

ASPENPARK INFRA VADODARA PRIVATE LIMITED

Survey No. 26, Village Pipaliya, Taluka: Waghodia District: Vadodara- 391 760, Gujarat,
India

Inviting Objections/ suggestions on Petition of AspenPark Infra Vadodara Private Limited for approval of Truing-up for FY 2022-23 and determination of Aggregate Revenue Requirement and tariff for FY 2024-25 for its Distribution Business at Vadodara SEZ

(Petition No. 2328 / 2024)

1 Executive Summary

- 1. The Petitioner, AspenPark Infra Vadodara Private Limited (hereinafter referred to as Aspen), is a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at Survey No.26, Village: Pipaliya, Ta.Waghodia, Dist.Vadodara-391760, Gujarat, India.**
- 2. Aspen has developed a Multi sector specific SEZ at Village Pipaliya, Taluka Waghodia, District Vadodara in the State of Gujarat, under Section 3 of the SEZ Act, 2005 (28 of 2005).**
- 3. Aspen has been notified, as the Developer of the SEZ by the Ministry of Commerce & Industry (Department of Commerce), Government of India, vide Notification No. S.O. 1084(E) dated July 3, 2007.**
- 4. In accordance with the guidelines of Ministry of Commerce & Industry (Department of Commerce) Notification dated March 3, 2010 and under the provisions of the Electricity Act, 2003 (EA 2003) and in view of the Hon'ble Commission's Order dated December 16, 2009 in the matter of grant of distribution licence, Aspen is a deemed Distribution Licensee in its SEZ area at Vadodara.**
- 5. The Hon'ble Commission, vide its Order dated August 17, 2015 in Suo-motu Petition No. 1446 of 2014, has reiterated the status of Aspen as a deemed licensee in the SEZ area, and directed the Secretary of the Hon'ble Commission to issue the licence to Aspen.**
- 6. The Ministry of Commerce & Industry (Department of Commerce) had notified the areas of 100.9900-hectare, 9.6761 hectare and 4.9778 hectare vide notifications S.O.1084(E) (dated July 3, 2007), S.O.1669(E) (dated July 11, 2008), and S.O.1366(E) (dated May 27, 2009), respectively. Hence, the total notified area under the SEZ was 115.6439 hectare. Subsequently, based on a proposal from Aspen, the Ministry of Commerce & Industry (Department of Commerce), de-notified areas of 10.4241-hectare, 52.4588 hectare, 1.2130 hectares and 0.3804 hectare vide its Notifications S.O.2001(E) dated August 4, 2014, S.O.2505(E) dated September 24, 2014, S.O.1218(E) dated April 16,**

2015 and S.O. 2453(E) dated 4th July 2019 respectively, thereby making the resultant notified area of the SEZ as 51.1676 hectare. Aspen had submitted the map of the resultant SEZ area and SEZ notification dated April 16, 2015 issued by Ministry of Commerce & Industry, Government of India, to the Hon'ble Commission, and the Hon'ble Commission has approved the reduced licence area, in its Order in Suo-motu Petition No. 1446 of 2014.

7. The current Petition is being filed as per Regulation 16 of GERC MYT Regulations, 2016 truing up for FY 2022-23 and approval of Projected ARR and tariff for FY2024-25.
8. It may be noted that since the values are small, they have been represented in Rs. Lakh instead of Rs. Crore.

True up for FY 2022-23

The Hon'ble Commission vide its Tariff Order dated March 31st, 2022 in Case No. 2040 of 2021 approved the Aggregate Revenue Requirement for FY 2022-23, ~~wherein the sales, energy balance and power purchase quantum and cost were revised, while the other components were considered at the same level as approved in the Tariff Order for Aspen.~~ Aspen is herewith submitting the details of actual expenses and revenue for FY 2022-23 in this Petition, for truing up of the same in accordance with the GERC (Multi Year Tariff) Regulations, 2016

The actual energy sales of Aspen were lesser than that approved by the Hon'ble Commission in the Tariff Order for FY 2022-23, at 06.51 Million Units (MU) as against 08.74 MU approved by the Hon'ble Commission in the Tariff Order, as shown in the Table below:

Table 1-1: Energy Sales in FY 2022-23 (Units)

Particulars	Approved in MYT Order dated 31.03.2022	Claimed in True-Up
Energy Sales	87,43,000	65,05,881

Aspen requests the Hon'ble Commission to approve the actual energy sales as indicated above, for truing up of FY 2022-23.

