

Part – II

Review for the FY 2021-22

Submitted by:

**Power & Electricity Department
Government of Mizoram**

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LIST OF ABBREVIATIONS

Abbreviation	Description
A&G	Administration & General
ARR	Aggregate Revenue Requirement
CAGR	Compound Annual Growth Rate
CD	Contract Demand
CERC	Central Electricity Regulatory Commission
CGS	Central Generating Stations
CoS	Cost of Supply
CPSU	Central Power Sector Undertakings
Crs	Crore
D/E	Debt Equity
P&ED	Power & Electricity Department, Govt. of Mizoram
FAC	Fuel Adjustment Costs
FDR	Fixed Deposits Receipts
FY	Financial Year
GFA	Gross Fixed Assets
HP	Horse Power
HT	High Tension
JERC (M&M)	Joint Electricity Regulatory Commission for Manipur & Mizoram
KV	Kilovolt
KVA	Kilovolt Amps
kWh	kilo Watt hour
LT	Low Tension
LTC	Leave Travel Concession
MU	Million Units
MVA	Millionvolt Amps
MW	Mega Watt
O&M	Operation & Maintenance
PLF	Plant Load Factor
PLR	Prime Lending Rate
R&M	Repairs and Maintenance
RoE	Rate of Return
₹	Rupees
S/s	Sub Station
SBI	State Bank of India
T&D	Transmission & Distribution
UI	Unscheduled Interchange

1 Review for FY 2021-22

1.1. Background

Multi Year Tariff Order for the control period of 5 years from FY 2018-19 to FY 2022-23 was issued by the Hon'ble Commission vide order dated 12.03.2018 under the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014.

The Hon'ble Commission determined the Aggregate Revenue Requirement for the FY 2018-19 to FY 2022-23 & Tariff for the FY 2018-19 vide Order dated 12.03.2018.

Regulation 5.2 (iii) of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014 provides as follows:

“In case of Mid-term Review of Business Plan under Regulation 4.2 (i), the Petition shall comprise of:

- a. Truing Up for previous year;*
- b. Modification of the ARR for the remaining year of the Control Period, if any, with adequate justification for the same;*
- c. Revenue from the sale of power at existing tariffs and charges for the ensuing year;*
- d. Revenue gap for the ensuing year calculated based on ARR approved in the MYT Order and truing up for the previous year;*
- d. Application for determination of tariff for the ensuing year.”*

Further, the Hon'ble Commission notified the First Amendment Regulations, 2019 is as follows:

“5.2 The filing of the Control Period under these Regulations shall be as under.

(i).....

(ii) From the second year of the Control Period onwards and upto the last year of the Control Period, the petition in each year shall comprise of:

- a. Truing Up for the previous year with audited accounts, and Annual Performance Review (APR) with revision of ARR approved in MYT Order for current year and revised projection of ARR approved in MYT Order for the ensuing year in accordance with these Regulations;*
- b. Revenue from the sale of power at existing tariffs and changes for the current year;*
- c. Revenue gap for the ensuing year calculated based on the revised projection of ARR and truing up of the previous year;*

d. Application for determination of tariff for the ensuing year.”

Further, the Hon'ble Commission had directed the P&ED to file APR for the current FY along with the Tariff Petition for the next FY.

In compliance with the above directive of the Hon'ble Commission, P&ED is submitting the present petition for Review of FY 2021-22.

P&ED requests the Hon'ble Commission to carry out the Review for the FY 2021-22 in accordance with the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014 read with First Amendment Regulations, 2019.

Data given in this chapter is for the entire year i.e. FY 2021-22.

1.2. Energy Sales

It is submitted that the P&ED has revised the projection of number of consumers, connected load & energy sales for the FY 2021-22 based on the audited actual figures of the FY 2020-21 and the actuals for the FY 2021-22 H1 (1st Half Year). The CAGR for the 3 years, 2 years and 1 year has been computed and appropriately applied to arrive at the revised number of consumers, connected load & energy sales for the FY 2021-22. This has been done as there was variation between the approved figure and the revised estimates of sales for the FY 2021-22. The details of projections are provided in the subsequent sections.

1.2.1 Number of consumers

The estimates of category wise number of consumers have been revised based on the audited actual figures of the FY 2020-21 and the actuals for the FY 2021-22 (H1). The CAGR for the 3 years, 2 years and 1 year has been computed and appropriately applied to arrive at the revised number of consumers. Based on the audited actuals of FY 2017-18 to FY 2020-21, the growth rate of number of consumers and the revised number of consumers is detailed in the table below.

