



**APR for the FY 2021-22 and ARR & Tariff Proposal for
the FY 2022-23, FY 2023-24 & FY 2024-25**

**Submitted by:
Electricity Department
Andaman & Nicobar Administration
March -2022**

A handwritten signature in black ink, appearing to be "P. H.", written over a diagonal line.

**अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair**

GENERAL HEADINGS OF PROCEEDINGS

BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA & UNION TERRITORIES

FILE No: _____

CASE No: _____

IN THE MATTER OF

: Petition for Approval of APR for the FY 2021-22 &
ARR & Tariff Proposal for the FY 2022-23, FY 2023-24
& FY 2024-25.

AND

IN THE MATTER OF
THE PETITIONER

: The Electricity Department, Vidyut Bhawan, Port
Blair-744101, U.T. of Andaman & Nicobar

.....Petitioner

Electricity Department of Union Territory of Andaman & Nicobar Administration
(hereinafter referred to as 'EDA&N'), files Petition for Approval of APR for the FY 2021-22 &
ARR & Tariff Proposal for the FY 2022-23, FY 2023-24 & FY 2024-25.



अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Electricity Department, Union Territory of Andaman & Nicobar Islands



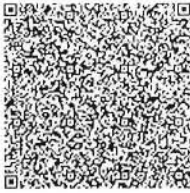
सत्यमेव जयते

INDIA NON JUDICIAL

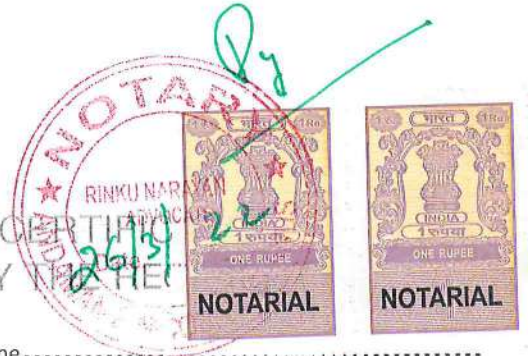
Andaman and Nicobar Administration

e-Stamp

Certificate No. : IN-AN01208532068745U
 Certificate Issued Date : 25-Mar-2022 04:56 PM
 Account Reference : SELFPRINT (PU)/ an-self/ PORT BLAIR/ AN-SOA
 Unique Doc. Reference : SUBIN-ANAN-SELF01231452994725U
 Purchased by : SUPERINTENDING ENGINEER
 Description of Document : Article Others
 Property Description : AFFIDAVIT
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : SUPERINTENDING ENGINEER
 Second Party : JOINT ELECTRICITY REGULATORY COMMISSION
 Stamp Duty Paid By : SUPERINTENDING ENGINEER
 Stamp Duty Amount(Rs.) : 10
 (Ten only)



SELF PRINTED CERTIFICATE
 TO BE VERIFIED BY THE



Please write or type below this line

**BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
 FOR THE STATE OF GOA & UNION TERRITORIES**

FILE No: _____

CASE No: _____

IN THE MATTER OF

**Petition for Approval of True-up for the APR for the FY
 2021-22 & ARR & Tariff Proposal for the FY 2022-23, FY
 2023-24 & FY 2024-25.**

AND

Statutory Alert:

1. The authenticity of this Stamp certificate can be verified by visiting the website www.india-stamp.com and e-Stamp Mobile App of Stock Holding.
2. Any discrepancy in the details on this Certificate and as available on the website/Mobile App renders it invalid.
3. The cost of stamping this certificate is on the purchaser of the certificate.
3. In case of any discrepancy, please refer to the Competent Authority.


 अधीक्षक अभियंता / Superintendent Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

IN THE MATTER OF THE : The Electricity Department, Vidyut Bhawan, Port Blair-
PETITIONER 744101, U.T. of Andaman & Nicobar

.....Petitioner

I, Rizwana, D/o Late Manwar Ali, (aged 44 years), (occupation) Government Service residing at Dollygunj, Port Blair, Andaman & Nicobar Islands, the deponent named above do hereby solemnly affirm and state on oath as under: -

1. That the deponent is the link arrangement to the Superintending Engineer (CDC) of Electricity Department of Andaman & Nicobar Administration in pursuance to Administration Order No. 521 Dated 07.03.2022 and is acquainted with the facts deposed to below.
2. I, the deponent named above do hereby verify that the contents of the accompanying petition are based on the records of the Electricity Department, Andaman & Nicobar Administration maintained in the ordinary course of business and believed by them to be true and I believe that no part of it is false and no material has been concealed there from.

Details of enclosures:

- a) Petition for Approval of True-up for the APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23, FY 2023-24 & FY 2024-25.
- b) Fee for Tariff Petition is being transferred through RTGS.



For the Electricity Department of A&N

Petitioner

अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

Place: Port Blair, Andaman & Nicobar,

Dated: 26/03/2022

I, Ramendu Agorwal, Advocate, Port Blair, do hereby declare that the person making this affidavit is known to me through the perusal of records and I am satisfied that he is the same person alleging to be deponent himself.

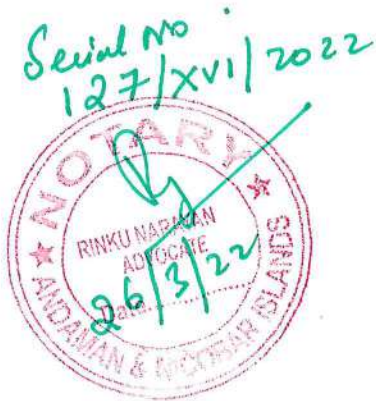
Ramendu Agorwal
Advocate

Solemnly affirmed before me on this 26th day of March.....2022 at AM/PM by the deponent who has been identified by the aforesaid Advocate. I have satisfied myself by examining the deponent that he understood the contents of the affidavit which has been read over and explained to him. He has also been explained about section 193 of Indian Penal Code that whoever intentionally gives false evidence in any of the proceedings of the Commission or fabricates evidence for purpose of being used in any of the proceedings shall be liable for punishment as per law.

Ramendu Agorwal
Advocate.

Affirmed before me after the contents were read over & explained in simple Hindi / English language, on this 26th day of March 2022

Rinku Narayan
ADVOCATE & NOTARY PUBLIC
PORT BLAIR, A & N ISLANDS



[Signature]
अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

**BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA & UNION TERRITORIES**

FILE No: _____

CASE No: _____

IN THE MATTER OF : **Petition for Approval of True-up for the APR for the
FY 2021-22 & ARR & Tariff Proposal for the FY 2022-
23, FY 2023-24 & FY 2024-25.**

AND

IN THE MATTER OF THE : **The Electricity Department, Vidyut Bhawan, Port
PETITIONER Blair-744101, U.T. of Andaman & Nicobar.**

.....Petitioner

PETITIONER, UNDER JOINT ELECTRICITY REGULATORY COMMISSION FOR THE STATE OF GOA AND UNION TERRITORIES (MULTI YEAR TARIFF) REGULATIONS, 2018 & 2021 FILES FOR INITIATION OF PROCEEDINGS BY THE HON'BLE COMMISSION FOR APPROVAL OF PETITION FOR APPROVAL OF APR FOR THE FY 2021-22 & ARR & TARIFF PROPOSAL FOR THE FY 2022-23, FY 2023-24 & FY 2024-25 OF ELECTRICITY DEPARTMENT OF ANDAMAN & NICOBAR ADMINISTRATION (HEREIN AFTER REFERRED TO AS "EDA&N").

THE ELECTRICITY DEPARTMENT OF ANDAMAN & NICOBAR ADMINISTRATION RESPECTFULLY SUBMITS:

1. The Petitioner, The Electricity Department of Andaman & Nicobar Administration has been allowed to function as Distribution Utility for UT of Andaman & Nicobar.
2. Pursuant to the enactment of the Electricity Act, 2003, EDA&N is required to submit its Aggregate Revenue Requirement (ARR) and Tariff Petitions as per procedures outlined in section 61, 62 and 64, of EA 2003, and the governing regulations thereof.
3. The Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2018 requires the EDA&N to file APR for current year i.e FY 2021-22. Further, JERC MYT Regulations, 2021 requires filing of ARR for the control period FY 2022-23 to FY 2024-25 & & tariff proposal, for FY 2022-23 which shall comprise but not be limited to detailed category-wise sales and demand, power procurement, capital investment, financing, physical targets, cost components, expected revenue from tariff & proposed tariff etc.

Electricity Department, Union Territory of Andaman & Nicobar Islands


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

4. EDA&N is submitting its Petition for Approval of APR for the FY 2021-22 & ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23 to Hon'ble Commission on the basis of the principles outlined in tariff regulations notified by the Joint Electricity Regulatory Commission.
5. EDA&N prays to the Hon'ble Commission to admit the attached Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23 and would like to submit that:

PRAYERS TO THE HON'BLE COMMISSION:

1. The petition provides, inter-alia, EDA&N's approach for formulating the present petition, the broad basis for projections used, summary of the proposals being made to the Hon'ble Commission, performance of EDA&N in the recent past, and certain issues impacting the performance of EDA&N in the Licensed Area.
2. Broadly, in formulating the Petition for Approval of APR for the FY 2021-22 & ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23 the principles specified by the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2018 & 2021 ("MYT Regulations") have been considered as the basis.
3. In order to align the thoughts and principles behind the MYT petition and Tariff Proposal, EDA&N respectfully seeks an opportunity to present their case prior to the approval of the business plan. EDA&N believes that such an approach would go a long way towards providing a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
4. EDA&N may also be permitted to propose suitable changes to the petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission.



In view of the above, the petitioner respectfully prays that Hon'ble Commission may:

- Approve the APR for the FY 2021-22 & ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23 for EDA&N formulated in accordance with the guidelines outlined as per the regulation of Joint Electricity Regulatory Commission relating to Distribution Licensee and the principles contained in Tariff Regulations;
- Condone any inadvertent delay/ omissions/ errors/ rounding off differences/shortcomings and EDA&N may please be permitted to add/ change/ modify/ alter the petition;
- Permit EDA&N to file additional data/ information as may be necessary;
- Pass such further and other orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

The Electricity Department of Andaman & Nicobar administration

Petitioner

Place: Port Blair, Andaman& Nicobar Islands

Dated:

Electricity Department, Union Territory of Andaman & Nicobar Islands



 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

SL. NO.	TABLE OF CONTENT	Page No.
1.	INTRODUCTION	1
1.1	Historical Perspective	1
1.2	Power Scenario	1
1.3	JERC Formation	2
1.4	Multi Year Tariff Regulations, 2021	3
1.4.1	Uncontrollable factors	3
1.4.2	Controllable factors	4
1.5	Filing of Petition for Approval of APR for the FY 2021-22 & ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23	4
2	Annual Performance Review for the FY 2021-22	5
2.1	Background to FY 2021-22 APR	5
2.2	Approved ARR for the FY 2021-22	5
2.3	Number of consumers	6
2.4	Energy Sales	6
2.5	Connected Load	7
2.6	Energy Balance	7
2.7	Cost of fuel and Power Purchase	9
2.8	GFA, Capitalisation & Depreciation	10
2.9	Operation & Maintenance expenses	11
2.9.2	Employee Expenses	11
2.9.3	Repair & Maintenance Expenses	12
2.9.4	Administrative & General Expenses	12
2.10	Interest & Finance charges	13
2.11	Interest on Working Capital	14
2.12	Interest on Security deposits	16
2.13	Return on Equity	16
2.14	Provision for Bad & Doubtful Debts	17
2.15	Non-Tariff Income	17
2.16	Aggregate Revenue Requirement	18
2.17	Revenue from sale of Power at Existing Tariff	19
2.18	Revenue Gap for FY 2021-22	19
3	OVERALL APPROACH FOR PRESENT FILING	20
3.1	MYT Petition for 3 year Control Period from FY 2022-23 to 2024-25	20

3.2	Approach for the Filing	20
4	ARR FOR CONTROL PERIOD - FY 2022-23, 2023-24 AND 2024-25.	20
4.1	Energy Requirement	21
4.1.1	Approach for Sales Projection	21
4.1.2	Category wise Sales Forecast	22
4.2.1	Number of Consumers	22
4.3.1	Connected Load	23
4.4.1	Distribution Losses	23
4.5.1	Energy Requirement & Sources of Power Purchase	24
4.6	Capital Expenditure & Capitalisation	25
4.7	ARR for Multi Year Tariff (MYT) control period for EDA&N	25
4.8.1	Power Purchase	26
4.8.1.1	Source of Power	26
4.8.2	Assumption for Power Generation/ Purchase Projection	27
4.8.3	Cost of Fuel	29
4.9	Operation and Maintenance Expenses	30
4.9.1	Employee Expenses	31
4.9.2	Administration and General Expenses	31
4.9.3	Repairs and Maintenance Expenses	32
4.10	Gross Fixed Assets	32
4.11	Depreciation	34
4.12	Interest and Financial Charges	34
4.12.1	Interest on Loan/ Debt	34
4.13	Interest on Working Capital	35
4.14	Interest on Security Deposit	36
4.15	Provision for Bad and Doubtful Debts	36
4.16	Return on Equity	36
4.17	Non-Tariff Income	37
4.18	Aggregate Revenue Requirement	37
4.19	Revenue at Existing Tariff and Gap for the control period	38
5	TARIFF PROPOSAL FOR FY 2022-23	39
5.1	Recovery of Revenue Gap for FY 2022-23	39
5.2	Proposed Tariff in FY 2022-23	39
5.2.1	Tariff Proposal for FY 2022-23	39


