

**BEFORE  
THE  
GUJARAT ELECTRICITY REGULATORY COMMISSION, GANDHINAGAR**

**Petition for True-Up of FY 2012-13  
And Determination of Tariff for FY 2014-15**

**Under GERC (Multi Year Tariff) Regulations, 2011 along with other guidelines  
and directions issued by the GERC from time to time AND under Part VII  
(Section 61 to Section 64) of the Electricity Act, 2003 read with the relevant  
Guidelines**

**Filed by  
KANDLA PORT TRUST**

**January 2014**

## KANDLA PORT TRUST

**An ISO 9001 : 2008 & ISO 14001 : 2004 Certified Port**

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**No. EL/AC/3193/**

**Date: 06/01/2014**

To,

The Secretary,

Gujarat Electricity Regulatory Commission,

6th Floor, GIFT ONE,

Road 5C, Zone 5, GIFT City,

Gandhinagar – 382355, Gujarat

Dear Sir,

**Sub: Submission of Petition for the approval of KPT true up of FY 2012-13 along with tariff proposal of FY 2014-15**

In exercise of its powers conferred under section 61 of the Electricity Act, 2003, the Hon'ble Commission has issued the MYT Regulations, 2011.

Accordingly, KPT is herewith submitting the Petition for approval of KPT true up of FY 2012-13 along with tariff proposal of FY 2014-15 for consideration of the Hon'ble Commission. The following documents are enclosed here for the kind perusal and approval by the Hon'ble Commission:

1. Formal Petition, Formats and Affidavit verifying the petition along with authorization.
2. Petition Fee of Rs. 15,00,000/- (Rupees Fifteen Lakhs only) in terms of Demand Draft No. \_\_\_\_\_ Dated 06/01/2014 drawn in favour of GERC, Gandhinagar.

We request the Hon'ble Commission to kindly admit the aforesaid petition and proceed further in the matter at the earliest. We would also request the Hon'ble Commission to kindly provide us an opportunity of personal hearing to further clarify/explain our submissions in the enclosed petition.

Thanking You,

Yours Faithfully,

**P. S. Pathan**

**SE (Electrical) - KPT**

Enclosed: As above

**GUJARAT ELECTRICITY REGULATORY COMMISSION, GANDHINAGAR**

Filing No. \_\_\_\_\_

Case No. \_\_\_\_\_

**IN THE MATTER OF**

**Submission of Petition for the approval of KPT final true up of FY 2012-13 along with tariff proposal of FY 2014-15**

**PETITIONER**

**KPT, KANDLA (HEREINAFTER REFERRED TO AS 'THE PETITIONER');**

**THE 'PETITIONER' RESPECTFULLY SUBMITS:**

1. Kandla Port Trust is a distribution licensee. The license for supply of electrical energy was granted to Kandla Port by Chief Commissioner of Kutch under Indian Electricity Act, 1910 as per Notification No. AF-133/55 dated 12th April, 1956. Kandla Port trust is one of the Major Port of India, under Government of India, Ministry of Shipping and the main activity of the Kandla Port is to facilitate trade for cargo handling operation.
2. Consequent to the enactment of the Electricity Act, 2003 (hereinafter referred to as the "Act"), the process of approval of proposed tariffs is vested with the State Commission under the section 62 of the Act and under the Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulations 2011;
3. The Petitioner KPT is accordingly filing this Petition for Approval of KPT's true up of FY 2012-13 along with tariff proposal of FY 2014-15.

**PRAYER TO THE HON'BLE COMMISSION:**

**The Petitioner respectfully prays to the Commission:**

- a. The Hon'ble Commission is requested to condone delay in filing of this petition.
- b. To admit this petition seeking True up of FY 2012-13 and Determination of Tariff for FY 2014-15;
- c. To approve the actual capital expenditure for the FY 2012-13.
- d. To approve methodology for recovery of Revenue Gap of FY 2014-15 as given in the petition through proposed tariff hike;
- e. The petitioner is in a process to segregate the accounts for the electricity business, for which a tender has already been floated. In the absence of the accounts the Commission is requested to consider the actual figures submitted by the petitioner based on the budget book for FY 2012-13 to avoid any financial stress.
- f. The Hon'ble Commission is requested to consider approved parameters/ARR of PGVCL and SLDC while finalizing tariff of the petitioner.
- g. The petitioner craves leave of the Hon'ble Commission to allow further submissions, addition and alteration to this Petition as may be necessary from time to time.
- h. Grant any other relief/pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.

**Declaration that the subject matter of the petition has not been raise by the petitioner before any other competent forum, and that no other competent forum is currently seized of the matter or has passed any orders in relation thereto.**

**Date:**

**Petitioner**

**P. S. Pathan  
SE (Electrical)  
Kandla Port Trust**

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### Abbreviations

<b>ARR</b>	Aggregate Revenue Requirement
<b>EA - 2003</b>	The Electricity Act 2003
<b>FY</b>	Financial Year
<b>GERC</b>	Gujarat Electricity Regulatory Commission
<b>GFA</b>	Gross Fixed Assets
<b>GoI</b>	Government of India
<b>GUVNL</b>	Gujarat Urja Vikas Nigam Limited
<b>HT</b>	High Tension
<b>HV</b>	High Voltage
<b>LT</b>	Low Tension
<b>LUs</b>	Lacs Units
<b>LV</b>	Low Voltage
<b>MoP</b>	Ministry of Power, Government of India
<b>MYT</b>	Multi Year Tariff
<b>PGVCL</b>	Paschim Gujarat Vij Company Limited
<b>PLR</b>	Prime lending rate
<b>PPA</b>	Power Purchase Agreement
<b>T&amp;D Loss</b>	Transmission and Distribution Losses
<b>TO</b>	Tariff Order
<b>SLDC</b>	State Load Dispatch Centre
<b>UI</b>	Unscheduled Interchange

## 1. Introduction

This section presents the background and reasons for filing of this Petition.

Kandla Port trust is one of the Major Port of India under Government of India & Ministry of Shipping and the main activity of the Kandla Port is to facilitate trade for cargo handling operation. Kandla Port Trust is also a distribution licensee as per the license for supply of electrical energy granted by Chief Commissioner of Kutch under Indian Electricity Act, 1910 as per Notification No. AF-133/55 dated 12th April, 1956.

Present distribution system of KPT comprise of one 66KV substation and fifteen 11 KV substations in the licensee area. The 66KV power supply is fed through double circuit overhead transmission lines from 220KV GETCO substation situated at Anjar, 34 kilometers away from 66 KV substations, New Kandla. The operation and maintenance of overhead lines is carried out by Gujarat Energy Transmission Corporation Limited (GETCO), from 220 KV Substation, Anjar to last transmission tower erected near 66KV switchyard of KPT.

As a distribution licensee, KPT receives 66 KV supply for various Port activities with contract demand of 7900 KVA billed by GUVNL under EL-1 grid category up to July, 2008. Subsequently, the Agreement was made with GUVNL by Kandla Port Trust for revision of tariff rates dated 8/12/2008 applicable for the period from 1/08/2008 to 31/03/2011 which was applicable only till Availability Based Tariff (ABT) was not implemented. ABT has been implemented from April, 2010 and continued till date. Following the implementation of ABT, PPA with GUVNL was further extended till the end of FY 2013-14 with a reduced contract demand of 6900 KVA.

Gujarat Electricity Regulatory Commission (hereinafter referred to as “GERC” or “the Hon’ble Commission”), an independent statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, is vested with the authority of regulating the power sector in the State inter alia including setting of tariff for electricity consumers. The Hon’ble Commission is now deemed to be the Commission established under Sub-Section (1)

of Section-3 of the Gujarat Electricity Industries (Reorganization and Regulations) Act, 2003. The Hon'ble Commission has issued the GERC (Multi Year Tariff) Regulations 2011 which was made effective from 1st April 2011 onwards.

Under section 62 of the Electricity Act, 2003 and under the MYT Regulations, 2011, KPT filed its first MYT petition for the control period from FY 2011-12 to FY 2015-16 and the MYT Order was issued by the Hon'ble Commission on 18<sup>th</sup> August 2011. In the above order, the Hon'ble Commission had also approved the ARR for all the years i.e. FY 2011-12 to FY 2015-16. The Hon'ble Commission had approved tariff effective from 01st September 2011 on the same line as PGVCL.