Table1.1: Category-wise Growth in Number of Consumer FY 2021-22

Sl. No.	Category	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	CAGR for 3 Years	CAGR for 2 Years	CAGR for 1 Years	Considered	FY 2021-22
1	KJ(Domestic)	11794	20925	21266	19790	18.83	-2.75	-6.94	5.00	20780
2	Domestic LT	194603	196192	211718	223673	4.75	6.77	5.65	4.75	234297
3	Domestic HT	41	34	25	25	-15.20	-14.25	-	5.00	26
	Total Domestic	206438	217151	233009	243488					255103
4	Non-Domestic LT	0	0	5791	6914	-	-	19.39	5.00	7260
5	Non-Domestic HT	0	0	77	11	-	-	-85.71	5.00	12
	Total Non-Domestic	0	0	5868	6925					7271
6	Commercial LT	15833	15705	11888	11784	-9.38	-13.38	-0.87	5.00	12373
7	Commercial HT	151	168	143	280	22.86	29.10	95.80	5.00	294
	Total Commercial	15984	15873	12031	12064					12667
8	Public Lighting	1252	1283	1192	1244	-0.21	-1.53	4.36	4.36	1298
9	PWS LT	13	10	17	9	-11.54	-5.13	-47.06	5.00	9
10	PWS HT	56	54	53	70	7.72	13.86	32.08	5.00	74
11	Agl LT	20	23	37	35	20.51	23.36	-5.41	5.00	37
12	Agl HT	1	0	2	2	25.99	-	-	5.00	2
13	Industrial LT	958	1151	1032	1034	2.58	-5.22	0.19	2.58	1061
14	Industrial HT	25	15	18	23	-2.74	23.83	27.78	5.00	24
15	Bulk Supply HT (Incl. Temp.)	552	195	235	228	-25.53	8.13	-2.98	5.00	239
	Grand Total	225299	235755	253494	265122					277786

1.2.2 Connected Load

The estimates of category wise connected load have been revised based on the audited actual figures of the FY 2020-21 and the actuals for the FY 2021-22 (H1). The CAGR for the 3 years, 2 years and 1 year has been computed and appropriately applied to arrive at the revised connected load. Based on the audited actuals of FY 2017-18 to FY 2020-21, the growth rate of connected load and the revised connected load is detailed in the table below.

Table1.2: Consumer Category-wise Growth in Connected Load FY 2021-22

Sl. No.	Category	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	CAGR for 3 Years	CAGR for 2 Years	CAGR for 1 Years	Considered	FY 2021-22
1	KJ(Domestic)	2.80	4.25	4.24	3.87	11.41	-4.58	-8.91	5.00	4.06
2	Domestic LT	267.54	257.54	278.50	281.72	1.74	4.59	1.16	1.74	286.62
3	Domestic HT	5.28	5.42	4.97	5.70	2.62	2.62	14.75	2.62	5.85
	Total Domestic	275.62	267.20	287.71	291.29					296.53
4	Non-Domestic LT	0.00	0.00	12.05	14.71	-	-	22.13	5.00	15.45
5	Non-Domestic HT	0.00	0.00	0.47	0.44	-	-	-7.43	5.00	0.46
	Total Non-Domestic	0.00	0.00	12.52	15.15					15.91
6	Commercial LT	43.69	44.08	37.89	34.66	-7.43	-11.33	-8.52	5.00	36.39
7	Commercial HT	11.05	18.53	8.99	9.94	-3.49	-26.77	10.49	5.00	10.43
	Total Commercial	54.75	62.61	46.88	44.59					46.82
8	Public Lighting	0.94	0.92	0.89	0.91	-1.11	-0.49	2.24	2.24	0.93
9	PWS LT	4.19	4.05	3.26	0.27	-60.10	-74.37	-91.85	5.00	0.28
10	PWS HT	40.26	43.46	43.13	79.29	25.34	35.08	83.82	5.00	83.26
11	Agl LT	0.02	0.04	0.07	0.11	74.90	67.80	64.62	5.00	0.11
12	Agl HT	0.09	0.00	0.17	0.17	25.99	-	-	5.00	0.18
13	Industrial LT	5.28	10.45	5.32	5.00	-1.84	-30.84	-6.05	5.00	5.25
14	Industrial HT	12.99	8.96	6.73	5.43	-25.25	-22.18	-19.40	5.00	5.70
15	Bulk Supply HT (Incl. Temp.)	18.45	16.69	14.29	54.84	43.78	81.26	283.73	5.00	57.58
	Grand Total	412.58	414.37	420.97	497.03					512.54