SL. NO.	LIST OF TABLES	Page No.
2.2.1	Approved ARR For the FY 2021-22	5
2.3.1	Category wise No. of Consumers for the FY 2021-22	6
2.4.1	Category wise sales for the FY 2021-22	6
2.5.1	Category wise connected load approved for the FY 2021-22	7
2.6.1	Energy Requirement for the FY 2021-22	8
2.6.2	T&D Loss for the FY 2021-22	8
2.6.3	Summary of Power Purchase Expenses for the FY 2021-22	9
2.7.2	Own Generation & Power Purchase Cost for the FY 2021-22	9
2.8	Gross Fixed Asset for FY 2021-22	10
2.8.1	Depreciation for the FY 2021-22	10
2.9.2	Employee Expenses for the FY 2021-22	11
2.9.3	R&M Expenses for the FY 2021-22	12
2.9.4	A&G Expenses for the FY 2021-22	13
2.10	Interest and Finance Charges for the FY 2021-22	14
2.11	Interest on Working Capital for the FY 2021-22	15
2.13	Return on Equity for the FY 2021-22	17
2.15	Non-Tariff Income for the FY 2021-22	18
2.16	Review of ARR for FY 2021-22	18
2.17	Revenue from Existing Tariff	19
2.18	Revenue Gap at Existing Tariff FY 2021-22	19
4.1.2	Category wise sales for the FY 2022-23, FY 2023-24 & FY 2024-25	22
4.2.1	Category wise No. of Consumers for the FY 2022-23, FY 2023-24 & FY 2024-25	22
4.3.1	Category wise connected load for the FY 2022-23, FY 2023-24 & FY 2024-25	23
4.4.1	T&D Loss for the FY 2022-23, FY 2023-24 & FY 2024-25	23
4.5.1	Energy Requirement for the FY 2022-23, FY 2023-24 & FY 2024-25	24
4.5.2	Details of Power Procurement Sources FY 2022-23, FY 2023-24 & FY 2024-25	24
4.6	Capital Investments	25
4.8.1	Power Availability	26
4.8.2.1	Summary of Power Purchase Expenses for the FY 2022-23	27
4.8.2.2	Summary of Power Purchase Expenses for the FY 2023-24	28
4.8.2.3	Summary of Power Purchase Expenses for the FY 2024-25	29
4.8.3	Own Generation Cost for the FY 2022-23, FY 2023-4 & FY 2024-25	29

4.8.3.1	Power Purchase Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25	30
4.9.1	Employee Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25	31
4.9.2	A&G Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25	32
4.9.3	R&M Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25	32
4.10.1	Gross Fixed Asset for the FY 2022-23	33
4.10.2	Gross Fixed Asset for the FY 2023-24	33
4.10.3	Gross Fixed Asset for the FY 2024-25	33
4.11	Depreciation for the FY 2022-23, FY 2023-24 & FY 2024-25	34
4.12.1	Interest and Finance Charges for the FY 2022-23, FY 2023-24 & FY 2024-25	35
4.13	Interest on Working Capital for the FY 2022-23, FY 2023-24 & FY 2024-25	36
4.16	Return on Equity for the FY 2022-23, FY 2023-24 & FY 2024-25	37
4.17	Non-Tariff Income for the FY 2022-23, FY 2023-24 & FY 2024-25	37
4.18	ARR for the FY 2022-23, FY 2023-24 & FY 2024-25	38
4.19	Revenue from Existing Tariff for the FY 2022-23	38
5.2.1	Revenue Gap at Existing Tariff for the FY 2022-23	39
5.2.2	Average cost of supply for the FY 2022-23	40
5.2.3	Revenue Gap for the FY 2022-23	40
5.3	Full Cost Tariff, Subsidy & Subsidised Tariff	40
5.3.1	Energy Charge Existing v/s Proposed Tariff	42
5.3.2	Revenue from proposed Tariff - FY 2022-23	44
5.3.3	Impact of Tariff Hike	44


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

LIST OF ABBREVIATIONS

Abbreviation	Description
A&G	Administration & General
ARR	Annual Revenue Requirement
CAGR	Compound Annual Growth Rate
CD	Contract Demand
CoS	Cost of Supply
Crs	Crore
D/E	Debt Equity
EDA&N	Electricity Department of Andaman & Nicobar
FY	Financial Year
GFA	Gross Fixed Assets
HT	High Tension
JERC	Joint Electricity Regulatory Commission
KV	Kilovolt
KVA	Kilovolt Amps
kWh	kilo Watt hour
LT	Low Tension
LTC	Leave Travel Concession
MU	Million Units
MVA	Million Volt Amps
MW	Mega Watt
O&M	Operation & Maintenance
PLF	Plant Load Factor
MCLR	Marginal Cost Lending Rate
R&M	Repairs and Maintenance
RoE	Rate of Return
Rs.	Rupees
S/s	Sub Station
SBI	State Bank of India
T&D	Transmission & Distribution
UT	Union Territory
MYT	Multi Year Tariff


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

1. INTRODUCTION

1.1. Historical Perspective

The Department of Electricity of Andaman & Nicobar Administration ("EDA&N") is responsible for power supply in the union territory. Power requirement of EDA&N is met by own generation station as well as power purchase.

Andaman & Nicobar Islands is cluster of islands scattered in the Bay of Bengal. These islands are truncated from rest of India by more than 1000 kms. The total area of the territory is 8249 sq. kms having population of 3,79,944 as per 2011 Census provisional records & average growth rate is 6.68%. The tempo of economic development has tremendously accelerated along with all-round expansion in the areas/sectors viz. (i) Shipping Services, (ii) Civil Supplies, (iii) Education, (iv) Fisheries, (v) Tourism & Information Technology, (vi) Health, (vii) Industries, (viii) Rural Development, (ix) Social Welfare, (x) Transport, (xi) Increase in District Headquarters (xii) Central Government Department, (xiii) Public Undertaking & other offices, (xiv) Services & Utilities, (xv) Defense Establishment (xvi) Commercial Organizations/Business Centre's etc. Thus, these islands have reached at the take-off stage of total economic transformation. All these economic and infrastructure developments require power as a vital input & to play a key role for achieving overall transformations.

1.2. Power Scenario

1.2.1. The key duties being discharged by EDA&N are:

- ❖ Laying and operating of such electric line, sub-station and electrical plant that is primarily maintained for the purpose of distributing electricity in the area of Andaman & Nicobar Islands, notwithstanding that such line, sub-station or electrical plant are high pressure cables or overhead lines or associated with such high-pressure cables or overhead lines; or used incidentally for the purpose of transmitting electricity for others, in accordance with Electricity Act, 2003 or the Rules framed there under.
- ❖ Operating and maintaining sub-stations and dedicated transmission lines connected there with as per the provisions of the Act and the Rules framed there under.
- ❖ Generation of electricity for the supply of electricity required within the boundary of the UT and for the distribution of the same in the most economical and efficient manner;
- ❖ Supplying electricity, as soon as practicable to any person requiring such supply, within its competency to do so under the said Act;
- ❖ Preparing and carrying out schemes for distribution and generally for promoting the use of electricity within the UT.

1.2.2. The current demand is primarily dependent on the domestic and commercial which contributed approx. 75% to the total sales of EDA&N in FY 20-21.

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

1.3. JERC Formation


In exercise of the powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all Union Territories to be known as "Joint Electricity Regulatory Commission for Union Territories" as notified on 2nd May 2005. Later with the joining of the State of Goa, the Commission came to be known as "Joint Electricity Regulatory Commission for the State of Goa and Union Territories" as notified on 30th May 2008.

The Hon'ble Commission is a two-member body designated to function as an autonomous authority responsible for regulation of the power sector in the State of Goa and Union Territories of Andaman & Nicobar, Lakshadweep, Chandigarh, Daman & Diu, Dadra Nagar & Haveli and Puducherry. The powers and the functions of the Hon'ble Commission are as prescribed in the Electricity Act 2003. The Head Office of the Commission presently is located in the district town of Gurgaon, Haryana and falls in the National Capital Region.

The Joint Electricity Regulatory Commission for the State of Goa and Union Territories started to function with effect from August 2008 with the objectives and purposes for which the Commission has been established. Presently the Hon'ble Commission is framing various regulations as mandated in the Electricity Act 2003 to facilitate its functioning. Some of the Regulations notified by the Hon'ble Commission include the following:

- JERC Conduct of Business Regulations 2009;
- JERC Establishment of Forum for Redressal of Grievances of Consumers Regulations 2009;
- JERC Appointment and Functioning of Ombudsman Regulations 2009;
- JERC Recruitment, Control and Service Conditions of Officers and Staff Regulations 2009;
- JERC Treatment of other businesses of Transmission Licensees and Distribution Licensees Regulations, 2009.
- JERC State Advisory Committee Regulations, 2009.
- JERC Appointment of Consultants Regulation, 2009.
- JERC Open Access in Transmission and Distribution Regulations, 2009.
- JERC Electricity Supply Code Regulations 2010
 - (a) 1st Amendments
 - (b) 2nd Amendments
 - (c) Corrigendum dt. 6th Jan. 2014
- JERC State Grid Code Regulations 2010
- JERC Electricity Trading Regulations 2010
- JERC Procurement of Renewal Energy Regulations 2010 along with amendments.
- JERC (Distribution Code) Regulations 2010
- JERC (Procedure for filling Appeal before the Appellate Authority) Regulations 2013
- JERC for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015
- JERC (Solar Power -Grid Connected Ground Mounted and Solar Rooftop and Metering) Regulations, 2015
- JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017
- JERC for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2018.
- JERC for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021.
- (Multi Year Tariff) Regulations, 2018.

Electricity Department, Union Territory of Andaman & Nicobar Islands


 अधीक्षक अभियंता / Superintending Engr
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

1.4. Multi Year Tariff Regulations, 2021

EDA&N's tariff determination is now governed by "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Tariff) Regulations, 2021" (referred to as "MYT Regulations, 2021") which is applicable from FY 2022-23 to FY 2024-25. The MYT Regulations, 2021 provide a framework for calculating tariffs on a cost-plus basis for a period of three years and allow the licensee to recover operational expenses including depreciation, interest on working capital and debt, and return on equity amongst others. The MYT Regulations, 2021 segregate the items impacting tariffs into controllable and uncontrollable factors. Items that are uncontrollable are passed through to the consumers. Further, the MYT Regulations, 2021 identifies the uncontrollable and controllable parameters as follows:

1.4.1 Uncontrollable factors

The "uncontrollable factors" comprises of the following factors:

- a) Force Majeure events;
- b) Change in law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- c) Variation in the number or mix of Consumers or quantities of electricity supplied to Consumers;
- d) Transmission loss;
- e) Variation in the cost of power purchase due to variation in the rate of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;
- f) Variation in fuel cost;
- g) Change in power purchase mix;
- h) Inflation;
- i) Transmission Charges for a Distribution Licensee;
- j) Variation in market interest rates for long-term loans;
- k) Employee expenses limited to one-time payment owing requirements of a pay commission and terminal liability of employees;
- l) Taxes and Statutory levies;
- m) Taxes on income;
- n) Income from realization of bad debts written off

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

1.4.2 Controllable factors

Controllable factors include, but are not limited to the following:

- a) Variations in capitalisation on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;
- b) Variation in Interest and Finance Charges, Return on Equity, and Depreciation on account of variation in capitalisation, as specified in clause (a) above;
- c) Variations in technical and commercial losses of Distribution Licensee;
- d) Availability of transmission system;
- e) Variations in performance parameters;
- f) Failure to meet the standards specified in the Joint Electricity Regulatory Commission for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015, as amended from time to time;
- g) Variations in labour productivity;
- h) Variation in Operation & Maintenance expenses, except to the extent of inflation;

1.5. Filing of Petition for Approval of APR for the FY 2021-22 & ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23

EDA&N is hereby filing the instant petition for approval of APR for the FY 2021-22 and ARR for the FY 2022-23, FY 2023-24 & FY 2024-25 & Tariff Proposal for the FY 2022-23 in accordance with the provisions of MYT Regulations, 2018 & 2021. The petitioner has attempted to comply with the various guidelines in the Act and regulations within the limitations of availability of data.