As per the Regulation 17.2 (b) of the MYT Regulations, 2011 during the first year of the control period and onwards, the Distribution Licensee will have to file the petition for approval of the following:

- *Truing Up for previous year to be carried out under Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2011*
- *Revenue from sale of power at existing tariffs and charges for the ensuing year*
- *Revenue gap for ensuing year calculated based on ARR approved in the Tariff Order or MYT Order and truing up for the previous year*
- *Application for determination of tariff for the ensuing year.*

As per the provisions stipulated in regulation 29.8 and 17.2 (b), KPT filed the petition for the determination of tariff for FY 2012-13 and the Tariff Order was issued by the Hon'ble Commission on 21<sup>st</sup> August 2012. The Hon'ble Commission had allowed an increase in the tariff for some categories and the new tariff was effective from 01st September 2012.

Further, as per the provisions stipulated in regulation 29.8 and 17.2 (b), KPT filed the petition for the truing up of FY 2011-12 and determination of tariff for FY 2013-14. The Hon'ble Commission in its Tariff order dated 20<sup>th</sup> May 2013 didn't trued up the ARR for FY 2011-12 in absence of audit accounts.

As per the provisions stipulated in regulation 29.8 and 17.2(b), KPT was required to file the petition for the true up of FY 2012-13 and determination of tariff for FY 2014-15 latest by 30th November, 2013. KPT requested the Commission to grant extension of time for filing the true up petition for FY 2012-13 as well as the tariff determination petition for FY 2014-15 till 31<sup>st</sup> January 2014, the Commission granted extension for filing the petition up to 31<sup>st</sup> December, 2013. KPT further requested the Commission on 27/12/2013 to grant extension of time limit upto 21<sup>st</sup> January, 2014 as the Petition Fee of Rs. 15,00,000/- was under process for approval of Competent Authority. Soft copy of the Tariff Petition which was ready for filing, was mailed alongwith the request letter. Hon'ble Commission directed on 31/12/2013 to submit the Petition within a week's time. The licensee requests the Hon'ble Commission to admit this petition seeking True up of FY 2012-13 and Determination of Tariff for FY 2014-15 and approval of the same.

### 1.1 Organization of the Tariff Petition

The Tariff Petition is arranged into chapters as under:

- **Chapter 1:** Provides a brief background and history of KPT and the tariff filing process followed in the recent times;
- **Chapter 2:** Provides the true up of KPT for FY 2012-13;
- **Chapter 3:** Provides the revenue gap for FY 2014-15. It also provides in detail for revenue from existing tariff;
- **Chapter 4:** Provides the Retail Tariff proposal for the forthcoming year i.e. FY 2014-15. It also provides suggestions for changes in the existing tariff structure;
- **Chapter 5:** Deals with the compliance of directives issued by the Hon'ble Commission in the MYT Order;
- **Chapter 6:** Provides all the data in appropriate formats as are necessary to the Hon'ble Commission for determining the tariff;

## 2. True-Up for FY 2012-13

### 2.1 Preamble

This section outlines the performance of KPT for FY 2012-13 in line with the provisions of the MYT Regulations, 2011. The Expenses of KPT for FY 2012-13 presented for true-up are based on the principles adopted by the Hon'ble Commission on Interest on Term Loan, Return on Equity, Interest on Working Capital and Depreciation etc. The ARR so arrived has been compared with that approved by the Hon'ble Commission vide Tariff Order dated 18<sup>th</sup> August 2011.

As per MYT Tariff Regulations, 2011, the Hon'ble Commission shall undertake the True Up of licensee for FY 2012-13 based on the comparison of the actual performance of the past year with the approved estimates for such year. Accordingly, revised Aggregate Revenue Requirement, revenue and gap for FY 2012-13 are given in the following paragraphs of this chapter.

### 2.2 Sales

The approved and actual sales for the FY 2012-13 for KPT are shown below:

**Table 1: Category wise Sales**

Sales - FY 2012-13				Rs LUs
Sr. No	Particulars	Approved	Actual	
1	RGP	12.59	9.02	
i	Domestic Port	10.90	7.89	
ii	Domestic Private	1.69	1.13	
2	NRGP	13.95	31.37	
i	Commercial	12.90	6.70	
ii	LT ABG	1.05	0.99	
iii	Self Consumption (LT)	-	23.68	
3	LTMD	-	0.94	
4	TEMPORARY	16.20	12.00	
i	Outside	16.20	9.12	
ii	Inside		2.88	
5	STREET LIGHT	8.60	5.80	
6	HTP-I	97.20	65.99	
i	HT ABG	24.30	11.27	
ii	Self Consumption (HT)	72.90	54.72	
7	<b>Total</b>	<b>148.54</b>	<b>125.12</b>	

**Note:**

1. In MYT Order LTMD projected by KPT and approved by GERC was nil

2. In MYT Order Self consumption for LT and HT was combinedly shown whereas on actual basis it has been separately shown

The actual sales for all categories are less compared to the sales approved by the Hon'ble Commission. The overall impact on the total sales is (23.42) LUs in the FY 2012-13 based on the actual sales booked by KPT.

KPT, humbly requests the Hon'ble Commission to approve energy sales as given in the Table above.

### 2.3 T&D Losses and Energy Balance

The Hon'ble Commission, in MYT order dated 18th August 2011, approved the distribution loss of 8.75% for the FY 2012-13 against the proposed distribution loss of 13.00%. Based on the sales and power purchase, KPT's actual distribution loss is 10.80% in the FY 2012-13.

**Table 2: Transmission & Distribution Losses**

			LUs
Energy Balance			
Sr. No	Particulars	Approved	Actuals
1	Total Energy Sales	148.54	125.12
2	T&D Loss (%)	8.75%	10.80%
3	T&D Loss	14.24	15.15
4	<b>Energy Balance</b>	<b>162.78</b>	<b>140.28</b>

KPT would like to highlight that distribution loss for the FY 2012-13 has reduced to 10.80% from 12.13% in FY 2011-12 based on the actual T&D losses which is showing a declining trend. Therefore, KPT would request Hon'ble Commission to compare the T&D loss from previous year while approving the same.

As a result, the net energy requirement for sale to retail consumers in FY 2012-13 is 140.28 MUs as compared to 162.78 MUs approved by the Hon'ble Commission.

### 2.4 Power Purchase Expenses

KPT has a Power Purchase Agreement with GUVNL with contract demand of 6900 KVA on a mutually agreed tariff structure under which the energy requirement is currently met. After the implementation of intra-state ABT in April 2010, KPT submitted demand to SLDC for the FY 2012-13 on the basis of which billing was done by GUVNL while the UI payments on surplus energy were made by the concerned beneficiary. In-line to the above agreement KPT purchases power from GUVNL at a constant demand of 6900 KVA on monthly basis.

The power purchase approved by Hon'ble Commission in the MYT order dated 18th August 2011 for the FY 2012-13 was 162.78 LUs, compared to actual power purchase of 218.21 LUs. The difference is on the account of energy sent based on the contract demand from GUVNL at 6900 KVA, while the total requirement is only 140.28 LUs. Further, the additional energy is sold as UI (Unscheduled Interchange) which is refunded to KPT on weekly basis by SLDC.

Hon'ble Commission in the MYT order dated 18th August 2011, has approved the power purchase cost at Rs 5.52/kWh. Further, the Hon'ble Commission acknowledged that it will reconsider the power purchase cost at the time of true-up for FY 2012-13, the extract of the same is presented below:

*"In case of any variation in the cost of power, due to allocation of power by the State Government or sourcing of power from any other source at a lower cost, the price would be adjusted / revised during the 'Truing up' of 2011-12 and the tariff orders of FY 2012-13 to FY 2015-16."*

The Power Purchase Cost given below is the net power purchase cost after considering the net UI Cost Payable/receivable.

**Table 3: Power Purchase Expenses**

Sr. No	Particulars	UoM	Power Purchase Cost for FY 2012-13			Actual		
			Rs. Lacs	LUs	Rs/kWh	Rs. Lacs	LUs	Rs/kWh
1	Power Purchase from GUVNL including Electricity duty		900.00	162.78	5.53	1,652.35	215.80	7.66
2	UI Import		-	-		10.77	2.41	4.46
3	<b>Total Power Purchase</b>	Sum=(1:2)	<b>900.00</b>	<b>162.78</b>	<b>5.53</b>	<b>1,663.11</b>	<b>218.21</b>	<b>7.62</b>
4	UI Export		-	-		198.48	77.94	2.55
5	<b>Total Sale of Surplus Power</b>	5=(3-4)	-	-		<b>198.48</b>	<b>77.94</b>	<b>2.55</b>
6	<b>Net Power Purchase Cost</b>	6=(3-5)	<b>900.00</b>	<b>162.78</b>	<b>5.53</b>	<b>1,464.63</b>	<b>140.28</b>	<b>10.44</b>

The Hon'ble Commission had approved the power purchase cost of Rs. 900 Lacs for the FY 2012-13 in the MYT order, based on the net power required on the approved sales considering the targeted T&D loss of 8.75%.

