

BEFORE
MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION
SHILLONG

PETITION
FOR
REVISION OF TARIFF FOR FY 2019-20

FILED BY



MEGHALAYA POWER TRANSMISSION CORPORATION LIMITED
Lum Jingshai, Short Round Road, Shillong - 793 001

BEFORE THE HONORABLE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION

At its office at Lower Lachumiere, Shillong – 793001

File/Petition No.: _____

IN THE MATTER OF

REVISION OF TARIFF FOR THE FY 2019-20 OF THE MEGHALAYA POWER TRANSMISSION CORPORATION LIMITED (MePTCL) UNDER THE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION (MULTI YEAR TARIFF) REGULATIONS, 2014 AND UNDER SECTIONS 62 & 64 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

AND IN THE MATTER OF

MEGHALAYA POWER TRANSMISSION CORPORATION LIMITED, LUMJINGSHAI, SHORT ROUND ROAD, SHILLONG – 793001, MEGHALAYA

PETITIONER

The Petitioner respectfully submits as under:

1. In exercising its powers conferred under the section 131 and 133 of the Electricity Act 2003, the State Government of Meghalaya notified “The Meghalaya Power Sector Reforms Transfer Scheme 2010” on 31st March 2010 leading to restructuring and unbundling of erstwhile Meghalaya State Electricity Board (MeSEB) into four entities namely,
 - a. **Meghalaya Energy Corporation Limited (MeECL)**: the Holding Company;
 - b. **Meghalaya Power Generation Corporation Limited (MePGCL)**: the Generation Utility;
 - c. **Meghalaya Power Transmission Corporation Limited (MePTCL)**: the Transmission Utility;
 - d. **Meghalaya Power Distribution Corporation Limited (MePDCL)**: the Distribution Utility.
2. However, the holding company - MeECL carried out the functions of distribution, generation and transmission utilities from 1st April 2010 onwards, even after restructuring. Therefore, through Notification dated 31st March 2012, State Government notified an amendment to The Power Sector Reforms Transfer Scheme leading to effective unbundling of MeECL into MeECL (Holding Company), MePGCL (Generation utility), MePTCL (Transmission Utility) and MePDCL (Distribution Utility) from 1st April 2012.
3. On 23rd December 2013, the Government of Meghalaya issued the latest transfer scheme notification, thereby notifying the Assets and Liabilities as on 1st April 2010 to be vested in MeECL. Subsequently, the Government of Meghalaya has notified the 4th Amendment to the Notified Transfer Scheme dated 31st March 2010 on 29th April 2015, wherein the opening balances of all the four entities namely, MePGCL, MePTCL, MePDCL and MeECL as on 1st April 2012 have been notified.
4. MePTCL has begun segregated commercial operations as an independent entity from 1st April 2013.
5. The **Meghalaya State Electricity Regulatory Commission** (hereinafter referred to as “MSERC” or “the Hon’ble Commission”) is an independent statutory body constituted under the provisions of Part – X

(Sections 76 to 109) of the Electricity Act (EA), 2003. The Hon'ble Commission is vested with the authority of regulating the power sector in the State inter alia including determination of tariff for electricity consumers.

6. Now, based on the provisions of Regulation 6b) of the Tariff Regulations, 2014, MePTCL also files this petition for revision of tariff for FY 2019-20, based on approved ARR of FY 2019-20 in Order dated 31st March 2018 and adjustment based on review petition for true up FY 2015-16 order.
7. The Board of Directors of MePTCL have accorded approval for filing of this petition and authorized the undersigned to file the petition accordingly. A copy of the Board's resolution is hereby enclosed as **Annexure-A**.
8. The petitioner (MePTCL), therefore, humbly prays before the Hon'ble Commission to:
 - a. To carry out revision of Tariff for FY 2019-20, based on the review of true up of FY 2015-2016
 - b. To pass such orders, as Hon'ble Commission may deem fit and proper and necessary in view of the facts and circumstances of the case.
 - c. To condone any inadvertent omissions, errors & shortcomings and permit the applicant to add/change/modify/alter this filing and make further submissions as required.

(Euva Lorie Shallam)
Superintending Engineer (Elect-I)
O/O DIRECTOR (TRANSMISSION)

For and on behalf of
Meghalaya Power Transmission Corporation Ltd

1. Introduction

1.1 Provisions of Law for Revision of Tariff

1.1.1 The Hon'ble Commission has notified the Meghalaya State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2014 on 15th September 2014. It is submitted that the amended Regulation 1.4 of the Meghalaya State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2014 states as under:

1.4 "These Regulations shall be applicable for the determination of tariff in all cases covered under these regulations effective from April 1, 2015 and onwards up to 31st March 2018 and also for the next MYT control period beginning from 1st April 2018 to 31st March 2021."