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

2. Annual Performance Review for the FY 2021-22.

2.1 Background to FY 2021-22 APR

2.1.1 EDA&N filed the 3rd MYT Petition for the control period FY 2022-23 to FY 2024-25. FY 2021-22 is the third year of the previous control period. The ARR for the control period was approved by the Hon'ble Commission vide MYT order Dt. 20th May, 2019. Further, ARR for the FY 2021-22 was revised vide Tariff Order Dt. 31.05.2021. Regulation 11(3) of the JERC MYT Regulations, 2018 provides as follows:

“Annual Review: a comparison of the revised performance targets of the applicant for the current financial year with the approved forecast in the Tariff Order corresponding to the Control period for the current financial year subject to prudence check”

In accordance with the above Regulation, EDA&N is filing for Annual Performance Review for the FY 2021-22.

2.1.2 This chapter summarizes each of the components of ARR for FY 2021-22 and requests the Hon'ble Commission to review the performance for FY 2021-22. The Annual Performance Review for FY 2021-22 is based on actual data/ information for first 6 months (First Half – H1) and estimation/projections for remaining 6 months (Second Half – H2), wherever applicable. The projections for the second 6 months are arrived at based on the performance over the first half data/ information.

2.2 Approved ARR for the FY 2021-22

2.2.1 The summary of the charges for FY 2021-22 as approved by the Hon'ble Commission in the Tariff Order Dt. 31.05.2021 is tabulated below:

Table - 2.2.1 Approved ARR for FY 2021-22		
(in Rs. Crores)		
Sr. No	Particulars	As approved by Commission
1	2	3
1	Cost of fuel	474.27
2	Cost of power purchase	
3	Employee costs	217.99
4	R&M expenses	
5	Administration and general expenses	
6	Depreciation	8.24
7	Interest & Finance Charges	3.06
8	Interest on working Capital	4.56
9	Return on Equity	10.88
10	Provision for Bad Debit	0.00
11	Total revenue requirement	719.00
12	Less: Non-tariff income	3.25
13	Net revenue requirement (11-12)	715.76
14	Revenue from tariff	160.79
15	Total gap (13-14)	554.97

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

2.3 Number of consumers

2.3.1 Hon'ble Commission has approved the number of consumers for the FY 2021-22 in the Tariff Order Dt. 31.05.2021. However, on the basis of the number of consumers added during the first half of FY 2021-22, EDA&N submits the revised estimates for FY 2021-22. A comparison of the revised estimates with earlier approved numbers is shown below:

Table - 2.3.1 Category wise No. of Consumers for the FY 2021-22			
Category	As approved by Commission	Estimated	Deviation
Domestic	120910	121728	-818
Commercial	21514	21748	-234
Industrial	485	479	6
Bulk Supply	68	72	-4
Public Lighting	743	838	-95
Irrigation Pumps & Agriculture	509	529	-20
Total	144228	145394	-1166

2.3.2 It is requested to the Hon'ble Commission to approve the number of consumers as submitted in the above table for FY 2021-22.

2.4 Energy Sales

2.4.1 Hon'ble Commission has approved the Energy Sales for the FY 2021-22 in the Tariff Order Dt. 31.05.2021. However, on the basis of the sales during the first half of FY 2021-22 & projections for the 2nd half, EDA&N submits the revised estimates for FY 2021-22. A comparison of the revised estimates with earlier approved numbers is shown below:

Table - 2.4.1 Category wise sales for the FY 2021-22			
Category	As approved by Commission	Estimated	Deviation
Domestic	147.98	148.96	-0.98
Commercial	47.18	76.17	-28.99
Industrial	9.70	13.48	-3.78
Bulk Supply	30.46	33.88	-3.42
Public Lighting	6.15	7.07	-0.92
Irrigation Pumps & Agriculture	1.03	1.14	-0.11
Total	242.50	280.69	-38.18

2.4.2 It is requested to the Hon'ble Commission to approve the sales as submitted in the above table for FY 2021-22.

2.5 Connected Load

- 2.5.1 Hon'ble Commission has approved the connected load for the FY 2021-22 in the Tariff Order Dt. 31.05.2021. However, on the basis of the connected load added during the first half of FY 2021-22, EDA&N submits the revised estimates for FY 2021-22. A comparison of the revised estimates with earlier approved load is shown below:

Category	As approved by Commission	Estimated	Deviation
Domestic	200208	198404	1804
Commercial	94837	105614	-10777
Industrial	15759	16603	-844
Bulk Supply	15172	15153	19
Public Lighting	2786	2800	-14
Irrigation Pumps & Agriculture	1297	1314	-17
Total	330059	339888	-9830

- 2.5.2 It is requested to the Hon'ble Commission to approve the connected load as submitted in the above table for FY 2021-22.

2.6 Energy Balance

- 2.6.1 Hon'ble Commission has approved the Energy Balance and T&D loss for the FY 2021-22 in the Tariff Order Dt. 31.05.2021. However, on the basis of the actual T&D loss for the FY 2020-21 & during the first half of FY 2021-22 EDA&N submits the revised estimates for FY 2021-22. A comparison of the revised estimates with earlier approved numbers is shown below:

Table - 2.6.1 Energy Requirement for the FY 2021-22			
Energy Balance	As approved by Commission	Estimated	Deviation
ENERGY REQUIREMENT			
Energy Sales			
LT Supply	242.50	280.69	-38.19
HT Supply			
Total Energy Sales	242.50	280.69	-38.19
Overall T & D Losses %	13.34	17.91	-4.57
Overall T & D Losses (MUs)	37.33	61.24	-23.91
Total Energy Requirement	279.83	341.92	-62.10
Power Purchase	257.48	261.82	-4.34
Own Generation	98.92	80.10	18.82
Total Energy Availability	356.40	341.92	14.48
ENERGY SURPLUS/(GAP)	-76.57	0.00	-76.57

2.6.2 EDA&N requests the Hon'ble Commission to approve the Energy Balance and T&D Loss as submitted above for FY 2020-21.

Table - 2.6.2 T&D Loss for the FY 2021-22			
Particulars	As approved by Commission	Estimated	Deviation
T&D Losses (%)	13.34	17.91	-4.57

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table- 2.6.3 Summary of Power Purchase Expenses for the FY 2021-22										
Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs. Crores)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs. Crores)	Total (Rs. Crores)	Avg. Cost (Rs./units)
1	2	3	4	5	6	7	8	9	10	11
HPP- I	5	38151600	1.05	40059180	0.27	10300932	77	793171764	833230944	21.84
HPP-II	10	65176400	1.17	76256388	0.27	17597628	77	1355017356	1431273744	21.96
HPP NTPC (Aggreko)	5	46380554	1.49	69107025	0.27	12522750	77	964251718	1033358743	22.28
NTPC GM Solar PV Plant	5	5385875	9.35	50357931	0	0	0	0	50357931	9.35
HPP NTPC (Express Engg.)	10	65762300	1.45	95355335	0.27	17755821	77	1367198217	1462553552	22.24
DG Power Plant at Shaheed Dweep	0.4	230775	0.89	205390	0.277	63925	77	4922200	5127590	22.22
DG Power Plant at Swaraj Dweep	3.23	10127380	0.93	9418463	0.27	2734393	77	210548230	219966694	21.72
SECI (Rooftop SPV) Port Blair	1	905286	4.64	4200527	0	0	0	0	4200527	4.64
Mundra (Rooftop SPV) Port Blair	2.84	2887455	2.20	6352401	0	0	0	0	6352401	2.20
Mundra (Rooftop SPV) Car Nicobar	0.31	232901	2.20	512382	0	0	0	0	512382	2.20
HPP (Express Engg.) Mayabundar	1.6	9539513	1.24	11828996	0.27	2575669	77	198326475	210155471	22.03
HPP (Express Engg.) Baratang	0.8	1201780	1.06	1273887	0.27	324481	77	24985006	26258893	21.85
NLC Ground Mounted SPV Plant	20	15548910	6.65	103400252	0	0	0	0	103400252	6.65
HPP (Express Engg.) Gandhi Nagar	0.082	103042	88.50	775260	0	32726	77	2519902	3295162	31.98
HPP (Express Engg.) Ganesh Nagar	0.148	76843	86.14	754586	0	29701	77	2286977	3041563	39.58
HPP (Express Engg.) Shanti Nagar	0.18	51466	87.32	764923	0	27681	77	2131437	2896360	56.28
HPP (Express Engg.) Smith Island	0.148	61245	84.96	744250	0	29545	77	2274965	3019215	49.30
Total	65.738	261823325		471367177		63995250		4927634247	5399001424	


2.7 Cost of fuel and Power Purchase

2.7.1 The energy requirement of EDA&N is met from own generation & purchase from local HPPs, IPP & other generators. There is no availability of power from Central Generating Stations or open market/ power exchanges etc.

2.7.2 Hon'ble Commission has approved the Fuel Cost for the FY 2021-22 in the Tariff Order Dt. 31.05.2021. However, on the basis of the revised estimates of energy sales for the FY 2021-22 & cost figures during the first half of FY 2021-22, EDA&N submits the revised estimates of fuel cost and also procured power from various IPPs and other generators for FY 2021-22. A comparison of the revised estimates with earlier approved numbers is shown below:

Table - 2.7.2 Own Generation & Power Purchase Cost for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Review as per Accounts	Deviation
1	2	3	4	5
1	Own Generation Cost	474.27	169.65	-235.28
2	Power Purchase Cost		539.90	
	Total	474.27	709.55	

Electricity Department, Union Territory of Andaman & Nicobar Islands


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अण्डमन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

2.7.3 The Hon'ble Commission is requested to approve the fuel cost and power procurement cost as submitted above for FY 2021-22.

2.8 GFA, Capitalisation & Depreciation

2.8.1 Hon'ble Commission has approved the GFA for the FY 2021-22 in the Tariff order Dt. 31.05.2021. It is submitted that the EDA&N has finalized the Fixed Asset Register up-to 31.03.2021. The closing GFA as per the FAR as on 31.03.2021 is Rs.566.10 crores. It is submitted that several Fixed Assets pertaining to previous years which were omitted from the Accounts have been incorporated in the FAR after reconciliation with Accounts. Further, the depreciation pertaining to previous years on account of these assets have also been accounted for as prior period depreciation in the Proforma Accounts for the FY 2020-21. The Proforma Accounts for the FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21 has been compiled with above updated asset details and audited by AG. Further, EDA&N has also submitted the True-up petition before the Hon'ble Commission in respect of the above financial years. EDA&N has considered the closing GFA as on 31.03.2021 and estimated additions during the FY 2021-22 to arrive at the closing GFA for the year.

2.8.2 In view of the revision of the GFA as above, the depreciation for the FY 2021-22 is also recalculated in accordance with the MYT Regulations,2018. The approved and the revised projections of depreciation for the FY 2021-22 is provided below.


Table - 2.8 Gross Fixed Asset for FY 2021-22				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	475.41	23.89	499.30
2	Buildings	82.55	4.32	86.87
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.66	0.15	2.81
6	Land & Land Rights	0.00	0.00	0.00
	Total	566.10	28.36	594.46

(Rs. in crore)

Table - 2.8.1 Depreciation for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Depreciation	8.24	17.57	-9.33
	Total	8.24	17.57	

8.3 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

Electricity Department, Union Territory of Andaman & Nicobar Islands


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

2.9 Operation & Maintenance expenses

2.9.1 Operation & Maintenance Expenses consists of three elements viz Employee Expenses, A&G Expense and R&M Expense:

- Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses
- Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.
- Repairs and Maintenance Expenses go towards the day to day upkeep of the distribution network of the Company and form an integral part of the Company's efforts towards reliable and quality power supply as well as in the reduction of losses in the system.

2.9.2 Employee Expenses

2.9.2.1 The Hon'ble Commission has approved the Employee cost for the FY 2021-22 based on the approved norms in accordance with Regulation 41 of the MYT Regulations, 2018.

2.9.2.2 EDA&N is proposing the revised estimates of the employee cost based on the actual expenses for the FY 2020-21. The expenses for the FY 2020-21 have been escalated by the increase in the CPI- 5.35% and adjusted with the growth factor during year to arrive at the revised estimate for the FY 2021-22. The cost as approved by the Hon'ble Commission for the FY 2021-22 and the revised proposal for the year is given below:

Table - 2.9.2 Employee Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Employee Cost	123.33	167.61	-44.28
	Total	123.33	167.61	

2.9.2.2 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.9.3 Repair & Maintenance Expenses

2.9.3.1 The Hon'ble Commission has approved the Repair & Maintenance Expenses for the FY 2021-22 based on the approved norms in accordance with Regulation 41 of the MYT Regulations, 2018

2.9.3.2 EDA&N is proposing the revised estimates of the Repair & Maintenance Expenses based on the Regulation 41 of the MYT Regulations, 2018. The K factor has been calculated based on the average of the ratio of R&M expenses to GFA for last 3 financial years (FY 2018-19, FY 2019-20 & FY 2020-21). Further, average increase in WPI for the immediately 3 preceding years (FY 2018-19, FY 2019-20 & FY 2020-21) has been considered. Thereafter, revised R&M expenses for the FY 2021-22 has been calculated considering the opening GFA for the year and applying the 'K' factor & average WPI as above. The cost as approved by the Hon'ble Commission for the FY 2021-22 and the revised proposal for the year is given below:

Table - 2.9.3 R&M Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Repair & Maintenance Cost	54.69	103.63	-48.94
	Total	54.69	103.63	

2.9.3.3 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.9.4 Administrative & General Expenses

2.9.4.1 The Hon'ble Commission has approved the Administrative & General Expenses for the FY 2021-22 based on the approved norms in accordance with Regulation 41 of the MYT Regulations, 2018.