The actual power purchase cost incurred by KPT in the FY 2012-13 is Rs 1464.63 Lacs on 140.28 LUs, which is Rs 564.63 Lacs more than what was approved in the MYT order by Hon'ble Commission where no surplus sales was considered. This has resulted in increase of net power purchase cost per unit by Rs 5.11/kWh.

KPT submits that since the actual requirement is very low compared to what it has procured in FY 2012-13 while the surplus energy is sold through UI. KPT in FY 2012-13 had incurred a notional loss due to sale of surplus power at a rate of Rs 2.55/kWh through UI as the average power purchase rate for the FY 2012-13 was Rs 7.62/kWh. It is also important to note that power purchase cost is an uncontrollable cost under the MYT Regulation, 2011.

Further, KPT has initiated the tender process of appointing an advisor/ Independent engineer to review the following key aspects to improve the operational and financial efficiency and the same is in advance stage:

- *Review of existing PPA and suggest the right mechanism to reduce the financial loss.*
- *Formulate medium and long term power procurement plan;*
- *Business Plan;*
- *KPT is also considering an option of getting into power generation business from renewable energy in future.*

The detail week wise SLDC schedule, drawl and UI details for KPT has been annexed as **Annexure 1: Detail week wise SLDC schedule, drawl and UI details for KPT**. Further, power purchase cost bills month wise from GUVNL also has been annexed as **Annexure 2: Detail Power Purchase Cost from GUVNL - Month Wise**. Since, KPT is still sourcing its power requirement from GUVNL, KPT would like to pray to Hon'ble Commission to approve the cost based on the actual incurred.

## **2.5 Capital Expenditure and Capitalization**

The below capital expenditure is the part of corporate business plan for the period of five years where KPT charted-out various schemes for improvement in distribution network and other services, which are very essential for the port operations. The actual capital expenditure by KPT during the FY 2012-13 is Rs. 186.00 Lacs lower than that approved by the Hon'ble Commission. We would like to highlight that the Hon'ble Commission had approved capital expenditure of Rs. 200.00 Lacs in tariff order dated 18<sup>th</sup> August 2011. The licensee has planned increase in Capital expenditure for future years to meet its requirement. The capitalization for the said period on actual basis has been nil. The said capital expenditure except scheme named development of generating of electricity from renewable energy source at KPT is expected to be capitalized in FY 2013-14.

Table 4: Capital Expenditure for FY 2012-13

Sr. No.	Particulars	Rs Lacs	
		FY 2012-13 Approved	Actual
<b>1</b>	<b>Old Schemes</b>		<b>155.05</b>
i	<i>Providing lighting arrangement with high mast in newly developed 40 heactor area along with providing 11/0.433 kV substation including maintainence contract for 3 years</i>		155.05
<b>2</b>	<b>New Schemes</b>		<b>30.95</b>
i	<i>Upgradation of power supply for substation at residential building, gopalpuri</i>		8.56
ii	<i>Development of generating of electricity from renewable energy source at KPT</i>		5.40
iii	<i>Procurement of Cargo handling equipments/accessories-transformers</i>		16.99
<b>3</b>	<b>Total Capital Expenditure (1+2)</b>	<b>200.00</b>	<b>186.00</b>

The actual capital expenditure i.e. Rs 186 Lacs has been apportioned in debt and equity on normative basis in the ratio of 70:30, which would be shown in the Interest and Finance Charges and Return on Equity Section. KPT, humbly requests the Hon'ble Commission to approve capital expenditure as given in the Table above.

## 2.6 Fixed Cost for FY 2012-13

Based on the Capital Cost and the consequent Capitalized Expenditure, Equity Component and Normative Debt, the fixed cost of KPT for FY 2012-13 have been determined in accordance with the Tariff Regulations outlined thereof. As outlined under the regulations, the fixed cost for KPT has been determined under the following major heads:

- *Operation and Maintenance Expenses*
- *Depreciation*
- *Interest and Finance Charges*
- *Interest on Working Capital*
- *Income Tax*
- *Return on Equity*

A head wise comparison has been made between the values approved by the Hon'ble Commission vide Tariff Order dated 18<sup>th</sup> August, 2011 and the actual expenses of KPT in FY 2012-13.

## 2.7 O & M Expenses

The Operation and Maintenance (O&M) expenses are the combination of expenses comprising of Repair & Maintenance (R&M) expenses, Administration & General (A&G) expenses and Employee expenses.

### **Employee Expenses:**

Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. Employee cost presented below is based on the actual expenses incurred by KPT. KPT maintains employee cost records of employees involved in the power distribution business which also includes some persons like crane drivers. KPT has considered the employee expenses of only those employees who are directly involved in the distribution business by taking average of overall expenses per person based on actual employee expense (192 Nos.) and adjusting it to the number of employees directly involved in the power business (74 Nos.).

### **Administration and General Expenses:**

Administration expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, other debits.

### **Repair & Maintenance Expenses:**

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 also in the reduction of losses in the system.

### **Operation & Maintenance Expenses:**

KPT has submitted O&M expenses at Rs. 565.29 Lacs as per actuals for FY 2012-13 as against Rs. 278.50 Lacs approved by the Hon'ble Commission in MYT Order dated 18<sup>th</sup> August 2011. The detail breakup wise employee expenses, R&M and A&G on actual basis have been attached as **Annexure 3: Actual Employee Expenses for FY 2012-13, Annexure 4: Actual R&M Expenses for FY 2012-13 & Annexure 5: Actual A&G Expenses for FY 2012-13** respectively. KPT, humbly requests the Hon'ble Commission to approve O&M expenses as mentioned in the Table below.

Table 5: O&amp;M Expenses

O&M Expenses for FY 2012-13			Rs Lacs
Sr. No	Particulars	Approved	Actual
1	Employee Expenses	-	428.21
2	A&G Expenses	-	53.78
3	R&M Expenses	-	83.29
4	<b>TOTAL</b>	<b>278.50</b>	<b>565.29</b>

## 2.8 Gross Fixed Assets & Depreciation

Based on the Asset wise details submitted to GERC by the electrical division of KPT via letter no 3185 dated 24<sup>th</sup> February 2011 & cost purchase data, opening gross fixed assets i.e. Rs 1993.80 Lacs have been established for FY 2011-12. In FY 2011-12, assets to the tune of Rs 284.48 Lacs were capitalized. As explained in Capital Expenditure section, addition in FY 2012-13 has been shown as nil as most of the said capital expenditure would get capitalize in the end of FY 2013-14. A summary of the Opening and Closing GFA along with category wise asset details has been summarized in tables below:

Table 6: Gross Fixed Assets

		FY 2011-12				FY 2012-13				Rs Lacs
Sr. No.	Particulars	Opening Balance	Additions	Adjustments/ Deductions	Closing Balance	Opening Balance	Additions	Adjustments/ Deductions	Closing Balance	
1	Land	89.10	-	-	89.10	89.10	-	-	89.10	
2	Buildings	285.20	-	-	285.20	285.20	-	-	285.20	
3	Plant & Machineries	865.60	284.48	-	1,150.08	1,150.08	-	-	1,150.08	
4	Lines & Cable Net Works	748.10	-	-	748.10	748.10	-	-	748.10	
5	Furniture & Fixtures & Electrical Lightings	2.80	-	-	2.80	2.80	-	-	2.80	
6	Office Equipments	3.00	-	-	3.00	3.00	-	-	3.00	
7	<b>Gross Fixed Assets</b>	<b>1,993.80</b>	<b>284.48</b>	<b>-</b>	<b>2,278.28</b>	<b>2,278.28</b>	<b>-</b>	<b>-</b>	<b>2,278.28</b>	

Depreciation has been charged on the basis of straight-line method, on the Gross Fixed Assets in use at the beginning of the year and addition in assets during the financial year. The depreciation is based on the original cost of the Gross Fixed Assets. Based on the prevailing norms, KPT has used the following depreciation rates as notified in Annexure 1 of the GERC MYT Regulations 2011. Depreciation has been computed by applying the aforesaid category-wise assets depreciation rates on the on the opening GFA and the asset capitalized estimated during the year.