1.2.3 Sales

The estimates of category wise sales have been revised based on the audited actual figures of the FY 2020-21, the actuals for the FY 2021-22 (H1) and the revised number of consumers & connected load as detailed above. Further, CAGR for the 3 years, 2 years and 1 year has been computed and appropriately applied to arrive at the revised sales. Based on the audited actuals of FY 2017-18 to FY 2020-21, the growth rate of sales and the revised sales is detailed in the table below.

Table 1.3: Consumer Category-wise Growth in Energy Sales FY 2021-22

Sl. No.	Category	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	CAGR for 3 Years	CAGR for 2 Years	CAGR for 1 Year	Considered	FY 2021-22
1	KJ(Domestic)	3.56	3.36	7.41	7.19	26.43	46.27	-3.00	5.00	7.55
2	Domestic LT	229.95	214.96	279.54	271.90	5.74	12.47	-2.73	5.74	287.50
3	Domestic HT	5.19	9.65	9.38	4.35	-5.74	-32.90	-53.65	5.00	4.56
	Total Domestic	238.69	227.97	296.32	283.43					299.61
4	Non-Domestic LT	0.00	0.00	9.03	8.20	-	-	-9.23	5.00	8.61
5	Non-Domestic HT	0.00	0.00	0.53	0.25	-	-	-52.45	5.00	0.27
	Total Non-Domestic	0.00	0.00	9.57	8.45					8.88
6	Commercial LT	37.75	51.03	34.49	34.20	-3.24	-18.14	-0.84	5.00	35.91
7	Commercial HT	10.37	10.01	13.81	10.07	-0.97	0.30	-27.11	5.00	10.57
	Total Commercial	48.11	61.04	48.30	44.26					46.47
8	Public Lighting	2.21	2.67	2.11	2.11	-1.43	-11.11	-0.04	5.00	2.22
9	PWS LT	5.31	4.67	0.91	0.79	-46.92	-58.79	-12.45	5.00	0.83
10	PWS HT	36.26	63.90	63.38	81.66	31.07	13.04	28.83	5.00	85.74
11	Agl LT	0.01	0.22	0.08	0.06	69.28	-46.79	-26.07	5.00	0.07
12	Agl HT	0.12	0.00	0.06	0.10	-6.66	-	74.12	5.00	0.11
13	Industrial LT	2.19	3.41	2.96	4.06	22.85	9.12	37.28	5.00	4.26
14	Industrial HT	11.15	10.94	7.96	5.54	-20.80	-28.85	-30.37	5.00	5.82
15	Bulk Supply HT (Incl. Temp.)	51.72	12.93	54.77	14.45	-34.62	5.74	-73.61	5.74	15.28
	Grand Total	395.78	387.76	486.41	444.92					469.29

The above table reflects the category wise CAGR for three years, two years and one year. Depending on the trend of the growth in individual categories over the period of three years, two years and one year, CAGR has been applied and the same is reflected in the column 10 of the above table. Accordingly, category wise revised sales estimate for the FY 2021-22 has been arrived.

Further, there has been substantial variations have been observed in the energy sales for other categories as well in the H1 of the FY 2021-22 which shall have substantial impact on the revenue & gap for the FY 2021-22.

In view of the above, category wise revised sales estimate is proposed for the consideration and approval of the Hon'ble Commission. The comparison of category wise revised sales estimate and the sales approved by the Hon'ble Commission for the FY 2021-22 is provided in the table below.