2.9.4.2 EDA&N is proposing the revised estimates of the Administrative & General Expenses based on the actual expenses for the FY 2020-21. The expenses for the FY 2020-21 have been escalated by the increase in the CPI- 5.35% to arrive at the revised estimate for the FY 2021-22. The cost as approved by the Hon'ble Commission for the FY 2021-22 and the revised proposal for the year is given below:

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 2.9.4 A&G Expenses for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Administration & General Expenses	39.97	2.48	37.49
	Total	39.97	2.48	

2.9.4.3 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.10 Interest & Finance charges

2.10.1 The EDA&N being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support without any external borrowings. The interest on debt/loan has been approved by the Hon'ble Commission for the FY 2021-22 considering debt to be 70% of GFA. Regulation 28 of the MYT Regulations, 2018 provides as follows:

2.10.2 It is submitted that the EDA&N has finalized the Fixed Asset Register up-to 31.03.2021. The closing GFA as per the FAR as on 31.03.2021 is Rs.566.10 crores. It is submitted that several Fixed Assets pertaining to previous years which were omitted from the Accounts have been incorporated in the FAR after reconciliation with Accounts. The Proforma Accounts for the FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21 has been compiled with above updated asset details and have been audited by AG. Further, EDA&N has also submitted the True-up petition before the Hon'ble Commission in respect of the above financial years. EDA&N has considered the closing normative loan for the FY 2020-21 as the opening normative loan for the FY 2021-22.

Thereafter, 70% of the estimated asset capitalization/addition during FY 2021-22 has been considered for calculation of closing normative loan for the FY 2021-22. Normative repayment of loan for the FY 2021-22 has been considered equivalent to depreciation for the FY 2021-22.

2.10.3 Interest on loan for the FY 2021-22 has been arrived at based on the above normative loan & in-accordance with the MYT Regulations.

2.10.4 It is submitted that Regulation 28 of MYT Regulations,2018 provides as below:

"Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan."

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

In view of the above Regulation, EDA&N proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2021. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2021 was 7.00%. Accordingly, interest rate of 8.00% (7.00%+1%) has been considered for projecting the interest charges for the FY 2021-22.

Table - 2.10 Interest and Finance Charges for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Opening Normative Loan/WIP	3.06	295.63	-20.68
2	Add: Normative Loan during the year/GFA during the year		19.85	
3	Less: Normative Repayment		0.00	
4	Less: Normative Repayment for the year		17.57	
5	Closing Normative Loan/GFA		297.91	
6	Average Normative Loan		296.77	
7	Rate of Interest (@ SBI SBAR rate)		8.00%	
8	Interest on Normative Loan		23.74	

2.10.5 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.11 Interest on Working Capital

2.11.1 The Hon'ble Commission has approved the Interest on Working Capital for the FY 2021-22 based on the cost parameters approved for MYT Control Period in accordance with the Regulation 52 of the MYT Regulations, 2018. The Regulation provides as follows:

"The Distribution Licensee shall be allowed interest on the estimated level of Working Capital for the Distribution Wires Business for the financial Year, computed as follows:

a) Operation and maintenance expenses for one (1) month; plus

b) Maintenance spares at 40% of R&M expenses for one (1) month; plus

c) Receivables equivalent to two (2) months of the expected revenue from charges for use of Distribution Wires at the prevailing tariffs; less

d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees...."

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

2.11.2 In view of the above Regulations, EDA&N has recalculated the working capital requirement for the FY 2021-22.

2.11.3 Regulation 31 of MYT Regulations provides as follows:

“The rate of interest on Working Capital shall be equal 1 Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be applicable as on 1st April of the financial Year in which the Petition is filed plus 200 basis points.”

2.11.4 In view of the above Regulation, EDA&N proposes to revise the interest charges based on the State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2021. The State Bank of India (SBI) MCLR – 1 year tenor as on 01.04.2021 was 7.00%. Accordingly, interest rate of 9.00% (7.00%+2%) has been considered for projecting the interest charges for the FY 2021-22.

2.11.5 EDA&N has calculated the revised interest on working capital for the FY 2021-22 in accordance with the above submission. The same is provided below along with the approved figures for the year:

Table - 2.11 Interest on Working Capital for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	O&M Expenses for 1 month	4.56	22.81	-1.17
2	Maint. Of Spares 40% of R&M for 1 month		3.45	
3	Receivables for 2 months		37.42	
4	Less; Adjustment for security Deposit		0.00	
5	Net Working Capital		63.68	
6	Rate of Interest for Working Capital		9.00%	
7	Interest on Working Capital		5.73	

2.11.6 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.12 Interest on Security deposits

- 2.12.1 Regulation 28.11 of the MYT Regulations, 2018 provides that interest shall be allowed on the amount held in cash as security deposit at Bank Rate as on 1st April of year.
- 2.11.2 It is submitted that EDA&N does not collect security deposit from consumers in cash. The consumers are required to create a Term Deposit in scheduled bank equivalent to the security amount and a lien is created in favour of the EDA&N towards security deposit. Hence, Interest on Security deposits is not payable to the consumers. Therefore, EDA&N has not claimed Interest on Security deposit in the ARR.

2.13 Return on Equity

- 2.13.1 The EDA&N being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support.
- 2.13.2 It is submitted that the EDA&N has finalized the Fixed Asset Register up-to 31.03.2021. The closing GFA as per the FAR as on 31.03.2021 is Rs.566.10 crores. It is submitted that several Fixed Assets pertaining to previous years which were omitted from the Accounts have been incorporated in the FAR after reconciliation with Accounts. The Proforma Accounts for the FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21 has been compiled with above updated asset details and have been audited by AG. Further, EDA&N has also submitted the True-up petition before the Hon'ble Commission in respect of the above financial years. EDA&N has considered the closing normative loan for the FY 2020-21 as the opening normative loan for the FY 2021-22. Thereafter, 30% of the estimated asset capitalization/addition during FY 2021-22 in accordance with the Regulation 26 of the MYT Regulations, 2018 has been considered for calculation of closing Equity for the FY 2020-21.
- 2.13.3 Further, Regulation 27 of MYT Regulations, 2018 provides as follows:
- “The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use, at the rate of 16 per cent per annum....”*
- 2.13.4 In view of the above, the revised Return on Equity for the FY 2021-22 is calculated as below:

Table - 2.13 Return on Equity for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Opening Equity Amount	10.88	169.83	-16.97
2	Equity Addition during year (30% of Capitalisation)		8.51	
3	Closing Equity Amount		178.34	
4	Average Equity Amount		174.08	
5	Rate of Return on Equity		16%	
6	Return on Equity		27.85	

2.13.5 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.14 Provision for Bad & Doubtful Debts

2.14.1 Regulation 62 of MYT Regulations provides that the Bad debt shall be allowed based on actual write off. The same is reproduced below:

“Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check....”

2.14.2 In view of the above EDA&N is not proposing any provision for Bad Debt. EDA&N shall submit the claim towards bad and doubtful debts when audited figures are available for the consideration of the Hon'ble Commission at the time of true-up. Hon'ble Commission may kindly allow the same.

2.15 Non-Tariff Income

2.15.1 Hon'ble Commission has approved the Non-Tariff Income for the FY 2021-22 in the Tariff order Dt. 31.05.2021.

2.15.2 It is submitted that EDA&N is not proposing revision in the Non-Tariff Income as approved by the Hon'ble Commission in the MYT order. EDA&N shall submit the actual NTI at the time of True-up for the year. The proposed NTI for the FY 2021-22 is given below:

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 2.15 Non-Tariff Income for the FY 2021-22				
(Rs. in crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Non-Tariff Income	3.25	3.25	0.00
	Total	3.25	3.25	

2.15.3 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.16 Aggregate Revenue Requirement

2.16.1 The Aggregate Revenue Requirement for FY 2021-22 as approved by the Hon'ble Commission and the calculation for Aggregate Revenue Requirement on the basis of revised estimates as submitted in the above sections for FY 2021-22 is shown below:

Table - 2.16 Review of ARR for FY 2021-22				
(in Rs. Crores)				
Sr. No	Particulars	As approved by Commission	Estimated	Deviation
1	2	3	4	5
1	Cost of fuel	474.27	169.65	304.62
2	Cost of power purchase		539.90	-539.90
3	Employee costs	217.99	167.61	50.38
4	R&M expenses		103.63	-103.63
5	Administration and general expenses		2.48	-2.48
6	Depreciation	8.24	17.57	-9.33
7	Interest & Finance Charges	3.06	23.74	-20.68
8	Interest on working Capital	4.56	5.73	-1.17
9	Return on Equity	10.88	27.85	-16.97
10	Provision for Bad Debit	0.00	0.00	0.00
11	Total revenue requirement	719.01	1058.17	-339.16
12	Less: Non-tariff income	3.25	3.25	0.00
13	Net revenue requirement (11-12)	715.76	1054.92	-339.16
14	Revenue from tariff	160.79	224.49	-63.70

2.16.2 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

2.17 Revenue from sale of Power at Existing Tariff

2.17.1 The revised estimate of Revenue from Tariff for FY 2021-22 as compared with the figures approved by the Hon'ble Commission in the Tariff order Dt. 31.05.2021 is shown in the table below:

Table - 2.17 Revenue from Existing Tariff		
2021-22		
Sr. No	Particular	At Existing Tariff (Rs. Crores)
1	2	3
1	Energy Charges	217.98
2	Fixed Charges	6.52
3	Total Revenue	224.49

2.17.2 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

2.18 Revenue Gap for FY 2021-22

2.18.1 The Revenue Gap as approved by the Hon'ble Commission and as calculated on the basis of the APR for the FY 2020-21 is shown in the table below:

(Rs. In Crores)

Table - 2.18 Revenue Gap at Existing Tariff FY 2021-22				
Sr. No.	Particulars	As Approved by Commission	Estimated	Deviation
I	Net Annual Revenue Requirement	715.76	1054.92	-339.16
II	Revenue from Sale of Power	160.79	224.49	-63.70
III	(Gap)/ Surplus (III)	554.97	830.43	-275.46

2.18.2 EDA&N requests the Hon'ble Commission to kindly approve the same for APR for FY 2021-22.

3. OVERALL APPROACH FOR PRESENT FILING

3.1 MYT Petition for 3 year Control Period from FY 2022-23 to 2024-25

EDA&N hereby submits its MYT petition for approval of ARR for the first control period i.e. FY 2022-23, 2023-24 and 2024-25 & Tariff Proposal for the FY 2022-23. This petition is being submitted in compliance with the provisions of MYT Regulations, 2021. The petitioner has attempted to comply with the various guidelines in the Act and regulations within the limitations of availability of data.

EDA&N is filing the MYT petition & Tariff Proposal based on past performance and expected changes in each element of cost and revenue for the ensuing year.

3.2 Approach for the Filing

The subsequent sections provide projection for various expenses, the approved investment plan for the control period and the expected revenue projections.

Projections of various cost components required for determination of Aggregate Revenue Requirement along with the rationale for estimation of such cost, the parameters approved by the Commission, the philosophy adopted by EDA&N for projections for the control period has been covered in various sections.

For the purpose of projecting the financial & technical parameters, EDA&N has considered parameters approved by the Hon'ble Commission as base apart from the actual performances during FY 2020-21 and FY 2021-22 (H1) along with supporting rationales.

4. ARR FOR CONTROL PERIOD - FY 2022-23, 2023-24 AND 2024-25.

This section outlines the ARR of the EDA&N for control period i.e. FY 2022-23, 2023-24 and 2024-25, which takes into consideration:

- i. Various parameters proposed in the Business Plan petition.
- ii. Actual Performance in FY 2019-20;
- iii. Actual Performance in FY 2020-21;
- iv. Estimated Performance for FY 2021-22 based on the Actual performance for the period 01.04.2021 to 30.09.2021;
- v. Projection based on the Actual performance in FY 2019-20 & 2020-21 and estimated performance in FY2021-22;
- vi. Principles outlined in Tariff Regulations of JERC.