Table 7: Depreciation

Sr. No.	Particulars	Rs Lacs	
		FY 2012-13	
		Approved	Actual
1	Opening GFA	2,093.80	2,278.28
2	Additions	200.00	-
3	Closing GFA	2,293.80	2,278.28
4	Average GFA	2,193.80	2,278.28
5	<b>Depreciation Amount</b>	<b>105.57</b>	<b>110.12</b>
6	<b>Average Depreciation Rate</b>	<b>4.81%</b>	<b>4.83%</b>

KPT has submitted Depreciation at Rs. 110.12 Lacs as per actuals for FY 2012-13 as against Rs. 105.57 Lacs approved by the Hon'ble Commission in MYT Order dated 18<sup>th</sup> August 2011. KPT, humbly requests the Hon'ble Commission to approve depreciation as claimed above.

## 2.9 Interest and Financial Charges

KPT filed its first tariff petition for the control period FY 2011-12 to FY 2015-16. The entire capital expenditure of KPT's power distribution business since its inception has been funded by KPT itself through Budgetary supports each year up to FY 2011-12. Therefore, the KPT's power distribution arm did not have any loan liabilities till the end of FY 2011-12. Further, KPT in FY 2012-13 funded all its capital expenditure through internal funds. Therefore, loan liability for KPT was nil in the financial year. Therefore, KPT has considered opening loan by taking 70% of the opening GFA and loan addition for the FY 2012-13 based on the capital expenditure incurred. Further, loan repayment has been taken equivalent to the depreciation computed for the FY 2012-13.

Interest rate of 10.50% has been considered for computation of interest cost for FY 2012-13 for long-term loan, which was approved by the Hon'ble Commission in MYT order. KPT has submitted Interest and Finance Charges at Rs. 161.67 Lacs as per actuals for FY 2012-13 as against Rs. 7.09 Lacs approved by the Hon'ble Commission in MYT Order dated 18<sup>th</sup> August 2011. The difference is on account of difference in methodology by the Hon'ble Commission on calculation of Opening loan and KPT. The Hon'ble Commission has considered opening loan as nil, whereas KPT has taken the same as 70% of GFA. The petitioner requests the Hon'ble Commission to approve the interest costs as computed below:

Table 8: Interest and Financial Charges

			Rs Lacs
Interest on Loan for FY 2012-13			
Sr. No	Particulars	Approved	Actuals
1	Opening Loans	70.00	1,594.80
2	Loan Additions during the Year	140.00	-
3	Repayment during the Year - Equal to Depreciation	145.00	110.12
4	Closing Loans	65.00	1,484.68
5	<b>Average Loans</b>	<b>67.50</b>	<b>1,539.74</b>
6	<b>Interest Rate (%)</b>	<b>10.50%</b>	<b>10.50%</b>
7	<b>Interest on Loan</b>	<b>7.09</b>	<b>161.67</b>

## 2.10 Interest on Working Capital

The interest on working capital has been calculated based on normative parameters, in accordance with the GERC (MYT) Regulations, 2011. The working capital requirement has been computed considering the following parameters:

- a. *One month O&M expenses*
- b. *1% of the historical maintenance spares escalated at 6%*
- c. *One month receivables*
- Minus
- d. *Amount held as security deposit under clause (a) and clause (b) of sub section (1) of section 47 of the Act from consumers except the security deposit held in the form of bank guarantees.*

Table 9: Interest on Working Capital

			Rs Lacs
Interest on Working Capital			
Sr. No	Particulars	Approved	Actuals
1	O & M expenses	23.21	47.11
2	Maintenance Spares	20.94	24.15
3	Receivables	92.76	205.15
4	Less: Security Deposit from Consumers	84.13	86.68
5	<b>Total Working Capital</b>	<b>52.78</b>	<b>189.72</b>
6	<b>Rate of Interest on Working Capital</b>	<b>11.75%</b>	<b>14.45%</b>
7	<b>Interest on Working Capital</b>	<b>6.20</b>	<b>27.42</b>

The rate of interest considered is being the State Bank Advance Rate (SBAR) as on 1st April 2013, under Regulation 41 (3) (b) of the GERC (MYT) Regulations, 2011. KPT has submitted Interest on Working Capital at Rs. 27.42 Lacs as per actuals for FY 2012-13 as against Rs. 6.20 Lacs approved by the Hon'ble Commission in MYT Order dated 18<sup>th</sup> August 2011.

KPT, humbly requests the Hon'ble Commission to approve Interest on working capital as discussed above in the foregone Para and table above.

### 2.11 Interest on Security Deposit

The security deposit held by KPT as on 31st March 2012 is Rs. 83.93 Lacs. As per section 47 (4) of Electricity Act 2003, the distribution licensee shall pay interest equivalent to the bank rate or more as may be specified by the concerned SERC. The interest payable is 6% per annum at bank rate applicable. KPT propose to consider the approved interest on security deposit for the purpose of true-up for the FY 2012-13.

**Table 10: Interest on Security Deposit**

			Rs Lacs
Interest on Security Deposit			
Sr. No	Particulars	Approved	Actuals
1	Opening Balance	84.13	83.93
2	Addition/(Deletion)	-	2.75
3	Closing Balance	84.13	86.68
4	Average	84.13	85.31
5	Rate (%)	6.00%	6.00%
6	<b>Interest on Security Deposit</b>	<b>5.05</b>	<b>5.12</b>

### 2.12 Return on Equity

As per the MYT Regulations, 2011 issued by the Hon'ble Commission, a return @ 14% on the equity base is considered as reasonable and hence allowed by Hon'ble Commission. Accordingly, KPT has computed the Return on Equity considering a rate of return at 14%. Return on equity has been allowed on the amount allowed as equity capital for the assets put to use at the commencement of financial year and on 30% of equity capital portion of the 50% of the allowable capital for the investment put to use during the financial year.

**Table 11: Return on Equity**

			Rs Lacs
Return on Equity			
Sr. No	Particulars	Approved	Actuals
1	Opening Equity Capital- Normative	628.14	683.48
2	Additions during the year- Normative	60.00	-
3	Closing Equity	688.14	683.48
4	<b>Average Equity</b>	<b>658.14</b>	<b>683.48</b>
5	<b>Rate of Return on the Equity</b>	<b>14.00%</b>	<b>14.00%</b>
6	<b>Return on Equity</b>	<b>92.14</b>	<b>95.69</b>

KPT has submitted Return on Equity at Rs. 95.69 Lacs as per actuals for FY 2012-13 as against Rs. 92.14 Lacs approved by the Hon'ble Commission in MYT Order dated 18<sup>th</sup> August 2011. KPT, humbly requests the Hon'ble Commission to approve Return on Equity as discussed above in the foregone Para and table above.

### 2.13 Provision for Tax Paid

The tax implication for KPT in FY 2012-13 based on actual RoE has been calculated. The petitioner requests the Hon'ble Commission to approve the tax paid as computed below:

**Table 12: Taxes**

			Rs Lacs
Tax Paid			
Sr. No	Particulars	Approved	Actuals
1	Return on Equity	92.14	95.69
2	MAT Rate (%)	0.00%	33.33%
<b>3</b>	<b>Tax Paid</b>	<b>-</b>	<b>31.89</b>

### 2.14 Aggregate Revenue Requirement

Aggregate Revenue Requirement (ARR) is the amount required by KPT to discharge its functions efficiently in compliance to the applicable regulatory framework. It also allows the utility to earn a reasonable amount of return. It consists of a number of cost elements as elaborated in the table below. The justification for each of these expenses has duly been elaborated in the foregoing Para and the summary of these expenses as tabulated below:

**Table 13: Aggregate Revenue Requirement for FY 2012-13**

			Rs.Lacs
Aggregate Revenue Requirement for FY 2012-13			
Sr. No	Particulars	Approved	Actual
1	Power Purchase Cost	900.00	1,464.63
2	Operation & Maintenance Expenses	278.50	565.29
3	Depreciation	105.57	110.12
4	Interest & Finance Charges	7.09	161.67
5	Interest on Working Capital	6.20	27.42
6	Interest on Security Deposit	5.05	5.12
<b>7</b>	<b>Sub Total</b>	<b>1,302.41</b>	<b>2,334.24</b>
8	Return on Equity	92.14	95.69
9	Provision for Tax / Tax Paid	-	31.89
<b>10</b>	<b>Aggregate Revenue Requirement</b>	<b>1,394.55</b>	<b>2,461.82</b>

KPT, humbly requests the Hon'ble Commission to approve ARR as discussed above in the foregone Para and table above.

## 2.15 Revenue from Sale of Power

The revenue from sale of Power as per actuals for FY 2012-13 is recorded at Rs. 1004.52 Lacs and KPT, humbly requests the Hon'ble Commission to approve the same as submitted.