1.1.2 Regulation 6b) of the said Regulations lays down the general guiding principles for revision of tariff and the provisions of the said Regulations are reproduced below for reference:

"6 Accounting statement and filing under MYT

b) From the first year of the Control Period and onwards, the Petition shall comprise of:

- i. Truing Up for previous years under Meghalaya State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2011 in accordance with these Regulations;*
- ii. Revenue from the sale of power at existing tariffs and charges for the ensuing year;*
- iii. Revenue gap for the ensuing year calculated based on ARR approved in the Tariff Order or MYT Order and truing up for the previous year;*
- iv. Application for revision of tariff for the ensuing year"*

1.2 Submissions before the Hon'ble Commission

1.2.1 MePTCL hereby submits the petition under section 61, 62 of the Electricity Act, 2003, MSERC Terms and MSERC (Multi Year Tariff) Regulations, 2014 for approval of Revision of tariff for FY 2019-20

2 Revision of Tariff for FY 2019-20

2.1 Background

- 2.1.1 The power transmission in the state of Meghalaya is carried out by Meghalaya Power Transmission Corporation Limited (MePTCL), a wholly owned subsidiary of Meghalaya Energy Corporation Limited (MeECL). As stated earlier, MeECL was a bundled entity till 30th March 2010 carrying out the functions of generation, transmission and distribution. Thereafter, through 'The Meghalaya Power Sector Reforms Transfer Scheme 2010' and its subsequent amendments notified by the Government of Meghalaya, the independent unbundled entities, namely (i) Meghalaya Energy Corporation Limited (MeECL), the Holding Company; (ii) Meghalaya Power Generation Corporation Limited (MePGCL), the Generation Utility; (iii) Meghalaya Power Transmission Corporation Limited (MePTCL), the Transmission Utility; & (iv) Meghalaya Power Distribution Corporation Limited (MePDCL), the Distribution Utility, were formed. The individual entities commenced their independent commercial operations from 1st April 2013.
- 2.1.2 The Hon'ble Commission has approved ARR for FY 2019-20 in its Order dated 31st March 2018. Now since MePTCL is filing review petition on True Up FY 2015-16 Order, this will have an impact on the ARR requirement for FY 2019-20 and subsequently revision of tariff for FY 2019-20.

2.2 Revised ARR and Transmission Charges for FY 2019-20

- 2.2.1 The Hon'ble Commission in its Order dated 31st March 2018 had approved the ARR for FY 2019-20 as Rs. 98.64 Cr. for MePTCL. Now, since MePTCL is filing review petition on True Up FY 2015-16 Order, this will have an impact on the ARR requirement for FY 2019-20, and thereby the utility is requesting the Hon'ble Commission to allow the revised Transmission ARR for FY 2019-20, which amounts to Rs 165.74 crores, as shown below:

Particulars	Amount (Rs Cr)
Approved ARR for FY 2019-20 vide MYT order dated 31.03.2018	98.64
Add: Additional Claim as per Review Petition on True Up Order FY 2015-16	67.10
Revised ARR in FY 2019-20	165.74

Transmission Charges/Open Access charges for FY 2019-20

- 2.2.2 Based on the request for change in ARR, the petitioner requests the Hon'ble Commission to revise the transmission tariff for FY 2019-20 as given below:

Particulars	Projected by MePTCL for FY 2019-20
MePTCL ARR (Rs. Cr)	165.74
Total MW allocation (MW)**	791.45
Units to be handled(MU)*	1182.62
Open access charges (Rs./MW/Day)	5737.37
Transmission Tariff (Rs./Unit)	1.40

* Units to be handled: As per the approved Energy Balance in the Discom Business Plan for FY 2018-19 to FY 2020-21 Order dated 01.11.2017. The net power requirement at the state bus for sale of power within the state is 1182.62 MUs (also shown in the table below: abstract from the Table 3.26 of the order)

Serial No.	Particulars	Calculation	FY 2019-20 (in MUs)
1.	Power to be sold to consumers within the state (including ASEB)	A	1038.45
2.	Transmission and Distribution Losses (%)	B	12.19%
3.	Net power requirement at MePDCL periphery for sale of power within the state	$C=A/(1-B\%)$	1182.62

** Total MW allocation = Total load allocation for Discom (741.45 MW) + Total load allocation for Open Access (50 MW). As per the data received from the SLDC, total MW allocation for Open Access consumers for FY 2019-20 is 50 MW. Total MW allocation for Discom is as per the approved business plan order dated 01.11.2011. Approved connected load for FY 2019-20 is 872.29 MVA: Table 3.15 (which is equivalent to 741.45 MW, considering the power factor is 0.85)

2.3 Prayer before the Honorable Commission

The Meghalaya Power Transmission Corporation Limited (MePTCL) humbly prays before the Honorable Commission to kindly approve the proposed tariff for implementation from 01.04.2019, based on the facts and circumstances as submitted above