The actual Energy Balance for Aspen's licence area for FY 2022-23 is given in the Table below:

Table 1-2: Energy Balance for FY 2022-23 (Units)

Particulars	Approved in MYT Order dated 31.03.2022	Claimed in True-Up
Energy Sales (Units)	87,43,000	65,05,881
Distribution Loss (%)	1.64%	2.76 %

Particulars	Approved in MYT Order dated 31.03.2022	Claimed in True-Up
Distribution Loss (Units)	1,45,775.93	1,84,519
Energy procured (Units)	88,88,775.93	66,90,400

The actual distribution loss at 2.76% is higher than the approved distribution loss level of 1.64%. Aspen humbly requests the Hon'ble Commission to approve the actual distribution loss achieved by Aspen, which is higher than the approved loss levels in percentage terms.

In accordance with the request for approving the actual sales and actual distribution losses, Aspen requests the Hon'ble Commission to approve the actual power purchase quantum of 6.69 MU as shown in the Table above, which is lower than the approved power purchase quantum of 8.89 MUs, on account of the lower actual sales.

Summary of Aggregate Revenue Requirement

The ARR approved by the Hon'ble Commission in the Tariff Order for FY 2022-23 and the actual ARR for FY 2022-23 for the purpose of truing up, given in the Table below:

Table 1-3: Aggregate Revenue Requirement for FY 2022-23 (Rs. Lakh)

Particulars	Approved in MYT Order dated 31.03.2022	Claimed in True-Up
Power Purchase Expenses	669.42	637.46
O&M Expenses	46.21	43.26
<i>Employee Expenses</i>	5.44	3.96
<i>R&M Expenses</i>	5.06	5.52
<i>A&G Expenses</i>	35.72	33.78
Depreciation	-	-
Interest on Long Term Loan Capital	-	-
Interest on Working Capital	-	-
Income Tax	-	-
Total Revenue Expenditure	715.63	680.72
Return on Equity	-	-
Less: Non-Tariff Income	51.80	53.13
Aggregate Revenue Requirement	663.83	627.59

The actual revenue from sale of electricity in FY 2022-23 was Rs. 627.59 lakh. Accordingly, the following Table summarizes the Revenue Gap/(Surplus) for FY 2022-23:

Table 1-4: Revenue Gap/(Surplus) for FY 2022-23 (Rs. Lakh)

Particulars	Approved in MYT Order dated 31.03.2022	Claimed in True-Up
Total ARR of FY2022-23	663.83	627.59
Add: Revenue Gap of FY 2020-21	(10.81)	-
Net ARR	653.02	-
Revenue from sale of electricity	657.56	631.91
Revenue Gap / (Surplus)	(4.54)	(4.32)

Thus, the Revenue Gap/Surplus for FY 2022-23 works out to Rs. (4.32) lakh.

Accordingly, Aspen requests the Hon'ble Commission to approve the above-mentioned Revenue Gap (Surplus) of Rs. (4.32) lakh after truing up for FY 2022-23 and allow Aspen to recover this Revenue Gap/ Surplus in FY2024-25, along with the ARR of FY2024-25

Aspen respectfully submits that as the ARR for FY 2022-23 was approved for the combined Wires and Supply Business, the true-up for this year has also to be undertaken in a combined manner.

Trajectory /Projected ARR for FY2024-25 and Tariff for FY2024-25

Based on the past trend of sales, the energy sales projected for FY 2024-25 is shown in the Table below:

Table 1-5: Proposed Energy Sales for FY2024-25 (MU)

Particulars	Proposed Energy Sales
Energy Sales	7.66220

Aspen has proposed the trajectory for distribution losses for FY 2024-25, as shown in the Table below:

Table 1-6: Proposed Distribution Loss Trajectory for FY2024-25

Particulars	Proposed Distribution loss
Distribution Loss	2.31%

Aspen respectfully requests the Hon'ble Commission to approve the distribution loss for the FY2024-25 as 2.31 %, without any reduction, as the losses are already very low and highly dependent on the quantum of sales, as lower sales have led to higher losses in the past