**Table 14: Revenue from Sale of Power**

			Rs Lacs
Revenue from Sale of Power - FY 2012-13			
Sr. No	Particulars	Approved	Actual
1	RGP - Domestic (Port & Pvt)	49.73	
2	Commercial including LT ABG	70.59	
3	Port Operation- Temporary	114.05	
4	HT- ABG	174.47	380.44
5	LTMD	-	
6	Street Light	35.69	
7	Self Consumption- LT & HT	523.42	512.72
8	<b>Revenue from Sale of Power</b>	<b>967.95</b>	<b>893.16</b>
9	<b>FPPPA</b>	<b>117.35</b>	<b>111.36</b>
10	<b>Total Revenue from Sale of Power</b>	<b>1,085.30</b>	<b>1,004.52</b>

**Note:**

1. Approved revenue from sale of power TO dated 21st Aug 2012
2. Self Consumption LT & HT (Rate/Rs/kWh) in Actual Calculation as per TO dated 21st Aug 2012 respectively

## 2.16 Revenue (Gap) / Surplus

Based on the revised ARR as per actual and audited cost incurred and revenue earned as per accounts, the revised surplus/ deficit for the FY 2012-13 is summarized in table below:

**Table 15: Revenue Gap / (Surplus)**

			Rs Lacs
Revenue Gap/(Surplus)			
Sr. No	Particulars	Actual	
1	Aggregate Revenue Requirement	2,461.82	
2	Total Revenue from Sale of Power	1,004.52	
3	Revenue Gap/(Surplus) for FY 2012-13	1,457.31	
4	Revenue Gap/(Surplus) till FY 2011-12	1,121.80	
5	<b>Total Revenue Gap/(Surplus)</b>	<b>2,579.11</b>	

**Note:**

1. The Hon'ble Commission didn't allowed gap for FY 2011-12 true up due to unavailability of audit accounts. KPT has shown the gap as shown in last petition

The said gap also includes gap as per last FY petition for 2011-12, though the same wasn't allowed by the Hon'ble Commission on account of unavailability of audit accounts. KPT, humbly requests the Hon'ble Commission to approve Revenue Gap as discussed above in the foregone Para and table above.

### 3. Revenue Gap for FY 2014-15

#### 3.1 Preamble

The Hon'ble Commission in March 2011 came up with its Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011 which was effective from 1st April 2011 onwards. This chapter outlines the ARR figures approved by the Hon'ble Commission vide tariff order dated 18<sup>th</sup> August 2011 for FY 2014-15, total revenue projected by KPT for FY 2014-15 and the estimated revenue gap for FY 2014-15.

KPT is required to submit the gap for FY 2014-15 based on approved ARR for FY 2014-15 and the revenue estimated in this petition. The ARR for FY 2014-15 as approved by the Hon'ble Commission in the order dated 18<sup>th</sup> August 2011 is as follows:

**Table 16: Approved Aggregate Revenue Requirement for FY 2014-15**

		Rs Lacs
Aggregate Revenue Requirement for FY 2014-15		
Sr. No	Particulars	Approved
1	Power Purchase Cost	1,076.00
2	Operation & Maintenance Expenses	311.27
3	Depreciation	122.84
4	Interest & Finance Charges	1.68
5	Interest on Working Capital	9.07
6	Interest on Security Deposit	5.05
7	Return on Equity	106.00
<b>8</b>	<b>Aggregate Revenue Requirement</b>	<b>1,631.91</b>

The Hon'ble Commission had also approved sales for the FY 2014-15 in its tariff order dated 18<sup>th</sup> August 2011 and the same is shown in the table below:

Table 17: Approved Sales for FY 2014-15

Sales for FY 2014-15		LUs
Sr. No	Particulars	FY 2014-15
1	RGP	13.25
i	Domestic Port	11.20
ii	Domestic Private	2.05
2	NRGP	44.19
i	Commercial	17.20
ii	LT ABG	1.16
iii	Self Consumption (LT)	25.83
3	TEMPORARY	23.70
4	STREET LIGHT	9.50
5	HTP-I	88.17
i	HT ABG	28.50
ii	Self Consumption (HT)	59.67
6	<b>Total</b>	<b>178.81</b>

**Note:**

1. In MYT Order Self consumption for LT and HT was combinedly shown whereas on actual basis in FY 2012-13 it has been separately shown. Have applied the same proportion to arrive at figures for self consumption for FY 2014-15

The Revenue for FY 2014-15 has been estimated in this petition based on Approved Sales as per the Tariff Order dated 18<sup>th</sup> August 2011, actual load and no of consumers of FY 2012-13 and the Revised Tariff as per the Tariff Order dated 20<sup>th</sup> May 2013. The Slab-wise break-up of Sales, Connected Load and Number of Consumers for those tariff categories which are same as per the Tariff Order dated 18<sup>th</sup> August, 2011 has been taken based on the slab-wise break-up for FY 2012-13 along with some assumptions for energy charge calculation consumptions. The Revenue from FPPPA for FY 2014-15 has been projected considering the rate of 89 Paisa per unit The Revenue from sale of power to retail consumers based on the methodology works out to Rs. 1137.69 Lacs.

Table 18: Revenue from Sale of Power at Existing Tariff

Revenue from Sale of Power from Existing Tariff		Rs Lacs
Sr. No	Particulars	FY 2014-15
1	RGP	48.89
2	NRGP	214.23
4	TEMPORARY	39.43
5	STREET LIGHT	126.55
6	HTP-I	549.45
7	<b>Revenue from Sale of Power</b>	<b>978.55</b>
8	<b>FPPPA @0.89/kWh</b>	<b>159.14</b>
9	<b>Total Revenue from Sale of Power</b>	<b>1,137.69</b>

Based on the Aggregate Revenue Requirement approved by the Hon'ble Commission for FY 2014-15 in its order dated 18<sup>th</sup> August 2011 and the total revenue projected by KPT as given

in the table above the proposed gap for FY 2014-15 works out to be Rs. 494.22 Lacs. The total consolidated gap till FY 2014-15 including gap till FY 2012-13 at existing tariff is Rs 3073.33 Lacs as shown below:

**Table 19: Consolidated Gap till FY 2014-15 at existing tariff**

		Rs Lacs
Revenue Gap/(Surplus) at Existing Tariff		
Sr. No	Particulars	FY 2014-15
1	Aggregate Revenue Requirement	1,631.91
2	Total Revenue from Sale of Power	1,137.69
3	Revenue Gap/(Surplus) for FY 2014-15	494.22
4	Revenue Gap/(Surplus) till FY 2012-13	2,579.11
5	<b>Total Revenue Gap/(Surplus)</b>	<b>3,073.33</b>

#### **4. Retail Tariff Proposal and Tariff Structure for FY 2014-15**

In assessing the revenue requirements of the retail supply tariff for FY 2014-15, KPT has been guided by the provisions of the Electricity Act, 2003 (the Act), the National Electricity Policy (NEP) and the Tariff Policy (TP) and GERC (MYT Regulations, 2011).

Section 61 of the Act lays down the principles which should guide determination of retail supply tariff – the tariff should ‘progressively reflect the cost of supply of electricity’ and also ‘reduce cross-subsidy’. The Act lays special emphasis on safeguarding consumer’s interest and requires that the ‘cost should be recovered in a reasonable manner’.

The Tariff Policy notified by the Government of India in January, 2006 provides comprehensive guidelines for determination of tariff as also for working out revenue requirements of power utilities.

The ARR and tariff in this petition has been determined under the multi-year-tariff (MYT) framework as stipulated by the Tariff Policy and in accordance with the GERC MYT Regulations, 2011.

KPT has followed the cost plus method and that cross subsidies should be reduced and tariff should be within +/- 20% of the average cost of supply as far as possible. The cross subsidies are being reduced over the years and the same philosophy has been followed this year also. For determination of cross-subsidy, KPT has relied on average cost of supply.

##### **4.1 Proposed Tariff Hike for FY 2014-15**

While KPT has proposed the current retail tariff revision for different consumer categories, following are the considerations:

- a. Ensure availability of electricity to all the consumers at reasonable and competitive rates as per the objectives of the National Tariff Policy;
- b. Follow tariff guidelines provided in Section 61 of the Electricity Act 2003;
- c. Reduce the cross subsidies and move progressively towards cost to serve as per directions under Para 8.3 of the National Tariff Policy;
- d. Simplify the tariff structure for ease of implementation and understanding;

- e. Design the tariff structure in the manner so as to progressively reflect the cost structure of KPT;

It can be seen from the **Table 19: Consolidated Gap till FY 2014-15 at existing tariff** that the cumulative gap up to FY 2014-15 to be amortized through tariff is Rs 3073.33 Lacs. In case the entire gap is considered to be adjusted in the tariff for FY 2014-15, the average increase required would be 188%. Considering such a huge gap in the petitioner does not intends to burden the consumers in its area with a sudden tariff shock of 188%. Accordingly the petitioner requests the Commission to consider the stand alone gap for FY 2014-15 to be amortized through tariff. This would result in an average tariff increase of approx. 30%. The petitioner requests the Commission to consider the tariff proposal of the petitioner to avoid financial strain due to lack of cost reflective tariffs.

