.49	4.46	104.92	8.74	51.64	4.30	53.21	4.43
TTSC (InSTS)	6519.27	543.27	5,134.32	427.86	6599.91	549.99	5,775.14	481.26

8.3. The present Order shall be applicable from September, 2018. Accordingly, the billing for the months of April 2018 to August 2018 will be done by the Transmission Licensees based on the monthly Transmission Tariff approved by the Commission for FY 2018-19 in its previous Transmission Tariff Order in Case No. 91 of 2016. The billing from September, 2018 will be done as per the Transmission Tariff Approved in this Order. Any under-recovery or over-recovery in FY 2018-19 on account of such billing would be addressed appropriately by the Commission during True-up process in respect of each Transmission Licensee.

8.4. As regards, the delays in payment of transmission charges by TSUs, the Commission has already addressed this issue in its Order dated 20 March 2018 in Case No. 162 of 2016 in the matter of Petition filed by Adani Transmission (India) Ltd.

9. Energy, Accounting and Treatment of Transmission Loss

9.1. The Intra-State Transmission Loss as recorded and available for the full year from April, 2017 to March, 2018 has been submitted by MSLDC. The average Transmission Loss for the InSTS is 3.30 % corresponding to total energy input of 150340.81 MU and output of 145385.19 MU for FY 2017-18. Accordingly, the transmission loss of 3.30% is approved for FY 2018-19 and FY 2019-20.

10. Applicability of Order

10.1. This Order shall be applicable with effect from 1 September, 2018. The Transmission Tariff approved in this Order shall remain in effect until any subsequent revision.

Sd/-

(Mukesh Khullar)
Member

Sd/-

(I.M. Bohari)
Member

Sd/-

(Anand B. Kulkarni)
Chairperson

(Abhijit Deshpande)
Secretary