Past trends have been taken into cognizance in case of certain elements as deemed necessary. The present section has been structured in the following manner:

- Determination of Energy Requirement
 - Sales Projections
 - Loss Trajectory
 - Energy Balance
- Capital Expenditure and capitalization
 - Capital Expenditure
 - Asset Capitalisation
- Determination of the Aggregate Revenue Requirement
 - Power Generation/Purchase Costs
 - Operation and Maintenance Expenses
 - Depreciation
 - Interest charges (including interest on working capital)
 - Return on Equity
 - Provision for Bad and Doubtful Debts

4.1 Energy Requirement

The energy requirement of the license area is determined based on the expected sales in the area during the period under consideration and the expected distribution losses in the network. EDA&N has proposed the CAGR, sales, number of consumers & T&D loss Trajectory for the control period i.e. FY 2022-23, 2023-24 and 2024-25 in the Business Plan petition. The same is discussed in the succeeding paragraphs.

4.1.1 Approach for Sales Projection

The consumer base of EDA&N consists of Domestic, Commercial and Industry, consumers. Sales mix is primarily dominated by Domestic consumers, followed by Commercial consumers. The total consumption of Domestic consumers is approximate 50-60 percent and Commercial consumers contribute around 20-30 percent of total sales. Thus, the sales forecast is completely dependent on the sales expected in the Domestic & Commercial Category. EDA&N has projected the category wise sales in the Business plan for the control period FY 2022-23, FY2023-24 and FY2024-25. The projected figures have been considered in the instant petition for determining ARR for the control period.



4.1.2 Category wise Sales Forecast

The category wise sales as per Business Plan for the control period FY 2022-23, FY2023-24 and FY2024-25 is provided below:

Table - 4.1.2 Category wise sales for the FY 2022-23, FY 2023-24 & FY 2024-25			
Category	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
Domestic	155.23	161.78	168.60
Commercial	80.11	84.27	88.63
Industrial	14.18	14.91	15.68
Bulk Supply	35.57	37.35	39.22
Public Lighting	7.42	7.79	8.18
Irrigation Pumps & Agriculture	1.17	1.19	1.22
Total	293.68	307.29	321.53

4.2.1 Number of Consumers

ANED has projected the category wise number of consumers in the Business plan for the control period FY 2022-23, FY2023-24 and FY2024-25. The projected figures have been considered in the instant petition for determining ARR for the control period.

The category wise number of consumers for the control period FY 2022-23, FY2023-24 and FY2024-25 is provided below:

Table - 4.2.1 Category wise No. of Consumers for the FY 2022-23, FY 2023-24 & FY 2024-25			
Category	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
Domestic	124941	128239	131624
Commercial	22251	22766	23293
Industrial	490	501	513
Bulk Supply	75	77	80
Public Lighting	870	904	939
Irrigation Pumps & Agriculture	585	648	717
Total	149213	153136	157166

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

4.3.1 Connected Load

ANED has projected the category wise connected load in the Business plan for the control period FY 2022-23, FY2023-24 and FY2024-25. The projected figures have been considered in the instant petition for determining ARR for the control period.

The category wise number of consumers for the control period FY 2022-23, FY2023-24 and FY2024-25 is provided below:

Table - 4.3.1 Category wise connected load for the FY 2022-23, FY 2023-24 & FY 2024-25			
Category	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
Domestic	215157	233325	253027
Commercial	120180	136756	155618
Industrial	18893	21499	24464
Bulk Supply	16022	16941	17912
Public Lighting	2815	2830	2844
Irrigation Pumps & Agriculture	1426	1549	1681
Total	374494	412899	455547

4.4.1 Distribution Losses

EDA&N has projected the T&D loss trajectory in the Business plan for the control period FY 2022-23, FY2023-24 and FY2024-25. The projected figures have been considered in the instant petition for determining ARR for the control period.

The T&D loss trajectory for the control period FY 2022-23, FY2023-24 and FY2024-25 is provided below:

Table - 4.4.1 T&D Loss for the FY 2022-23, FY 2023-24 & FY 2024-25			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
T&D Losses (%)	17.01	16.67	16.08

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

4.5.1 Energy Requirement & Sources of Power Purchase

Accordingly, the energy requirement for EDA&N is estimated based on the retail sales, grossed up by estimated loss levels. The energy balance expected for the FY 2022-23, 2023-24 and 2024-25 is as given below:

Table - 4.5.1 Energy Requirement for the FY 2022-23, FY 2023-24 & FY 2024-25			
Energy Balance	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
ENERGY REQUIREMENT			
Energy Sales			
LT Supply	293.68	307.29	321.53
HT Supply			
Total Energy Sales	293.68	307.29	321.53
Overall T & D Losses %	17.01	16.67	16.08
Overall T & D Losses (MUs)	60.19	61.47	61.61
Total Energy Requirement	353.88	368.76	383.14
Power Purchase	271.38	283.77	295.60
Own Generation	82.50	84.99	87.54
Total Energy Availability	353.88	368.76	383.14
ENERGY SURPLUS/(GAP)	0.00	0.00	0.00

The energy requirement of EDA&N is mainly met from own generation and power purchase from HPPs & NTPC (SPV), NVVN, Mundra etc. There is no availability of power from Central Generating Stations or from other sources/ open market/ power exchanges etc. Own generation accounted for around 14% of the total power requirement for FY 2020-21 and balance 86% of power requirement was met from power purchase and is estimated that approximately 23%- 25% & 75%-77% of the total energy requirement for FY 2021-22 shall be met by own generation and power purchase respectively. The present scenario is likely to continue and is projected that energy requirement for FY 2022-23, 2023-24 and 2024-25 and mix of own generation and power purchase shall be in approximately in the above range.

The expected power generation/procurement sources for FY 2022-23, 2023-24 and 2024-25 are provided in the table below.

Table - 4.5.2 Details of Power Procurement Sources FY 2022-23, FY 2023-24 & FY 2024-25			
Energy Balance	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
Power Purchase	271.38	283.77	295.60
Own Generation	82.50	84.99	87.54
Total	353.88	368.76	383.14

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

The estimated cost for such power purchases has been discussed in subsequent sections.

4.6 Capital Expenditure & Capitalisation

EDA&N has plans to implement schemes for development of infrastructure during FY 2022-23, 2023-24 and 2024-25. The infrastructure of the EDA&N is insufficient to cater to the present load and hence to meet the increasing demand, capital expenditure is absolutely necessary.

The objective of incurring the capital expenditure is to continue the up-gradation and strengthening of the distribution network to meet the desirable standards of performance and provide better network reliability and sustainable performance to the consumers of EDA&N.

EDA&N have submitted Business Plan to the Hon'ble Commission and the capital expenditure for various schemes for the control period FY 2022-23, 2023-24 and 2024-25 in details. EDA&N has considered the same arriving at the requirement of funds and calculating the components of ARR. The summary of the proposed capital expenditure and capitalisation is outlined below:

Table 4.6 Capital Investments				
Sl. No.	Name of Sector / Schemes	Amount (Rs. In Lakhs)		
		2022-23	2023-24	2024-25
1	Installation of 27,302 Prepaid Smart Meters and remaining 36,000 under RDSS scheme.	800	1600	1600
2	New Installation and Repairment & augmentation on the existing distribution transformers (Total 95 No's of Distribution Transformer) at 33KV/11 KV existing sub-station including HT/LT Panels.	188	406	465
3	The scheme will provide commissioning of new sub-stations and the replacement of existing 33/11 KV sub-station including HT/LT Panels, HT/ LT Shunt Capacitors etc, replacement of old and obsolete panels and other allied equipment etc.	593	889	2890
4	Laying of HT/LT new cable line and also replacement of old and defective cables in all the Island.	545	967	851
	Total	2126	3862	5806

4.7 ARR for Multi Year Tariff (MYT) control period for EDA&N

Based on the provisions of the Tariff Regulations, the estimate of the ARR for the Multi Year Tariff (MYT) control period would consist of the following elements:

- Power Generation/Purchase Costs
- Operation and Maintenance Expenses
- Depreciation
- Interest charges (including interest on working capital)
- Provision for Bad and Doubtful Debts
- Return on Equity

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

The above ARR is netted off for Non-Tariff Income for the respective year for determining the net ARR for EDA&N.

4.8.1 Power Purchase

4.8.1.1 Source of Power

EDA&N has own generating stations and meets around 23%-25% of its total energy requirement from own generation. Balance requirement of power is met from purchase from IPPs, HPPs, NVVN & NTPC (SPV),SECI and other generators . The present power availability of EDA&N is as listed below:

Table 4.8.1: Power Availability			
Generating Station	Purchase of Power (MW)	Own generation (MW)	Total Availability (MW)
Purchase			
HPP- I	5		5
HPP-II	10		10
HPP NTPC (Aggreko)	5		5
NTPC GM Solar PV Plant	5		5
HPP NTPC (Express Engg.)	10		10
DG Power Plant at Shaheed Dweep	0.4		0.4
DG Power Plant at Swaraj Dweep	3.23		3.23
SECI (Rooftop SPV) Port Blair	1		1
Mundra (Rooftop SPV) Port Blair	2.84		2.84
Mundra (Rooftop SPV) Car Nicobar	0.31		0.31
HPP (Express Engg.) Mayabundar	1.6		1.6
HPP (Express Engg.) Baratang	0.8		0.8
NLC Ground Mounted SPV Plant	20		20
HPP (Express Engg.) Gandhi Nagar	0.082		0.082
HPP (Express Engg.) Ganesh Nagar	0.148		0.15
HPP (Express Engg.) Shanti Nagar	0.18		0.18
HPP (Express Engg.) Smith Island	0.148		
Diesel		60.04	60.04
Hydro		5.25	5.25
Total	65.738	65.29	130.88

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

4.8.2 Assumption for Power Generation/ Purchase Projection

The merit order dispatch principles are typically adopted when determining the power purchases from various generating stations. However, in the present case there are limited sources of purchase of power and 100% of the generation is available to EDA&N. Accordingly, EDA&N has considered utilization /purchase of the entire power available from all the possible sources during FY 2022-23, 2023-24 and 2024-25 to meet the demand to the extent possible.

Power Purchase cost is a function of the energy requirement and price of available power from the different sources for meeting the energy requirement. The energy requirement of EDA&N for FY 2022-23, 2023-24 and 2024-25 is proposed to be met from own generation & power purchase from sources as detailed above.

EDA&N has projected the quantum of power generation from the generating stations based on the units generated for the FY 2019-20 & FY 2020-21 and proposed capacity additions during the control period. The details of the computation of power generation and purchases are provided below. Considering the above, the Hon'ble Commission is requested to allow the power purchase costs as estimated by EDA&N.

Table- 4.8.2.1 Summary of Power Purchase Expenses for the FY 2022-23										
Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs. Crores)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs. Crores)	Total (Rs. Crores)	Avg. Cost (Rs./units)
1	2	3	4	5	6	7	8	9	10	11
HPP-I	5	39494536	1.05	41469263	0.27	10663525	82	874409034	915878297	23.19
HPP-II	10	66750209	1.17	78097745	0.27	18022556	82	1477849627	1555947372	23.31
HPP NTPC (Aggreko)	5	49013150	1.49	73029594	0.27	13233551	82	1085151141	1158180735	23.63
NTPC GM Solar PV Plant	5	5575458	9.35	52130530	0	0	0	0	52130530	9.35
HPP NTPC (Express Engg.)	10	68137133	1.45	98798843	0.27	18397026	82	1508556125	1607354967	23.59
DG Power Plant at Shaheed Dweep	0.4	238898	0.89	212619	0.277	66175	82	5426336	5638955	23.60
DG Power Plant at Swaraj Dweep	3.23	10483864	0.93	9749993	0.27	2830643	82	232112744	241862737	23.07
SECI (Rooftop SPV) Port Blair	1	937152	4.64	4348386	0	0	0	0	4348386	4.64
Mundra (Rooftop SPV) Port Blair	2.84	2989093	2.20	6576006	0	0	0	0	6576006	2.20
Mundra (Rooftop SPV) Car Nicobar	0.31	241099	2.20	530418	0	0	0	0	530418	2.20
HPP (Express Engg.) Mayabundar	1.6	9875304	1.24	12245377	0.27	2666332	82	218639227	230884604	23.38
HPP (Express Engg.) Baratang	0.8	1244083	1.06	1318728	0.27	335902	82	27543990	28862718	23.20
NLC Ground Mounted SPV Plant	20	16096232	6.65	107039940	0	0	0	0	107039940	6.65
HPP (Express Engg.) Gandhi Nagar	0.082	106669	88.50	775260	0	33878	82	2777992	3553252	33.31
HPP (Express Engg.) Ganesh Nagar	0.148	79548	86.14	754586	0	30746	82	2521211	3275797	41.18
HPP (Express Engg.) Shanti Nagar	0.18	53278	87.32	764923	0	28655	82	2349740	3114664	58.46
HPP (Express Engg.) Smith Island	0.148	63401	84.96	744250	0	30585	82	2507969	3252218	51.30
Total	65.738	271379106		488586460		66339575		5439845136	5928431597	