**The proposed category wise Tariff for FY 2014-15 is as given in the Table below.**

Table 20: Existing Vs. Proposed Tariff

Sr. No	Categories	Slab	Existing		Proposed	
			Fixed/Demand Charge (Rs/kW/day/kVA/Month)	Energy Charge (Rs/kWh)	Fixed/Demand Charge (Rs/kW/day/kVA/Month)	Energy Charge (Rs/kWh)
1	RGP					
		Upto & Including 2KW	10.00		30.00	
		Above 2 to 4 KW	20.00		40.00	
		Above 4 to 6 KW	30.00		50.00	
		Above 6 KW	45.00		65.00	
		1-50 kWh		3.25		5.00
		51-100 kWh		3.75		5.50
		101-250 kWh		4.50		6.25
		Above 250 kWh		5.50		7.00
2	NRGP					
		Upto & Including 10KW	50.00	4.50	100.00	6.50
		Above 10 upto 40 KW	75.00	4.85	125.00	6.85
3	LTMD	<i>For Billing demand up to contract demand</i>				
		For first 40 kW of billing demand	85.00	4.90	135.00	6.50
		Next 20 kW of billing demand	130.00	4.90	180.00	6.50
		Above 60 kW of billing demand	200.00	4.90	250.00	6.50
		<i>For billing demand in excess of the contract demand</i>	250.00	4.90	300.00	6.50
4	SL	All		4.15		6.25
5	TMP	All	15.00	5.30	30.00	7.90
6	HTP I	<i>For Billing demand up to contract demand</i>				
		For first 500 kVA of billing demand	125.00		240.00	
		Next 500 kVA of billing demand	250.00		480.00	
		Beyond 1000 kVA of billing demand	335.00		590.00	
		<i>For billing demand in excess of the contract demand</i>	425.00		700.00	
		<=500 KVA		4.90		7.25
		>500&<=2500 KVA		5.15		7.50
		>2500 KVA		5.30		8.00

Based on the above proposed tariff, the estimated revenue for FY 2014-15 corresponding to the entire gap is as given in the Table below.

**Table 21: Revenue from Proposed Tariff for FY 2014-15**

		Rs Lacs
Revenue from Sale of Power from Proposed Tariff		
Sr. No	Particulars	FY 2014-15
1	RGP	74.99
2	NRGP	310.70
4	TEMPORARY	59.38
5	STREET LIGHT	189.11
6	HTP-I	839.61
7	Revenue from Sale of Power	1,473.78
8	FPPPA @0.89/kWh	159.14
9	Total Revenue from Sale of Power	1,632.93

As can be observed from the Table, with the above proposed increase in tariff KPT will earn revenue of Rs. 1632.93 Lacs during FY 2014-15. The balance consolidated gap is shown below:

**Table 22: Consolidated Revenue Gap after proposed hike**

		Rs Lacs
Revenue Gap/(Surplus) at Proposed Tariff		
Sr. No	Particulars	FY 2014-15
1	Aggregate Revenue Requirement	1,631.91
2	Total Revenue from Sale of Power	1,632.93
3	Revenue Gap/(Surplus) for FY 2014-15	(1.02)
4	Revenue Gap/(Surplus) till FY 2012-13	2,579.11
5	Total Revenue Gap/(Surplus)	2,578.09

Therefore, KPT humbly prays before the Hon'ble Commission to approve a tariff hike as proposed for FY 2014-15.

## 5. Tariff Schedule

### **GENERAL**

#### **TARIFF FOR SUPPLY OF ELECTRICITY AT LOW TENSION, HIGH TENSION, AND EXTRA HIGH TENSION**

- The tariff figures indicated in this tariff schedule are the tariff rates payable by the consumers of KPT.
- These tariff rates are exclusive of Electricity Duty, tax on sale of electricity, taxes and other charges levied by the Government or other competent authorities from time to time, which are payable by the consumers, in addition to the charges levied as per the tariff.
- All these tariff rates for power supply are applicable to only one point of supply.
- The charges specified are on monthly basis. The Distribution Licensee may decide the period of billing and adjust the tariff rate accordingly.
- Except in cases where the supply is used for the purpose for which the Distribution Licensee has permitted lower tariff, the power supplied to any consumer shall be utilized only for the purpose for which supply is taken and as provided for in the Tariff Order.
- The various provisions of the GERC (Licensee's power to recover expenditure incurred in providing supply and other miscellaneous charges) Regulations, 2005 will continue to apply. Meter charges shall be applicable as prescribed under GERC (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005, as amended from time to time.
- Conversion of ratings of electrical appliances and equipment's from kilowatt to B.H.P., or vice versa, will be done, when necessary, at the rate of 0.746 kilowatt equal to 1 B.H.P.
- The billing of fixed charges, based on contracted load or maximum demand, shall be done in multiples of 0.5 (one half) Horse Power or kilo watt (HP or kW) as the case may be. The fraction of less than 0.5 shall be rounded off to the next 0.5.
- The billing of energy charges will be done for one complete one kilo-watt-hour (kWh).

- The connected Load for the purpose of billing will be taken as the maximum load connected during the billing period.
- The fixed charges, minimum charges, demand charges, meter rent and the slabs of consumption of energy for energy charges shall not be subject to any adjustment on account of existence of any broken period within the billing period arising from consumer supply being connected or disconnected any time for any period within the duration of the billing period.
- Contract Demand shall mean the maximum kW / kVA of the supply which the licensee undertakes to provide to the consumer from time to time.
- Fuel Cost and Power Purchase Adjustment Charges shall be applicable in accordance with the formula approved by the Gujarat Electricity Regulatory Commission from time to time.
- Payment of penal charges for usage in excess of contract demand / connected load for any billing period would not entitle the consumer to draw in excess of the contract demand / connected load as a matter of right.
- The payment of power factor penalty would not exempt the consumer from taking steps to improve the power factor to the levels specified in the Regulations notified under the Electricity Act, 2003, and the licensee shall be entitled to take any action as deemed necessary and authorized under the Act.
- Delayed payment charges apply for all consumers:
  - *No delayed payment charges shall be levied if the bill is paid within ten days from the date of billing (excluding the date of billing).*
  - *Delayed payment charges will be levied at the rate of 15% per annum for the period commencing from the due date to the date of payment of the bill.*
  - *For Government dues, the delayed payment charges will be levied at the rate provided under the relevant Electricity Duty Act.*

## **SCHEDULE OF TARIFF FOR SUPPLY OF ELECTRICITY AT LOW AND MEDIUM VOLTAGES**

### **1.0 RATE: RGP**

This tariff is applicable for supply of electricity to residential premises and pumping stations run by local authorities.

**Single-phase supply:** Aggregate load up to 6 kW

**Three-phase supply:** Aggregate load above 6 kW

### 1.1 Fixed Charges/Month:

**Range of Connected Load: (Other than BPL Consumers)**

a) Up to and including 2 kW	Rs.30/per month
b) Above 2 and up to 4 kW	Rs.40/ per month
c) Above 4 and up to 6 kW	Rs. 50/per month
d) Above 6 kW	Rs. 65/ per month

### 1.2 Energy Charges: For the total monthly consumption:

a) First 50 units	500 paise per Unit
b) Next 50 units	550 paise per Unit
c) Next 150 units	625 paise per Unit
d) Above 250 units	700 paise per Unit

### 1.3 Minimum bill (excluding meter charges)

Payment of fixed charges would be as specified in Para 1.1 above.

## 2.0 RATE: NON-RGP

This tariff is applicable to the services for the premises which are not covered in any other tariff categories and having an aggregate load up to and including 40kW.

### 2.1 Fixed Charges:

**Range of Connected Load:**

a) Up to and including 10 kW - Rs. 100/ kW / month
--

b) Above 10 and up to 40 kW- Rs. 125/ kW / month
--

**2.2 Energy Charges:**

a) Up to and including 10 kW- 650 Paise per Unit
--

b) Above 10 and up to 40 kW- 685 Paise per Unit
---

**2.3 Minimum Bill (excluding meter charges):**

Payment of fixed charges would be as specified in 2.1 above

**3.0 RATE: LTMD**

This tariff is applicable to the services for the premises which are not covered in any other tariff categories and having aggregate load above 40kW and up to 100kW.