Energy Balance

Based on the projected Sales and Distribution Loss, the Energy Balance for Aspen's licence area for FY 2024-25 has given in the Table below:

Table 1-7: Revised Projected Energy Balance for FY2023-24

Particulars	Revised Projections
Energy Sales (Units)	76,62,200
Distribution Loss (%)	2.31 %
Distribution Loss (Units)	1,81,182
Energy procured (Units)	78,43,382

Power Purchase

In accordance with the total sales, distribution loss and energy requirement, Aspen has estimated the cost of power purchase from MGVL for FY2024-25, as shown in the Table below:

Table 1-8: Trajectory /Projected Power Purchase Cost for FY2024-25

Particulars	Revised Projections
Power Purchase (Units)	78,43,382
Power Purchase Cost (Rs. Lakh)	714.76
Cost per Unit (Rs. /kWh)	9.11

Summary of Aggregate Revenue Requirement

Based on the components of ARR, the projected Aggregate Revenue Requirement for FY 2024-25 has shown in the Table below:

Table 1-9: Projected Aggregate Revenue Requirement for FY2024-25 (Rs. Lakh)

Particulars	Revised Projections
Power Purchase Expenses	714.76
O&M Expenses	48.36
Depreciation	-
Interest on Long Term Loan Capital	-
Interest on Working Capital	-
Income Tax	-
Total Revenue Expenditure	763.12
Return on Equity	-
Less: Non-Tariff Income	54.63
Aggregate Revenue Requirement	708.49

Revenue Gap/(Surplus)

Based on the projected ARR for FY 2024-25 and expected revenue from sales at the existing tariff, the projected Revenue Gap/(Surplus) for FY 2024-25 is shown in the Table below:

Table 1-10: Trajectory /Projected Revenue Gap/(Surplus) for FY2024-25 (Rs. Lakh)

Particulars	FY2024-25
Total ARR of FY 2024-25	708.49
Add: Revenue Gap of FY 2022-23	(4.32)
Net ARR	704.17
Revenue from Sales	708.19
Revenue Gap/(Surplus)	(04.02)

Proposed Tariff

As Aspen is still in the process of development of the SEZ, and the sales are yet to reach significant levels as sales down due to slowdown of economy as a consequence of pandemic and other foreign matters, Aspen requests the Hon'ble Commission to allow Aspen to continue to charge consumers in the SEZ area at the same tariff that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY 2024-25. It is expected that the tariff increase approved for Aspen, by virtue of the MGVCL tariff being the ceiling tariff, would be able to adjust/ recover all/most of the Revenue Gap/ Surplus of Rs.(04.02) lakh for FY 2024-25.

Table 1-11: Proposed Wheeling Charge at 11 kV for FY2024-25 (Paise/kWh)

Sl.	Particulars	Units	Amount
1	ARR for the Wires Business	Rs. Lakh	21.62
2	Energy Input at 11 kV	Lakh Units	76.62
3	Wheeling Charge at 11 kV	Paise/kWh	28.21
4	Proposed Wheeling Charges at 11 kV	Paise/kWh	28.00

Further, the Open Access consumers will also have to be bear the Distribution Losses of 2.31 %, in addition to the above-proposed Wheeling Charges.

Proposed Cross-Subsidy Surcharge

As the CSS works out to be negative based on existing tariff, no CSS is proposed for Open Access consumers for FY 2024-25. In case the CSS works out to be positive based on tariffs approved by the Hon'ble Commission for FY 2024-25, then the same shall be applicable for Open Access consumers

Prayers

In view of the above facts and circumstances, Aspen prays that the Hon'ble Commission may be pleased to:

- i) **Admit the Petition for approval of truing up for FY 2022-23 and approval of Trajectory /Projected ARR and Tariff for FY 2024-25.**
- ii) **Allow Aspen to continue to charge consumers in the SEZ area at the same Wheeling Charge that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY 2024-25.**
- iii) **Allow Aspen to continue to charge consumers in the SEZ area at the same Retail Tariff that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY2024-25**
- iv) **Condone any inadvertent omissions/errors/shortcomings and permit Aspen to add/change/modify/alter this filing and make further submissions as may be required at a future date.**
- v) **Pass such Orders as the Hon'ble Commission may deem fit in the facts of the present case.**