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table- 4.8.2.2 Summary of Power Purchase Expenses for the FY 2023-24										
Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs. Crores)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs. Crores)	Total (Rs. Crores)	Avg. Cost (Rs./units)
1	2	3	4	5	6	7	8	9	10	11
HPP- I	5	41331538	1.05	43398115	0.27	11159515	86	959718312	1003116427	24.27
HPP-II	10	69787344	1.17	81651192	0.27	18842583	86	1620462116	1702113308	24.39
HPP NTPC (Aggreko)	5	51243248	1.49	76352440	0.27	13835677	86	1189868226	1266220666	24.71
NTPC GM Solar PV Plant	5	5829141	9.35	54502470	0	0	86	0	54502469.56	9.35
HPP NTPC (Express Engg.)	10	71237373	1.45	103294190	0.27	19234091	86	1654131791	1757425981	24.67
DG Power Plant at Shaheed Dweep	0.4	249768	0.89	222293.66	0.277	69186	86	5949976.911	6172270.566	24.71
DG Power Plant at Swaraj Dweep	3.23	10960880	0.93	10193618	0.27	2959437	86	254511623.8	264705241.8	24.15
SECI (Rooftop SPV) Port Blair	1	979792	4.64	4546237.1	0	0	0	0	4546237.136	4.64
Mundra (Rooftop SPV) Port Blair	2.84	3125097	2.20	6875213.8	0	0	0	0	6875213.766	2.20
Mundra (Rooftop SPV) Car Nicobar	0.31	252069	2.20	554552.07	0	0	0	0	554552.0749	2.20
HPP (Express Engg.) Mayabundar	1.6	10324630	1.24	12802541	0.27	2787650	86	239737912.9	252540454.3	24.46
HPP (Express Engg.) Baratang	0.8	1300688	1.06	1378729.7	0.27	351186	86	30201985.04	31580714.76	24.28
NLC Ground Mounted SPV Plant	20	16828610	6.65	111910258	0	0	0	0	111910257.6	6.65
HPP (Express Engg.) Gandhi Nagar	0.082	111523	88.50	775260.00	0	35419	86	3046068.586	3821328.586	34.27
HPP (Express Engg.) Ganesh Nagar	0.148	83167	86.14	754586.40	0	32145	86	2764507.825	3519094.225	42.31
HPP (Express Engg.) Shanti Nagar	0.18	55702	87.32	764923.20	0	29959	86	2576490.391	3341413.591	59.99
HPP (Express Engg.) Smith Island	0.148	66286	84.96	744249.60	0	31977	86	2749987.666	3494237.266	52.71
Total	65.738	283766856		510720869		69368826		5965718998	6476439868	

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table- 4.8.2.3 Summary of Power Purchase Expenses for the FY 2024-25										
Source	Installed Capacity MW	Energy Received by Licensee (KWh)	Unit cost as per PPA	FC (Rs. Crores)	SFC as per PPA	HSD Consumption	Average HSD Rate	VC (Rs. Crores)	Total (Rs. Crores)	Avg. Cost (Rs./units)
1	2	3	4	5	6	7	8	9	10	11
HPP-I	5	43114800	1.05	45270540	0.27	11640996	91	1059330636	1104601176	25.62
HPP-II	10	75778837	1.17	88661239	0.27	20460286	91	1861886025	1950547264	25.74
HPP NTPC (Aggreko)	5	53292978	1.49	79406538	0.27	14389104	91	1309408476	1388815013	26.06
NTPC GM Solar PV Plant	5	6062307	9.35	56682568	0	0	91	0	56682568.35	9.35
HPP NTPC (Express Engg.)	10	74086867	1.45	107425958	0.27	20003454	91	1820314333	1927740291	26.02
DG Power Plant at Shaheed Dweep	0.4	259759	0.89	231185.4	0.277	71953	91	6547742.033	6778927.434	26.10
DG Power Plant at Swaraj Dweep	3.23	11399315	0.93	10601363	0.27	3077815	91	280081163.7	290682526.4	25.50
SECI (Rooftop SPV) Port Blair	1	1018984	4.64	4728086.6	0	0	0	0	4728086.622	4.64
Mundra (Rooftop SPV) Port Blair	2.84	3250101	2.20	7150222.3	0	0	0	0	7150222.317	2.20
Mundra (Rooftop SPV) Car Nicobar	0.31	262152	2.20	576734.16	0	0	0	0	576734.1579	2.20
HPP (Express Engg.) Mayabundar	1.6	10737615	1.24	13314643	0.27	2899156	91	263823210.1	277137853.2	25.81
HPP (Express Engg.) Baratang	0.8	1352716	1.06	1433878.9	0.27	365233	91	33236230.98	34670109.89	25.63
NLC Ground Mounted SPV Plant	20	14652224	6.65	97437290	0	0	0	0	97437289.6	6.65
HPP (Express Engg.) Gandhi Nagar	0.082	115983	88.50	775260.00	0	36836	91	3352092.221	4127352.221	35.59
HPP (Express Engg.) Ganesh Nagar	0.148	86494	86.14	754586.40	0	33431	91	3042244.425	3796830.825	43.90
HPP (Express Engg.) Shanti Nagar	0.18	57930	87.32	764923.20	0	31158	91	2835337.797	3600260.997	62.15
HPP (Express Engg.) Smith Island	0.148	68937	84.96	744249.60	0	33256	91	3026265.497	3770515.097	54.70
Total	65.738	295598000		515959265		73042679		6646883757	7162843022	

4.8.3 Cost of Fuel

Out of total own generation of 353.88 MUs in FY 2022-23, 82.50 MUs were generated from Own Diesel power houses and 271.38 MUs were Private Generating Station. Hence, cost of fuel (HSD and lubricants) is a major component of the cost of generation. Details of cost of fuel for the control period are provided below:

Table - 4.8.3 Own Generation Cost for the FY 2022-23, FY 2023-4 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Own Generation Cost	186.96	202.96	222.20

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table - 4.8.3.1 Power Purchase Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Power Purchase Cost	592.84	647.64	716.28

Considering the above, the Hon'ble Commission is requested to allow the cost of fuel as estimated by EDA&N for FY 2022-23, 2023-24 and 2024-25.

4.9 Operation and Maintenance Expenses

Operation & Maintenance expenses comprise of the following heads of expenditure viz.

- Employee Expenses
- Administration & General Expenses
- Repairs & Maintenance Expenses

Regulation 52 of the MYT Regulations, 2021 provides as follows:

"O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GF_{A_{n-1}} \times (1+WPI_{inflation})$$

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (1+CPI_{inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1+CPI_{inflation})$$

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation - is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPI inflation - is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n - Employee expenses of the Distribution Licensee for the nth Year;

A&G_n - Administrative and General expenses of the Distribution Licensee for the nth Year;

R&M_n - Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GF_{A_{n-1}} - Gross Fixed Asset of the Distribution Licensee for the n-1th Year;

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

X_n is an efficiency factor for nth Year. Value of X_n shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:....."

EDA&N has projected the O&M expenses in accordance with the above regulations. The details of projection of Employee expenses, A&G Expenses & R&M expenses are provided below.

4.9.1 Employee Expenses

The above regulation & employee parameters submitted in the Business Plan petition have been applied to project the employee expenses. Employee expenses have been projected based on the actual expenses for the FY 2020-21. The expenses for the FY 2020-21 have been escalated by the increase in the CPI- 5.35% year over year and adjusted with the growth factor during year to arrive at the projected employee expenses for each year of the Control period. It is requested that the Hon'ble Commission may kindly approve employee expenses as projected.

Table - 4.9.1 Employee Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Employee Cost	178.25	176.43	171.39

4.9.2 Administration and General Expenses

A&G expenses comprise of the following broad subheads of expenditure, viz.

- Domestic Travelling Expenses
- Office Expenses
- Legal, Regulatory & Consultancy Fees
- Insurance etc.

The above regulation & employee parameters submitted in the Business Plan petition have been applied to project the A&G expenses. EDA&N is proposing the Administrative & General Expenses based on the actual expenses for the FY 2020-21. The expenses for the FY 2020-21 have been escalated by the increase in the CPI- 5.35% year over year to arrive at the projected A&G expenses for each year of the Control period. The projected A&G expenses is provided in the table below. It is requested that the Hon'ble Commission may kindly approve A&G expenses as projected.

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table - 4.9.2 A&G Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Administration & General Expenses	2.62	2.76	2.91

4.9.3 Repairs and Maintenance Expenses

EDA&N is proposing the Repair & Maintenance Expenses for the control period in accordance with the Regulation 52 of the MYT Regulations, 2021. The K factor has been calculated based on the average of the ratio of R&M expenses to GFA for last 3 financial years (FY 2018-19, FY 2019-20 & FY 2020-21). Further, average increase in WPI for the immediately 3 preceding years (FY 2018-19, FY 2019-20 & FY 2020-21) has been considered. Thereafter, projected R&M expenses for each year of the control period i.e FY 2022-23, 2023-24 AND 2024-25 has been calculated considering the opening GFA for the respective year and applying the 'K' factor & average WPI as above. In view of the above, department has projected the R&M expenses for the FY 2022-23, 2023-24 AND 2024-25. It is requested to Hon'ble Commission to approve R&M expenses as proposed.

Table - 4.9.3 R&M Expenses for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Repair & Maintenance Cost	108.83	110.16	117.07

4.10 Gross Fixed Assets

It is submitted that closing value of GFA as per audited accounts for the FY 2020-21 has been considered as the opening value of gross fixed assets (GFA) for 2022-23. Thereafter, capital expenditure and capitalization for each year of the control period as submitted in the Business Plan has been considered to arrive at the GFA for the FY 2022-23, 2023-24 and 2024-25. The GFA movement is given in the table below. It is requested that the Hon'ble Commission may consider & approve the proposed GFA for the control period.

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 4.10.1 Gross Fixed Asset for the FY 2022-23				
(Rs. in crores)				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	499.30	7.33	506.63
2	Buildings	86.87	0.00	86.87
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.81	0.00	2.81
6	Land & Land Rights	0.00	0.00	0.00
	Total	594.46	7.33	601.79

Table - 4.10.2 Gross Fixed Asset for the FY 2023-24				
(Rs. in crores)				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	506.63	37.73	544.36
2	Buildings	86.87	0.00	86.87
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.81	0.00	2.81
6	Land & Land Rights	0.00	0.00	0.00
	Total	601.79	37.73	639.52

Table - 4.10.3 Gross Fixed Asset for the FY 2024-25				
(Rs. in crores)				
SL. No.	Particulars	Opening Assets	Additions	Assets at End
1	2	3	4	5
1	Plant & Machinery	544.36	72.88	617.24
2	Buildings	86.87	0.00	86.87
3	Vehicles	4.01	0.00	4.01
4	Furniture & Fixture	1.47	0.00	1.47
5	Office Equipment	2.81	0.00	2.81
6	Land & Land Rights	0.00	0.00	0.00
	Total	639.52	72.88	712.40

4.11 Depreciation

The depreciation for FY 2022-23, 2023-24 and 2024-25 is computed on the basis of the GFA and asset addition during the respective years of the control period. The principles as provided in Regulation 31 of the MYT regulations has been followed to calculate the depreciation. Further, the rates of depreciation as specified in the Appendix-I of the MYT Regulations, 2021 has been considered.

Accordingly, the depreciation for each year of the control period has been calculated and provided below. It is requested to Hon'ble Commission to approve depreciation as proposed.

Table - 4.11 Depreciation for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4
Depreciation	17.70	18.38	19.69

4.12 Interest and Financial Charges

The Interest costs have been estimated under following three heads:

- Interest on Debt/ Long term loans
- Interest on Working Capital
- Interest on Security Deposit

4.12.1 Interest on Loan/ Debt

The EDA&N being a Government Department, the entire capital employed till date has been funded through equity infusion by the Central Government through budgetary support without any external borrowings. The interest on debt/loan has been calculated considering debt to be 70% of GFA. The details of interest calculation are provided in the table below. It is requested to Hon'ble Commission to approve Interest on loan as proposed.

Table - 4.12.1 Interest and Finance Charges for the FY 2022-23, FY 2023-24 & FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4	5
1	Opening Normative Loan/WIP	317.76	310.32	344.76
2	Add: Normative Loan during the year/GFA during the year	5.13	26.41	51.02
3	Less: Normative Repayment for the year	17.70	18.38	19.69
4	Closing Normative Loan/GFA	305.19	318.35	376.08
5	Average Normative Loan	311.47	314.33	360.42
6	Rate of Interest (@ SBI MCLR rate) 1st April FY	8.00%	8.00%	8.00%
7	Interest on Normative Loan	24.92	25.15	28.83

4.13. Interest on Working Capital

The EDA&N has computed the Interest on Working Capital for FY 2022-23, 2023-24 and 2024-25 on normative basis in accordance with Regulation. For the purpose of computation of normative working capital, the components of working capital considered are as follows:

- O&M Expenses for 1 month
- Maintenance of spares at 40% of R&M for 1 month
- Receivables for 2 months
- Less; Power Purchase cost for (1) month
- Less; Adjustment for security Deposit

Regulation, 32 provides that the rate of interest on working capital shall be equal to 1 year SBI MCLR as on 1st April of the respective year plus 200 basis points. The SBI MCLR as on 1st April 2021 was 7% hence, interest rate has been considered as 9.00% (7% +2%).