This tariff shall also be applicable to consumers belonging to the category Rate: Non-RGP", i.e., those who opt for being charged in place of „Rate: Non RGP" tariff.

**3.1 Fixed charges:**

<b>A) For Billing demand up to contract demand</b>
--

<i>i. For first 40 kW of billing demand - Rs. 135/ kW / month</i>
---

<i>ii. next 20 kW of billing demand - Rs. 180/kW / month</i>
--

<i>iii. Above 60 kW of billing demand- Rs. 250/kW / month</i>
---

<b>B) For billing demand in excess of the contract demand Rs. 300/kW / month</b>
--

**PLUS**

**3.2 Energy charges:**

For the entire consumption during the month	650 paise per unit
---	--------------------

### 3.3 Billing Demand

The billing demand shall be the highest of the following and to be rounded to the next full kW:

- (a) Eighty-five percent of the contract demand
- (b) Actual maximum demand registered during the month
- (c) 15 kW

### 3.4 Minimum Bill

Fixed / demand charges every month based on the billing demand.

## 4.0 RATE: SL (Street Lights)

### 4.1 Tariff for Street Light for Local Authorities and Industrial Estates:

This tariff includes the provision for maintenance, operation and control of the street lighting system.

#### 4.1.1 Energy Charges:

For all units consumed during the month:	625 paise per unit
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#### 4.1.2 Minimum Charges:

The minimum energy charges for a consumer with more than 50 street lights within a village or an industrial estate, as the case may be, shall be equivalent to 2200 units per annum per kilo watt hour of the connected load during the year.

#### 4.1.3 Renewal and Replacement of Lamps:

The consumer shall arrange for renewal and replacement of lamps at his cost by the person authorized in this regard under Rule-3 of the Indian Electricity Rules, 1956 / Rules issued by CEA under the Electricity Act, 2003.

## 5.0 RATE: TMP (Temporary):

This tariff is applicable to services for temporary supply at low voltages.

**5.1 Fixed Charges**

Fixed Charges – Rs 30/kW/Day
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**5.2 Energy Charges:**

For all units consumed during the month: 790 paise per unit
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**5.3 Minimum charges:**

Fixed charges would be as given in Para 5.1 above.

**TARIFFS FOR SUPPLY OF ELECTRICITY AT HIGH TENSION (3.3 KV AND ABOVE, 3-PHASE 50 C/S), AND EXTRA HIGH TENSION****6.0 RATE: HTP-I**

This tariff will be applicable for supply of electricity to HT consumers contracted for 100 kVA and above.

**6.1 Demand Charges:****6.1.1 For billing demand up to contract demand**

a) For First 500 kVA of billing demand	Rs 240 per kVA per month
b) For next 500 kVA of billing demand	Rs 480 per kVA per month
c) Beyond 1000 kVA of billing demand	Rs 590 per kVA per month

**6.1.2 For Billing Demand in Excess of Contract Demand**

For billing demand in excess over the contract demand - Rs 700 per kVA per month
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**PLUS**

**6.2 Energy Charges**

**For entire Consumption during the month**

a) Up to 500 kVA of billing demand – 725 paisa per unit
b) Next 2000 kVA of billing demand - 750 paisa per unit
c) Beyond 2500 kVA of billing demand - 800 paisa per unit

**PLUS****6.3 Time of Use Charges:**

For energy consumption during the two peak periods, viz, 0700 Hrs to 1100 Hrs and 1800 Hrs to 2200 Hrs	
a) For billing demand up to 500 kVA	35 paisa per unit
b) For billing demand above 500 kVA	75 paisa per unit

**6.4 Billing Demand**

The billing demand shall be the highest of the following:

- (a) Actual maximum demand established during the month
- (b) Eighty-five percent of the contract demand
- (c) One hundred kVA

**6.5 Minimum Bill:**

Payment of “demand charges” would be based on kVA of the billing demand.

**6.6 Power Factor:****6.6.1 Power Factor Adjustment Charges:**

- a) The power factor adjustment charges shall be levied at the rate of 1% of the total amount of electricity bill for the month under the head “Energy Charges” for every 1% drop or part thereof in the average power factor during the month below 90% and up to 85%.
- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85%, at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges” shall be charged.

**6.6.2 Power Factor Rebate:**

If the power factor of the consumer's installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor of the total amount of electricity bill for that month under the head "energy Charges" for every 1% rise or part thereof in the average power factor.

**6.7 Maximum Demand and its Measurement:**

The maximum demand in kW or kVA, as the case may be, shall mean an average KW/KVA supplied during consecutive 30/15 minutes period of maximum use.

**6.8 Contract Demand:**

The contract demand shall mean the maximum KW/KVA for the supply, of which the supplier undertakes to provide facilities from time to time.

**6.9 Rebates for Supply at EHV:**

For Energy charges: Rebate @
a) If supply is availed at 33/66 kV - 0.5%
b) If supply is availed at 132 kV and above - 1.0%

**6.10 Concession for Use of Electricity during Night Hours:**

For a consumer eligible for using supply at any time during 24 hours, the entire consumption shall be billed at the energy charges specified above. However, for the energy consumed during night hours from 10.00 PM to 06.00 AM next morning (recorded by a polyphase meter operated through time-switch) as is in excess of one third of the total energy consumed during the month, the consumer shall be eligible for a concession at the rate of 75 paise per unit.

## 6. Directives

Sr. No.	GERC's Directives	Action taken by KPT
1	<b>Metering of consumers</b>	<p>The defective meters in all the Sub-Stations will be replaced in phased manner. KPT expedited metering of all the unmetered connections. Below mentioned are the key steps undertaken:</p> <ul style="list-style-type: none"> <li>• Already meters which were installed on Transformer centres are being checked, non-working meters are in the process of replacement.</li> <li>• Installations of KPT utility which were unmetered till today have been identified and action is being taken to procure adequate nos. of distribution boxes and proper capacity meters.</li> <li>• As replacement and installation of meters is a continuous process and it is not practically possible from the existing staff hence this entire job work is proposed to be completed by engaging an outsourcing agency.</li> </ul>
2	<b>Assessment of Distribution Losses</b>	This will be complied after engagement of Independent Engineer tender which is under process. KPT would furnish the required deliverables to the Hon'ble Commission in due course of time.
3	<b>Separation of accounts of distribution business</b>	KPT has initiated the tendering process for Appointment of Independent Engineer / Advisor for a period of three years for carrying out the Electricity Distribution Business. The above personnel would assist in development of annual accounts for the

		distribution business and assistance / support for submission of data of expenses from the separate accounts and get the separate accounts duly certified by statutory Auditors. The same once finalized would be furnished to the Commission.
4	<b>Business Plan</b>	KPT has initiated the tendering process for Appointment of Independent Engineer / Advisor for a period of three years for carrying out the Electricity Distribution Business. Business Plan preparation is under the said scope of work. The said tendering process is in final phase of to be awarded.
5	<b>Meter reading and Billing</b>	KPT has On Line Computerization System for generation of consumer wise Bill as per applicable Tariff. KPT has a fully functional MIS system in place for automatic generation of consumers' bills and some other basic functionality with the updated tariffs notified by the Commission from time to time. It is critical for KPT to increase its current strength of employees to cater to its increasing needs. Henceforth, KPT is taking this matter internally to the senior management and Ministry of Shipping for consideration
6	<b>Capacity Building</b>	KPT has initiated the tendering process for Appointment of Independent Engineer / Advisor for a period of three years for carrying out the Electricity Distribution Business. Capacity Building of employees is under the said scope of work. The said tendering process is in final phase of to be awarded
7	<b>Revenue from consumers at existing tariff rates, non-tariff income etc. and proposed tariff schedule</b>	<i>KPT has compiled the revenue as per the existing tariff. KPT is in process to segregate its income into NTI and Other consumer related which will be compiled once the tendering process for Appointment of Independent Engineer / Advisor for a period of three</i>

		<i>years for carrying out the Electricity Distribution Business is finished</i>
<b>8</b>	<b>Power Purchase Cost</b>	<p>KPT's current power purchase cost is very high and it is also incurring losses due to lower realization from UI which has put lot of financial stress on the petitioner. Considering the above issues in hand KPT has planned to appoint an advisor/ Independent engineer to review the following key aspects to improve the operational and financial efficiency:</p> <ul style="list-style-type: none"> <li>• Review of existing PPA and suggest the right mechanism to reduce the financial loss.</li> <li>• Formulate medium and long term power procurement plan</li> <li>• KPT is also considering an option of getting into power generation business from renewable energy in future.</li> </ul>