Table 1.4: Energy Sales FY 2021-22

(In MUs)

Sl. No.	Category	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
	LT Consumers			
1	KJ (Domestic)	8.17	7.55	-0.62
2	Domestic	318.61	287.50	-31.11
3	Non-Domestic	9.96	8.61	-1.35
4	Commercial	38.02	35.91	-2.11
5	Public Lighting	2.33	2.22	-0.11
6	Agriculture	0.09	0.07	-0.02
7	Public Water Works	1.00	0.83	-0.17
8	Industrial	3.26	4.26	1.00
	Total LT	381.44	346.94	-34.50
	HT Consumers			
9	Domestic	10.34	4.56	-5.78
10	Non- Domestic	0.59	0.27	-0.32
11	Commercial	15.23	10.57	-4.66
12	Agriculture	0.06	0.11	0.05
13	Public Water Works	69.88	85.74	15.86
14	Industrial	8.77	5.82	-2.95
15	Bulk Supply	60.38	15.28	-45.10
	Total HT	165.25	122.34	-42.91
16	Outside State - Trading	78.29	133.28	54.99
	Total	624.98	602.56	-22.42

1.3 Distribution Loss

The distribution loss trajectory approved by the Hon'ble Commission for the FY 2021-22 & the estimated distribution loss considered by the P&ED for the FY 2021-22 is provided in the table below. However, actual distribution loss shall be submitted for consideration of the Hon'ble Commission for Truing-up after the end of the financial year when the accounts are audited.

Table 1.5: Distribution Loss for FY 2021-22

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Distribution Loss	18.16%	18.16%	0.00%

1.4 P&ED's Own Generation

The P&ED's own generation approved by the Hon'ble Commission for the FY 2021-22 & the estimated own generation considered by the P&ED for the FY 2021-22 is provided in the table below:

Table 1.6: P&ED's Own Generation FY 2021-22

(In MUs)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Total Generation (Net)	50.78	6.27	-44.51
	Total	50.78	6.27	-44.51

It is submitted that P&ED is not operating the **Khawiva SHP, Tuipui SHP, Teirei SHP & Kau Tlabung SHP** and the SHPs have been operated and managed by Amazon Engineering. Hence, the Installed Capacity & energy generation does not include in Own Generation. However, P&ED has procured the energy generated from the above SHPs and has incorporated the same in the power purchase for the year.

1.5 Power Purchase

The power purchase units approved for the FY 2021-22 is 774.87 MUs. The revised estimate for power purchase units for the FY 2021-22 has been arrived at on the basis of actual power purchase for the H1 (1st half year) of the FY 2021-22 and actual purchase for H2 (2nd half year) of the FY 2020-21. Accordingly, the power purchase units estimate for the FY 2021-22 is revised at 727.44 MUs. The approved & estimated power purchase units for FY 2021-22 are provided in the table below:

Table 1.7: Power Purchase Units FY 2021-22

In (MUs)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Power Purchase Units	774.87	727.44	-47.43
	Total	774.87	727.44	-47.43

1.6 Energy Balance

The revised estimate of energy balance based on the energy requirement and energy availability for the FY 2021-22 is provided in the table below:

Table 1.8: Energy Balance FY 2021-22

Sl. No.	Energy Balance	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
A	Energy Requirement			
1	Energy Sales	546.69	469.29	-77.40
2	Distribution Loss (%)	18.16%	18.16%	0.00%
3	Distribution Loss (MUs)	121.30	104.10	-17.20
4	Total Energy Requirement	667.99	573.39	-94.60
B	Energy Availability			
5	Own Generation	50.78	6.27	-44.51
6	Energy Purchase from ER	32.64	31.71	-0.93
7	Less: ER Pool Loss (%)	1.95%	1.95%	0.00
8	Less: ER Pool Loss (Mus)	0.64	0.62	-0.02
9	Net Energy for ER	32.00	31.09	-0.91
10	Energy Purchase from NER (Exl. Tuirial HEP)	531.62	546.03	14.41
11	UI / Deviation	0.00	2.12	2.12
12	Sub Total	563.62	579.24	15.62
13	Less: NER Pool Loss (%)	2.54%	2.54%	0.00
14	Less: NER Pool Loss (MUs)	14.32	14.71	0.40
15	Net Energy at NERLDC	549.31	564.53	15.22
16	Energy purchases from Tuirial HEP	141.41	115.42	-25.99
17	Free Energy from Tuirial HEP	18.42	15.74	-2.68
18	Amazon Engineering	0.00	14.09	14.09
19	Rooftop Solar Generation	0.00	0.09	0.09
20	Solar Generation	0.00	2.22	2.22
21	Energy Available	759.92	718.37	-41.55
22	Less: Outside State - Trading	78.29	133.28	54.99
23	Total Energy Available	681.63	585.09	-96.54
24	Less: Intra State Tr. Loss (%)	2.00%	2.00%	0.00
25	Less: Intra State Tr. Loss (MUs)	13.63	11.70	-1.93
26	Net Energy Available	667.99	573.39	-94.61
27	Less: Energy requirement at State Periphery	667.99	573.39	-94.60
28	ENERGY SURPLUS/(DEFICIT)	0.00	0.00	0.00

1.7 Fuel Cost

The values of fuel cost approved for the FY 2021-22 are not proposed to be revised at this stage. However, the actuals shall be submitted at the time truing-up.