Accordingly, the interest on normative working capital for FY 2022-23, 2023-24 and 2024-25 has been calculated and submitted in the table below.

Table - 4.13 Interest on Working Capital for the FY 2022-23, FY 2023-24 & FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4	5
1	O&M Expenses for 1 month	24.14	24.11	24.28
2	Maint. Of Spares 40% of R&M for 1 month	3.63	3.67	3.90
3	Receivables for 2 months	39.80	41.71	43.72
4	Less; Power Purchase cost for(1) month	49.40	53.97	59.69
5	Less; Adjustment for security Deposit	0.00	0.00	0.00
6	Net Working Capital	18.16	15.53	12.21
7	Rate of Interest for Working Capital	9.00%	9.00%	9.00%
8	Interest on Working Capital	1.63	1.40	1.10

The Hon'ble Commission is requested to kindly approve the interest on working capital as proposed.

4.14 Interest on Security Deposit

The Electricity Department collects deposits from consumers in the form of Fixed Deposits Receipts (FDR)/ Bank Guarantee and in case of FDR the interest is directly paid to the consumer. Hence, no interest on security deposits has been projected in the petition.

4.15 Provision for Bad and Doubtful Debts

EDA&N is not proposing any provision for bad debts of revenue from sale of power to the consumers. An exercise is being done to determine category wise bad debts and the same shall be claimed in future filings. Thus, for FY 2022-23, 2023-24 and 2024-25 EDA&N has not projected provision for bad debts.

4.16 Return on Equity

Equity has been calculated in accordance with Regulation 28 of the MYT Regulations, 2021. Debt: Equity norm of 70:30 and RoE of 16% has been considered for FY 2022-23, 2023-24 and 2024-25. Equity has been considered as 30% of GFA and Return on Equity calculated accordingly.

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 4.16 Return on Equity for the FY 2022-23, FY 2023-24 & FY 2024-25				
(Rs. in crores)				
Sr. No	Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4	5
1	Opening Equity Amount	178.34	180.54	191.86
2	Equity Addition during year (30% of Capitalisation)	2.20	11.32	21.86
3	Closing Equity Amount	180.54	191.86	213.72
4	Average Equity Amount	179.44	186.20	202.79
5	Rate of Return on Equity	16.00%	16.00%	16.00%
6	Return on Equity	28.71	29.79	32.45

4.17 Non-Tariff Income

Non-tariff income for the FY 2022-23, 2023-24 and 2024-25 has been projected by escalating the estimated Non-tariff income of FY 2021-22 by 2% YOY. Accordingly, Non-tariff income for the FY 2022-23, 2023-24 and 2024-25 has been calculated and submitted below.

Table - 4.17 Non-Tariff Income for the FY 2022-23, FY 2023-24 & FY 2024-25			
(Rs. in crores)			
Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
2	3	4	5
Non-Tariff Income	3.32	3.38	3.45

4.18 Aggregate Revenue Requirement

Based on the above estimates and projections, the ARR for EDA&N for FY 2022-23, 2023-24 and 2024-25 works out as under:

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 4.18 ARR for the FY 2022-23, FY 2023-24 & FY 2024-25				
(in Rs. Crores)				
Sr. No	Particulars	FY 2022-23 Projection	FY 2023-24 Projection	FY 2024-25 Projection
1	2	3	4	5
1	Cost of fuel	186.96	202.96	222.20
2	Cost of power purchase	592.84	647.64	716.28
3	Employee costs	178.25	176.43	171.39
4	R&M expenses	108.83	110.16	117.07
5	Administration and general expenses	2.62	2.76	2.91
6	Depreciation	17.70	18.38	19.69
7	Interest & Finance Charges	24.92	25.15	28.83
8	Interest on working Capital	1.63	1.40	1.10
9	Return on Equity	28.71	29.79	32.45
10	Provision for Bad Debit	0.00	0.00	0.00
11	Total revenue requirement	1142.46	1214.67	1311.91
12	Less: Non tariff income	3.32	3.38	3.45
13	Net revenue requirement (11-12)	1139.14	1211.29	1308.46

4.19 Revenue at Existing Tariff and Gap for the control period

The estimated revenue at Existing Tariff for FY 2022-23 and gap is provided in the table below.

Table - 4.19 Revenue from Existing Tariff for the FY 2022-23		
Sr. No	Particular	FY 2022-23 Projection
1	2	3
1	Energy Charges	231.33
2	Fixed Charges	7.45
3	Total Revenue	238.78

5. TARIFF PROPOSAL FOR FY 2022-23

EDA&N in the previous sections has discussed the estimated performance for the FY 2022-23 based on the past years performances and certain assumptions explained at appropriate places to determine the Aggregate Revenue Required for the control period.

5.1 Recovery of Revenue Gap for FY 2022-23

The estimated gap in the FY 2022-23 has been computed by deducting the ARR from Revenue at Existing Tariff. EDA&N has projected gap for the FY 2022-23 at Rs. 900.36 Crores.

Tariff is a sensitive subject having substantial impact on social, economic and financial wellbeing of the public at large as well as the viability and growth of power sector. Recovery of the total gap would result in huge burden on the consumers. Accordingly, the A&N Administration proposes to give differential subsidy to various class/categories of consumers based on the social & economic conditions. As per the approval of A&N Administration, category wise subsidy & proposed effective tariff is calculated and detailed in the subsequent section.

5.2 Proposed Tariff in FY 2022-23

5.2.1 Tariff Proposal for FY 2022-23

The basic requirement of any Tariff proposal is that it has to be transparent and justifiable against various policy guidelines and the framework evolved by the JERC and various SERCs. In the light of the experience gained by other utilities in implementation of the tariff orders and regulatory requirements specified under various states and policy guidelines an attempt has been made to improve upon the present tariff design. The Cost of supply computes to Rs 38.79 per unit. Average revenue per unit at existing tariff is Rs. 8.13. Thus, there is gap of Rs. 30.66 per unit.

Table - 5.2.1 Revenue Gap at Existing Tariff for the FY 2022-23		
Sr. No.	Particulars	FY 2022-23 Projection
1	Net Annual Revenue Requirement	1139.14
2	Revenue from Sale of Power	238.78
3	(Gap)/ Surplus (III)	900.36

Table - 5.2.2 Average cost of supply for the FY 2022-23		
(in Rs. Crores)		
Sr. No.	Particulars	FY 2022-23 Projection
1	2	3
1	Net revenue requirement	1139.14
2	Energy sales (MU)	293.68
3	Average cost of supply/unit	38.79

Table - 5.2.3 Revenue Gap for the FY 2022-23		
(in Rs. Crores)		
Sr. No.	Particulars	FY 2022-23 Projection
1	2	3
1	Net Revenue Requirement	1139.14
2	Revenue from Retail Sales at Existing Tariff	238.78
3	Net Gap (1-2)	900.36

5.3 It is submitted that category wise cost of supply has not been computed by EDA&N till date. EDA&N shall initiate an exercise & calculate the cost of supply of every category consumers after analysis of various cost factors associated with the supplying power to various categories of consumers. However, for determining the differential subsidy for various categories of consumers, EDA&N has considered average cost of supply of Rs.38.79 per unit as full cost tariff for recovery of the proposed ARR. Accordingly, the category wise subsidy & proposed subsidized tariff for the FY 2022-23 has been calculated.

5.4 Considering the above, the full cost tariff, category wise subsidy & subsidized tariff proposal for FY 2022-23 for individual categories is given below along with the comparison of existing and proposed energy charges.

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Table - 5.3 Full Cost Tariff, Subsidy & Subsidised Tariff				
Sl. No.	Category	Full Cost Tariff (Rs./Kwh)	Subsidy (Rs./Kwh)	Proposed Tariff (Rs./Kwh)
1	Life Line Connection			
	0 to 100 units	38.79	36.74	2.05
2	Domestic Connection			
A	Upto 100	38.79	36.19	2.60
	101 to 200 Units	38.79	31.79	7.00
	201 to 500 Units	38.79	29.29	9.50
	501 to 1000 Units	38.79	27.29	11.50
	1000 Units & Above	38.79	25.79	13.00
2	Domestic(Bed & Break Fast)			
B	Upto 100	38.79	35.79	3.00
	101 to 200 Units	38.79	30.39	8.40
	201 to 500 Units	38.79	26.79	12.00
	501 to 1000 Units	38.79	23.79	15.00
	1000 Units & Above	38.79	18.79	20.00
3	Commercial			
	Upto 200 Units	38.79	28.79	10.00
	201 to 500 Units	38.79	25.79	13.00
	501 to 1000 Units	38.79	20.79	18.00
	1001 Units & Above	38.79	13.79	25.00
4	Private Education Institution/ Hospitals			
	Upto 200 Units	38.79	29.79	9.00
	201 to 500 Units	38.79	27.29	11.50
	501 to 1000 Units	38.79	22.79	16.00
	1001 Units & Above	38.79	15.79	23.00
5	Hotel/ Restaurants/ Resorts			
	Upto 200 Units	38.79	28.79	10.00
	201 to 500 Units	38.79	25.79	13.00
	501 to 1000 Units	38.79	20.79	18.00
	1001 Units & Above	38.79	13.79	25.00
6	Government Connections			
	Upto 500 Units	38.79	27.29	11.50

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

	501 & Above	38.79	25.54	13.25
7	Industrial			
	0 to 200 Units	38.79	30.79	8.00
	201 to 500 Units	38.79	27.79	11.00
	501 to 1000 Units	38.79	23.79	15.00
	1001 & Above	38.79	13.79	25.00
8	Bulk	38.79	21.29	17.50
9	Public Lighting	38.79	30.29	8.50
10	Agriculture Services			
	0 to 500 Units	38.79	36.79	2.00
	501 & Above	38.79	34.79	4.00
11	Electric Vehicle Charging Station	38.79	30.19	8.60

Table - 5.3.1 Energy Charge Existing v/s Proposed Tariff			
Sl. No.	Category	Energy Charge (Rs./Kwh)	
		Existing	Proposed
1	Life Line Connection		
	0 to 100 units	2.05	2.05
2	Domestic Connection		
A	Upto 100	2.25	2.60
	101 to 200 Units	5.00	7.00
	201 to 500 Units	7.20	9.50
	501 to 1000 Units	8.50	11.50
	1000 Units & Above	8.50	13.00
2	Domestic(Bed & Break Fast)		
B	Upto 100	2.25	3.00
	101 to 200 Units	5.00	8.40
	201 to 500 Units	7.20	12.00
	501 to 1000 Units	8.50	15.00
	1000 Units & Above	8.50	20.00
3	Commercial		

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

	Upto 200 Units	7.50	10.00
	201 to 500 Units	9.50	13.00
	501 to 1000 Units	12.75	18.00
	1001 Units & Above	12.75	25.00
4	Private Education Institution/ Hospitals		
	Upto 200 Units	7.50	9.00
	201 to 500 Units	9.50	11.50
	501 to 1000 Units	12.75	16.00
	1001 Units & Above	12.75	23.00
5	Hotel/ Restaurants/ Resorts		
	Upto 200 Units	7.50	10.00
	201 to 500 Units	9.50	13.00
	501 to 1000 Units	12.75	18.00
	1001 Units & Above	12.75	25.00
6	Government Connections		
	Upto 500 Units	10.00	11.50
	501 & Above	11.50	13.25
7	Industrial		
	0 to 200 Units	6.00	8.00
	201 to 500 Units	6.00	11.00
	501 to 1000 Units	9.00	15.00
	1001 & Above	9.00	25.00
8	Bulk	13.00	17.50
9	Public Lighting	7.00	8.50
10	Agriculture Services		
	0 to 500 Units	1.60	2.00
	501 & Above	1.60	4.00
11	Electric Vehicle Charging Station	6.90	8.60

Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25

Note:

- I. **Categories of consumers & applicability:** Proposed categories of consumers and its applicability is provided in the attached Annexure-1
- II. **Temporary Supply:** Supply to temporary connection is proposed to be charged at 2 times the rate applicable to the relevant category of consumers.
- III. **Rooftop/Ground mounted Solar Power Plant at the premises of the Consumer**

It is proposed that the consumers having installed Rooftop/Ground mounted Solar Power Plant in their premises equivalent to 15% of the connected load/contract demand or 25% of the roof area whichever is more shall be charged in accordance to the JERC (Solar PV Grid Interactive System based on Net Metering) Regulation,2019.