## 7. Annexures

**Annexure 1: Detail week wise SLDC schedule, drawl and UI details for KPT**

Sr. No	Week	Schedule	In LUs	UI	Rs in Lacs	Rs /kWh
			Drawal		UI Adjusted	UI Rate
1	1-Apr-12	0.59	0.38	0.21	0.37	1.74
2	02 April 2012 to 08 April 2012	4.50	2.73	1.77	4.54	2.56
3	09 April 2012 to 15 April 2012	4.14	2.77	1.38	2.78	2.02
4	16 April 2012 to 22 April 2012	4.14	2.76	1.38	4.17	3.02
5	23 April 2012 to 29 April 2012	4.14	2.59	1.55	3.78	2.44
6	30 April 2012 to 06 May 2012	4.14	2.74	1.40	3.81	2.72
7	7 May 2012 to 13 May 2012	4.14	2.70	1.44	4.01	2.78
8	14 May 2012 to 20 May 2012	4.16	2.77	1.39	5.47	3.93
9	21 May 2012 to 27 May 2012	4.14	2.69	1.44	5.87	4.07
10	28 May 2012 to 03 June 2012	4.13	2.63	1.50	5.22	3.47
11	04 June 2012 to 10 June 2012	4.13	2.81	1.33	5.68	4.29
12	11 June 2012 to 17 June 2012	4.13	2.80	1.33	6.82	5.12
13	18 June 2012 to 24 June 2012	4.13	2.81	1.33	4.62	3.48
14	25 June 2012 to 01 July 2012	4.13	2.89	1.25	6.03	4.83
15	02 July 2012 to 08 July 2012	4.13	2.74	1.39	5.85	4.22
16	09 July 2012 to 15 July 2012	4.12	6.54	(2.41)	10.77	(4.46)
17	16 July 2012 to 22 July 2012	4.12	2.80	1.32	8.32	6.32
18	23 July 2012 to 29 July 2012	4.12	2.69	1.43	7.67	5.38
19	30 July 2012 to 05 August 2012	4.12	2.67	1.45	3.51	2.43
20	06 August 2012 to 12 August 2012	4.12	2.65	1.47	3.45	2.34
21	13 August 2012 to 19 August 2012	4.12	2.72	1.41	2.89	2.05
22	20 August 2012 to 26 August 2012	4.12	2.61	1.52	3.48	2.29
23	27 August 2012 to 02 September 2012	4.12	2.75	1.37	2.71	1.98
24	03 September 2012 to 09 September 2012	4.02	2.61	1.41	2.19	1.55
25	10 September 2012 to 16 September 2012	4.12	2.52	1.60	1.92	1.20
26	17 September 2012 to 23 September 2012	4.12	2.67	1.45	1.84	1.26
27	24 September 2012 to 30 September 2012	4.13	2.82	1.31	3.50	2.67
28	01 October 2012 to 07 October 2012	4.13	2.51	1.62	3.50	2.16
29	08 October 2012 to 14 October 2012	4.13	2.85	1.28	3.56	2.78
30	15 October 2012 to 21 October 2012	4.13	2.85	1.28	3.35	2.61
31	22 October 2012 to 28 October 2012	4.13	2.64	1.49	2.67	1.79
32	29 October 2012 to 04 November 2012	4.13	2.83	1.30	3.25	2.50
33	05 November 2012 to 11 November 2012	4.13	2.53	1.60	4.44	2.77
34	12 November 2012 to 18 November 2012	4.10	2.50	1.60	2.16	1.35
35	19 November 2012 to 25 November 2012	4.14	2.29	1.84	3.71	2.01
36	26 November 2012 to 02 December 2012	4.14	2.48	1.66	3.70	2.23
37	03 December 2012 to 09 December 2012	4.14	2.47	1.67	4.30	2.57
38	10 December 2012 to 16 December 2012	4.14	2.47	1.66	3.59	2.16
39	17 December 2012 to 23 December 2012	4.14	2.32	1.82	4.89	2.68
40	24 December 2012 to 30 December 2012	4.14	2.47	1.67	3.95	2.36
41	31 December 2012 to 06 January 2013	4.14	2.25	1.89	6.14	3.25
42	07 January 2013 to 13 January 2013	4.14	2.30	1.84	5.27	2.87
43	14 January 2013 to 20 January 2013	4.13	2.34	1.80	2.90	1.61
44	21 January 2013 to 27 January 2013	4.13	2.19	1.94	3.87	1.99
45	28 January 2013 to 03 February 2013	4.13	2.51	1.63	4.16	2.56
46	04 February 2013 to 10 February 2013	4.14	2.62	1.52	1.83	1.21
47	11 February 2013 to 17 February 2013	4.14	2.45	1.69	2.58	1.53
48	18 February 2013 to 24 February 2013	4.14	2.55	1.59	2.21	1.39
49	25 February 2013 to 03 March 2013	4.14	2.42	1.72	2.17	1.26
50	04 March 2013 to 10 March 2013	4.15	2.56	1.59	3.51	2.21
51	11 March 2013 to 17 March 2013	4.15	2.70	1.45	2.21	1.53
52	18 March 2013 to 24 March 2013	4.15	2.73	1.42	2.01	1.41
53	25 March 2013 to 31 March 2013	4.15	2.61	1.53	2.08	1.36
<b>54</b>	<b>Total for FY 2012-13</b>	<b>215.80</b>	<b>140.28</b>	<b>75.52</b>	<b>209.25</b>	<b>2.77</b>

Sr. No	Particulars	UI Export	UI Import	Balance
1	LUs	77.94	(2.41)	75.52
2	Rs in Lakhs	198.48	10.77	209.25
3	Rs/kWh	2.55	(4.46)	2.77

## Annexure 2: Detail Power Purchase Cost from GUVNL - Month Wise

				Rs Lacs
Sr. No	FY 2012-13 - Monthwise	GUVNL	Electricity Duty	Total
1	April	127.96	12.09	140.05
2	May	131.32	6.40	137.71
3	June	126.62	8.93	135.54
4	July	130.88	9.77	140.65
5	August	130.69	12.32	143.01
6	September	123.18	7.75	130.93
7	October	129.57	14.78	144.35
8	November	125.82	9.20	135.02
9	December	129.57	10.71	140.28
10	January	129.61	6.96	136.57
11	February	118.84	11.17	130.01
12	March	126.39	11.83	138.22
<b>13</b>	<b>Total FY 2012-13</b>	<b>1,530.44</b>	<b>121.91</b>	<b>1,652.35</b>

## Annexure 3: Actual Employee Expenses for FY 2012-13

			Rs Lacs
Employee Expenses for FY 2012-13			
Sr. No	Particulars	Actual	
1	BASIC PAY	162.46	
2	DEARNNESS ALLOWANCE	106.03	
3	PIECE RATE	7.71	
4	HOUSE RENT ALLOWANCE	15.26	
5	NIGHT WEIGHTAGE	4.52	
6	OVERTIME	68.09	
7	OTHER ALLOWANCE	7.38	
8	LEAVE ENCASHMENT	23.87	
9	PRODUCTIVITY LINKED REWARD	5.77	
10	LEAVE TRAVEL CONCESSION	0.26	
11	CANTEEN SUBSIDY	11.02	
12	TRANSPORT SUBSIDY	2.61	
13	TUTION FEE / C.E.A	4.88	
14	NIGHT NAVIGATION	2.69	
15	CAFETERIA ALLOWANCE	0.18	
16	WAGES FOR D/R WORKERS	5.48	
<b>17</b>	<b>TOTAL</b>	<b>428.21</b>	

## Annexure 4: Actual R&amp;M Expenses for FY 2012-13

		Rs Lacs
R&M Expenses for FY 2012-13		
Sr. No	Particulars	Actual
1	Other Sundry Maintainence	83.29
2	<b>TOTAL</b>	<b>83.29</b>

## Annexure 5: Actual A&amp;G Expenses for FY 2012-13

		Rs Lacs
A&G Expenses for FY 2012-13		
Sr. No	Particulars	Actual
1	Telegraph, Postage & Courier	0.14
2	Telephones	0.72
3	Travelling Exp	(0.09)
4	T A Training	0.18
5	T A Medical	0.42
6	Advertisement	14.64
7	Legal	0.00
8	Entertainment	0.15
9	Miscellaneous Expenses	0.18
10	New Minor Works	0.55
11	Hire of Vehicles	5.79
12	Insurance	10.51
13	Fuel	3.68
14	Medical Expenses	11.31
15	Medical Outside Reference	3.40
16	Interdepartmental charges	2.22
17	<b>TOTAL</b>	<b>53.78</b>

## 8. Tariff Filing Formats