Table 1.9: Fuel Cost FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Cost of Fuel	0.01	0.01	0.00
	Total	0.01	0.01	0.00

1.8 Cost of Generation

The values of cost of generation approved for the FY 2021-22 are not proposed to be revised at this stage. However, the actuals shall be submitted at the time truing-up.

Table 1.10: Cost of Generation FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Cost of Generation	3.37	3.37	0.00
	Total	3.37	3.37	0.00

1.9 Power Purchase Cost

The Hon'ble Commission in the Tariff Order for the FY 2021-22 had approved a power purchase quantum of 774.87 MUs at a total cost of ₹ 337.52 Crores. As submitted above the estimate of power purchase quantum for the FY 2021-22 is proposed to be revised to 727.44 MUs. Accordingly, the power purchase cost is also proposed to be revised. The detail calculation is provided in the Format No. F1(i) & F1a(i). Further, Power purchase cost for the FY 2021-22 has been arrived at in following manner: -

- i. Actual power purchase cost for the H1 of the FY 2021-22 has been considered.
- ii. For estimating the power purchase cost of H2, the estimated quantum of power purchase units for H2 has been taken from actual power purchase unit of FY 2020-21 and source wise average cost of FY 2020-21 escalated at 5.72% has been applied.
- iii. The cost towards RPO has been arrived at in accordance with the RPO targets prescribed in the RPO regulations. The target for solar & non-solar for the FY 2020-21 is 20.50% (10.50% for solar & 10.00% for non-solar). The RPO for solar & Non-solar has been calculated based on the actual consumption (excluding outside the state sale but including T&D loss). Further, procurement of power from hydro sources has been reduced to arrive at the base figure for calculation of RPO.
- iv. For the solar RPO category, the prescribed target of 10.50% has been applied on the base figure of 286.31 MUs. Further, 2.32 MUs has been deducted as procured from solar category. Accordingly, 27,742.52 MWh (27.74 MUs) is computed as the solar RPO for the FY 2021-22. The rate as prescribed by CERC has been considered to arrive at the cost of RPO of ₹ 6.66 Crores.
- v. For the non-solar RPO category, the prescribed target of 10.00% has been applied on the base figure of 286.31 MUs. Further, 6.27 MUs has been deducted as procured from non-solar category. Accordingly, 22,359.03 MWh (22.36 MUs) is computed as the non-solar RPO for the FY 2021-22. The rate as prescribed by CERC has been considered to arrive at the cost of RPO of ₹ 6.71 Crores.

The comparison of the approved power purchase cost and the revised estimate as arrived above is given in the table below.

Table 1.11: Power Purchase Cost FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Power Purchase Cost	337.52	444.47	106.95
	Total	337.52	444.47	106.95

1.10 Transmission Charges

The estimate of transmission charges for the FY 2021-22 is proposed to be revised based on the actuals for the FY 2020-21 and H1 of FY 2021-22. The comparison of the approved transmission charges and the revised estimate is given in the table below.

Table 1.12: Transmission Charges FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Transmission Charges	37.73	53.71	15.98
	Total	37.73	53.71	15.98

1.11 Intra-state Transmission Charges

The values of intra-state transmission charges approved for the FY 2021-22 are not proposed to be revised at this stage. However, the actuals shall be submitted at the time truing-up.

Table 1.13: Intra-state Transmission Charges FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Intra-state Transmission Charges	6.47	6.47	0.00
	Total	6.47	6.47	0.00

1.12 Employee Cost

The value of employee cost approved for the FY 2021-22 is Rs. 141 Crores. The revised estimate of employee cost for the FY 2021-22 has been arrived at on the basis of actual employee cost for the H1 (1st half year) of the FY 2021-22 of Rs. 103.14 Crores for P&ED. Accordingly, the employee cost estimate for the FY 2021-22 is revised at Rs. 144.40 Crores for **only relates to the distribution function**. The approved & estimated employee cost for the FY 2021-22 is provided in the table below:

Table 1.14: Employee Cost FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Employee Cost	141.00	144.40	3.40
	Total	141.00	144.40	3.40