5.3.1 The category wise revenue from the proposed tariff, revenue gap and the average tariff hike proposed are presented in the tables below:

Table - 5.3.2 Revenue from proposed Tariff - FY 2022-23			
Consumer Category	Energy Billed MU's	At Proposed Tariff	
		Revenue Rs. Crores	Revenue Billed Rs. per unit
Domestic	155.03	107.40	6.93
Domestic(Bed & Break Fast)	0.20	0.27	13.32
Commercial	39.73	64.26	16.17
Private Education Ins./Hospitals	1.19	2.34	19.71
Hotels/ Restaurants/ Resorts	11.89	27.16	22.83
Government Connection	27.25	35.28	12.95
Industry	14.18	33.49	23.62
Bulk	35.57	62.25	17.50
Public Lighting	7.42	6.31	8.50
Irrigation, Pumps & Agriculture	1.17	0.40	3.40
Electric Vehicle Charging Station	0.05	0.04	8.60
Energy Charges- Sale of Power	293.68	339.19	11.55
Fixed Charges		7.45	
Total Revenue from Sale of Power	293.68	346.64	11.80

**Petition for Approval of APR for the FY 2021-22 & ARR & Tariff Proposal for the FY 2022-23,
FY 2023-24 & FY 2024-25**

Table - 5.3.3 Impact of Tariff Hike				
Sr. No.	Particulars	Units	FY 2022-23	
			Existing	Proposed
1	ARR for FY 2022-23	Rs. Crores	1139.14	1139.14
2	Revenue for FY 2022-23	Rs. Crores	238.78	346.64
3	Gap (1-2)	Rs. Crores	900.36	792.51
4	Total Sales	MU's	293.68	293.68
5	Average Cost of Supply (1 /4 x 10)	Rs. per kWh	38.79	38.79
6	Average Revenue (2 /4 x 10)	Rs. per kWh	8.13	11.80
7	Pure Gap (5-6)	Rs. per kWh	30.66	26.99
8	Average Hike in Tariff			3.67
9	Hike in %			45.17%

Hence, it is submitted that the average tariff required to recover the gap attributable to FY 2022-23 is Rs. 38.79 per unit. Average subsidy per unit provided by the A&N Administration is Rs. 26.99. Accordingly, the proposed hike per unit is Rs. 3.67.

In view of the above, it is prayed to the Hon'ble Commission that the proposed tariff, subsidy & the hike in tariff be allowed.

6. Directives


It is submitted that the status of compliance of Directives issued by the Hon'ble Commission is being submitted separately.

Annexures

Applicability for Tariff Proposal FY 2022-23

Sr. No.	Category	Applicability	Point of Supply
1	Life Line	Applicable to domestic consumers with 1KVA connected load & monthly consumption below 100 units every month, If the consumption of 100 units and above for any month the consumers will be charged under Domestic Category Tariff.	Note: The Lifeline Consumer having consumption 100 units and above shall be charged according to the slabs defined under Domestic Category
2A	Domestic	This schedule will apply for single delivery point including light, fan, domestic pumping sets and household appliances. a) Single private house/flat b) Housing colonies and multi-storeyed flats/buildings as defined in the Electricity Supply Code Regulations notified by the JERC.	NOTE: Where a portion of the dwelling is used for mixed load purposes, the connection will be billed for the purpose for which the tariffs are higher.
2B	Domestic (Bed & Break Fast)	This schedule will apply to the establishments under A&N Bed & Breakfast / Home Stay Scheme recommended by Directorate of Tourism, A&N Administration.	
3	Commercial	This schedule will apply to all consumers, using electrical energy for light, fans, and appliances like pumping sets, motors of up to 3 HP used for commercial purpose, central air conditioning plants, lifts, welding sets, small lathe machines, electric drills, heaters, battery chargers, embroidery machines, printing presses, ice candy, dry cleaning machines, power presses, Stone Crusher Unit, small motors in commercial establishments/ non-residential private premises such as printing presses, hostels, bus stands, clubs, auditoriums, communication, cinema theatres, operas, circus, exhibitions, and bakeries, and grinders and installations for private gains, etc. Commercial supply will also be applicable to multi-consumer complex including commercial complexes as defined in the Electricity Supply Code Regulations notified by JERC. This schedule will also apply to the places of worship like temples, mosques, churches, gurudwaras, Buddhist Pongji Chung (except residential areas), public Pooja celebrations and religious ceremonies. No separate circuit/connection for power load including pumping set/ central air conditioning plant, lifts, etc., is permitted.	
4	Educational Institutional / Hospitals	Private Educational Institutes, Coaching Centre, Private Hospitals & Clinic, Nursing Homes, Diagnostic Centres.	

Contd...2


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 प्रशासन / A & N Administration
 Port Blair

-2-

5	Hotels / Restaurants / Resorts	Hotels/Lodge / Restaurants./Resorts Establishments	
6	Government Connection	This schedule will apply to all government connections, Government schools / Institution and Govt. Hospital Establishment.	The supply will be given through a single delivery and metering point and a single voltage.
7	Industrial Supply	The schedule will apply for supply of energy for lighting, fan and power to industrial establishments & industries such as wood-based, cottage, small scale, medium-scale, finishing shell based and any other establishments/ organisations engaged in the manufacturing and processing of goods for sale, rice mills, flour mills, workshops, dry docks, factories base repair organisations, public water works & gem cutting units	The supply will be given through a single delivery and metering point and at a single voltage.
8	Bulk Supply	This schedule will apply to general or mixed loads receiving supply of energy through a bulk energy meter at either HT or LT supply and distribution is maintained by them. For dedicated transformers, the complete cost of technical transmission lines of transformer sub-station, switch gear & installation is to be borne by the consumer.	The supply will be given through a single delivery and metering point and at a single voltage.
9	Public Lighting	This schedule will apply for lighting on public roads, footpaths, streets and thoroughfares in parks & markets, etc.	Cost of spares, materials and labour, required for maintenance is to be borne by respective panchayati raj institution / local body.
10	Agriculture Irrigation Pumps	This schedule will apply to all consumers for use of electrical energy for irrigation./ agricultural purposes./ Poultry Purposes.	The supply will be given through a single delivery and metering point and at a single voltage.
11	Electric Vehicle Charging Station	This tariff schedule shall apply to consumers that have set up Public Charging Stations (PCS) in accordance with the technical norms/ standards/specifications laid down by the Ministry of Power, GoI and Central Electricity Authority (CEA) from time to time. The tariff for domestic consumption shall be applicable for domestic charging (LT/HT).	
12	Temporary Supply	The supply may be given for a limited period as per the provisions of JERC Supply Code Regulations, 2018, and amendments thereon.	


 अधीक्षक अभियंता / Superintending Engineer
 विद्युत विभाग / Electricity Department
 अ. नि. प्रशासन / A & N Administration
 पोर्ट ब्लेयर / Port Blair

(39)

F. no 29/05/2021-R&R
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg
New Delhi, 4th October, 2021

To

Secretary,
JERC, Goa and UTs

Subject: VIP reference from Admiral D.K Joshi, Lt Governor A&N Islands regarding Tariff order(FY 2021-22) of JERC - reg.

Sir,

I am directed to refer to the VIP reference from Admiral D.K Joshi, Lt Governor A&N Islands regarding Tariff order(FY 2021-22) issued by JERC and reply dt 02.09.2021 received from JERC in the matter.

2. The comments of JERC on the aforesaid reference have been examined in this Ministry. It has been observed that the tariff which has been determined by the Commission is not cost reflective and is causing huge financial burden to the Government.

3. It is requested that JERC may adopt the method of tariff determination on the basis of all prudent costs as per regulations without any subsidy, which would be aligned to the tariff policy and the provisions of the Electricity Act 2003. State Governments/UTs may provide subsidy on the cost reflective tariff determined by the JERC.

4. Accordingly, the above reference may please be got examined once again and suitable action be taken at the earliest. Action taken report may also be sent to this Ministry.

Yours faithfully,

Dee

(Debranjana Chattopadhyay)
Deputy Secretary to Govt. of India
Ph: 011-2371 5250

Copy to:

Lt. Governor, Raj Niwas, Port Blair, Andaman & Nicobar Islands.
(w.e.t letter dt 17.08.2021)

Dee
अधीक्षक अभियंता / Superintending Engineer
विद्युत विभाग / Electricity Department
नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair

आर. के. सिंह
R. K. SINGH

	Date
Sr: PS	23.11.21
Secy to LG	



विद्युत मंत्री एवं
नवीन और नवीकरणीय ऊर्जा मंत्री
भारत सरकार

Minister of Power and
Minister of New & Renewable Energy
Government of India

D.O. No. 29/05/2021-R&R/455546

Dear Admiral Joshi,

Please refer to your letter dated 17.08.2021 regarding applicability of tariff category for the Hotel industry as per Tariff Order for the FY 2021-22 issued by Joint Electricity Regulatory Commission (JERC) for Goa & UTs.

2. We had taken up the concerns raised by you with the JERC for the State of Goa and Union Territories. JERC has informed that the Electricity Department of A&N Administration has been taking a stand which is inconsistent with your stand. I am enclosing a copy of the letter received from JERC for your perusal. You may like to take action against the officer who took the stand that the hotels be charged at the industrial rate (which is concessional) rather than at the commercial rate. We are also not in agreement with the JERC which have fixed the tariffs at such low rates. We have advised the JERC that the tariff should be fixed taking into account all prudent costs. The government may give whatever subsidy it deems fit to any category it deems fit in accordance with the procedure laid down in Section-65 of the Electricity Act. A copy of our letter to the JERC is enclosed.

3. In addition to the above and in order to mandate installation of roof top solar, it is also suggested that a policy for mandatory installation of solar roof top in hotels with adequate support through subsidy for this purpose may be considered as a measure to reduce the burden of high tariff. This will also reduce the subsidy presently being given by the Administration.

With regards,

Yours sincerely,

Encl: As above.

Admiral D. K. Joshi
PVSM, AVSM, YSM, NM, VSM (Retd)
Lt. Governor of Andaman & Nicobar Islands
Raj Niwas,
Port Blair-744101.

Shram Shakti Bhawan, New Delhi-110 001 Phone : +91-11-23717474, 23710471

Fax : +91-11-23710065, E-mail : raj.ksingh@gov.in

CS
1. TIMEBURNAL'ya on (A) limited & 2. (B) may also be processed & per. 15 NOV 2021

24/11

① Copy of this letter on the list of document to ANHA

② Re. im. pt. from a body of 3 star engine push hotel admin

(R. K. Singh) 14/11

3537
23/11/21
24/11/21
11064
24/11/21

No. 29/05/2021-R&R
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg
New Delhi, 31st December, 2021

To

The Principal Secretary (Power),
Andaman & Nicobar Administration,
Port Blair

Subject: Reference from Admiral D.K. Joshi, Lt Governor A&N Islands regarding Tariff order (FY 2021-22) of JERC - reg.

Sir,

I am directed to refer to letter dt 17.08.2021 received from Admiral D.K. Joshi, Lt Governor A&N Islands regarding Tariff order (FY 2021-22) of JERC and reply of JERC dt 02.09.2021.

2. Lt Governor A&N Islands vide aforesaid DO letter has stated they have recommended tariff hike and proposed to include hotels in Commercial category but the same was not acceded by JERC. The rationale behind the recommendation is that the cost of generation is as high as Rs.29.51 per unit vis-a-vis average cost of billing at the rate Rs.6.85 per unit, which is over subsidised and not justifiable particularly in the case of hotels which are well established and profitable commercial ventures. It may be seen that in most of the UTs, the hotels are placed under Commercial category.

3. After examination of the said reference, Ministry of Power vide letter dt 04.10.2021 requested JERC to adopt the method of tariff determination on the basis of all prudent costs as per regulations without any subsidy, which needs to be aligned to the Tariff Policy and the provisions of the Electricity Act 2003.

4. In this regard, JERC vide letter dt 24.11.2021 has informed that Electricity Department, A&N has filed an appeal against the impugned Tariff Order of FY 2021-22 dated 31.06.2021 and the said appeal has been admitted for hearing. The next date of hearing in this appeal is 27.01.2022.

5. As per the Electricity Act and the tariff policy, Andaman & Nicobar is also requested to file the tariff petition(s) before JERC for full cost reflective tariff. Subsidy if any may be shown separately.

Yours faithfully,



(Ghanshyam Prasad)
Joint Secretary to the Govt. of India
Tel: 2371 0389

Copy to:

1. Admiral P.K. Joshi, Lt. Governor, Raj Niwas, Port Blair, Andaman & Nicobar Islands
2. Secretary, JERC

श्रीधर अग्रवाल / Superintending Engineer
विद्युत विभाग / Electricity Department
अ. नि. प्रशासन / A & N Administration
पोर्ट ब्लेयर / Port Blair