1.13 Repair & Maintenance Expenses

The value of Repair & Maintenance Expenses approved for the FY 2021-22 is Rs. 11.03 Crores. The revised estimate of Repair & Maintenance Expenses for the FY 2021-22 has been arrived at Rs. 9.63 Crores for **only relates to the distribution function**. The approved & estimated Repair & Maintenance Expenses for the FY 2021-22 is provided in the table below:

Table 1.15: Repair & Maintenance Expenses FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Repair & Maintenance Expenses	11.03	9.63	-1.40
	Total	11.03	9.63	-1.40

1.14 Administration & General Expenses

The value of Administration & General Expenses approved for the FY 2021-22 is Rs. 4.83 Crores. The revised estimate of Administration & General Expenses for the FY 2021-22 has been arrived at on the basis of actual Administration & General Expenses for the H1 (1st half year) of the FY 2021-22 of Rs. 3.49 Crores for P&ED. Accordingly, the Administration & General Expenses estimate for the FY 2021-22 is revised at Rs. 4.88 Crores for **only relates to the distribution function**. The approved & estimated Administration & General Expenses for the FY 2021-22 is provided in the table below:

Table 1.16: Administration & General Expenses FY 2021-22**(In ₹ Crores)**

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Administration & General Expenses	4.83	4.88	0.05
	Total	4.83	4.88	0.05

1.15 Depreciation

The Hon'ble Commission has approved the Depreciation for the FY 2021-22. In this regard it is submitted that the GFA for the FY 2020-21 has got revised in accordance with the audited annual accounts for which true-up proposal is being submitted. The Fixed Asset & Depreciation Register for the FY 2020-21 is also being submitted. Therefore, the GFA & corresponding depreciation for the FY 2021-22 also stands revised.

In view of the above it is requested that the Hon'ble Commission may kindly consider & approve the revised depreciation for the FY 2021-22. The depreciation approved by the Hon'ble Commission and revised depreciation for the FY 2021-22 is provided in the table below:

Table 1.17: Depreciation FY 2021-22**(In ₹ Crores)**

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Depreciation	2.08	2.02	-0.06
	Total	2.08	2.02	-0.06

1.16 Interest & Finance Charges

The interest & finance charges approved for the FY 2021-22 was on the basis of the schedule of loan & repayment and there has been no change in the same as of now. However, the actuals shall be submitted at the time truing-up. The interest & finance charges as approved for the FY 2021-22 are provided in the table below:

Table 1.18: Interest & Finance Charges FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Interest & Finance Charges	0.82	0.82	0.00
	Total	0.82	0.82	0.00

1.17 Interest on Working Capital

The Hon'ble Commission did not approve interest on Working Capital for the FY 2021-22. Further, the working capital estimate has been reworked based on the changed determinants. The interest on working capital as approved and the revised estimate for the FY 2021-22 are provided in the table below:

Table 1.19: Interest on Working Capital FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Interest on Working Capital	0.00	6.34	6.34
	Total	0.00	6.34	6.34

1.18 Interest on Consumer Security Deposit

The interest on Consumer Security Deposit approved for the FY 2021-22 was on the basis of closing balance of Consumer Security Deposit. The interest on Consumer Security Deposit as approved and the revised estimate for the FY 2021-22 are provided in the table below:

Table 1.20: Interest on Consumer Security Deposit FY 2021-22
(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Interest on Consumer Security Deposit	1.07	0.61	0.46
	Total	1.07	0.61	0.46

1.19 Provision for Bad & Doubtful Debt

The Hon'ble Commission did not approve Provision for Bad & Doubtful Debt for the FY 2021-22 and the P&ED is not proposing any provisions for the same.

Table 1.21: Provision for Bad & Doubtful Debt FY 2021-22
(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Provision for Bad Debt	0.00	0.00	0.00
	Total	0.00	0.00	0.00

1.20 Contribution to Contingency Reserve Fund

Regulation 76.6 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014 provides that the Transmission licensee shall be allowed an annual appropriation of 0.5% of the original cost of fixed assets towards Contingency Reserve. It further provides that the maximum cumulative provision under the Contingency Reserve shall not exceed 5% of

original cost of fixed assets. In view of the above, the P&ED has appropriated 0.5% of the cost of fixed assets towards Contingency Reserve for the FY 2021-22. It is further submitted that P&ED has not made any appropriation towards the Reserve in the previous years, hence, the total balance in the Contingency Reserve does not exceed the maximum cumulative limit of 5% of the original cost of fixed assets as provided in the Regulations. The Contingency Reserve Fund as approved and the revised estimate for the FY 2021-22 are provided in the table below:

Table 1.22: Contribution to Contingency Reserve Fund FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Contribution to Contingency Reserve Fund	3.23	3.09	0.14
	Total	3.23	3.09	0.14

1.21 Other Income

The Other Income approved for the FY 2021-22 is Rs. 3.70 Crores. Further, the other income estimate has been reworked based on the changed determinants. The other income approved & estimated is provided in the table below:

Table 1.23: Other Income FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Non Tariff Income	3.70	10.60	6.90
	Total	3.70	10.60	6.90

1.22 Return on Equity

The Hon'ble Commission did not approve return on equity for the FY 2021-22 and the P&ED is not proposing for the same.

Table 1.24: Return on Equity FY 2021-22

(In ₹ Crores)

Sl. No.	Particulars	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Return on Equity	0.00	0.00	0.00
	Total	0.00	0.00	0.00

1.23 Revenue from sale of power

The P&ED has considered the revised estimate of energy sale as detailed in para 1.2 above for calculating the estimated revenue from sale of power. The comparison of approved revenue & revised estimate for the FY 2021-22 is provided in the table below:

Table 1.25: Revenue from Sales FY 2021-22

(In ₹ Crores)

Sl. No.	Category	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
	LT Consumers			
1	KJ(Domestic)	2.89	2.77	-0.12
2	Domestic	176.16	166.19	-9.97
3	Non- Domestic	7.08	6.72	-0.36
4	Commercial	30.17	29.55	-0.62
5	Public Lighting	2.43	2.42	-0.01
6	Agriculture	0.04	0.03	-0.01
7	Public Water Works	1.38	0.90	-0.48
8	Industrial	2.48	3.18	0.70
	Total LT	222.62	211.75	-10.878
	HT Consumers			
9	Domestic	6.99	3.83	-3.16
10	Non- Domestic	0.41	0.23	-0.18
11	Commercial	11.73	9.92	-1.81
12	Agriculture	0.03	0.01	-0.02
13	Public Water Works	73.62	108.52	34.90
14	Industrial	6.90	5.42	-1.48
15	Bulk Supply	44.57	20.00	-24.57
	Total HT	144.25	147.95	3.70
16	Outside State	28.28	38.34	10.06
	Total	395.15	398.04	2.88

1.24 Review of ARR

The Annual Revenue Requirement approved for FY 2021-22 and revised value of Annual Revenue Requirement for FY 2021-22 is provided in the table below:

Table 1.26: Review of ARR FY 2021-22**(In ₹ Crores)**

Sl. No.	Item of Expense	Approved in T.O. dated 26.03.2021	As per Revised Estimate	Deviation
1	2	3	4	5
1	Cost of Fuel	0.01	0.01	0.00
2	Cost of Generation	3.37	3.37	0.00
3	Cost of Power Purchase	337.52	444.47	106.95
4	Transmission Charges	37.73	53.71	15.98
5	Intra State Transmission	6.47	6.47	0.00
6	Employee Costs	141.00	144.40	3.40
7	R&M Expenses	11.03	9.63	-1.40
8	Administration and General Expenses	4.83	4.88	0.04
9	Depreciation	2.08	2.02	-0.06
10	Interest charges	0.82	0.82	0.00
11	Interest on Working Capital	0.00	6.34	6.34
12	Interest on Consumer Security Deposit	1.07	0.61	-0.46
13	Provision for bad debts	0.00	0.00	0.00
14	Return on NFA /Equity	0.00	0.00	0.00
15	Contribution to Contingency Reserve Fund	3.23	3.09	-0.14
16	Total Revenue Requirement	549.16	679.81	130.65
17	Less: Non Tariff Income	3.70	10.60	6.90
18	Less: 1/3 Surplus transferred from FY 2019-20	59.36	59.36	0.00
19	Less: Efficiency Gains (for dues collection)	8.00	8.00	0.00
20	Net Revenue Requirement	478.11	601.86	123.74
21	Less: Revenue from Sale of Power	395.15	398.04	2.89
22	Net Gap	82.96	203.81	120.85

It is prayed that the Hon'ble Commission may kindly consider the above submissions and approve the review of Aggregate Revenue Requirement and Gap for the FY 2021-22.