[C.S.L.D.C.]

Final True-up of ARR for FY 2021-22, & Determination of SLDC Charges for FY 2023-24

Submitted to
Chhattisgarh State Electricity Regulatory Commission

November 2022

CHHATTISGARH STATE LOAD DESPATCH CENTRE
RAIPUR
(A Government of Chhattisgarh Undertaking)
Regd. Office- Vidyut Sewa Bhawan, Dangania, Raipur – 492 013
Tel. 0771-2574172, Fax. 0771-2574174, E-mail-ra.csldc@sldccg.com

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Tel. 0771-2574172, Fax. 0771-2574174
Email: ra.csldc@sldccg.com

Ref: Dated:

To,

The Secretary,
Chhattisgarh State Electricity Regulatory Commission,
Irrigation Colony, Shanti Nagar,
Raipur, Chhattisgarh - 492 001

Sir,

Sub: **Submission of petition for Final True-up of ARR for FY 2021-22 and determination of SLDC charges for FY 2023-24**

In exercise of its powers conferred under section 61 of the Electricity Act, 2003, the Hon'ble Commission has issued the CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 for the MYT control period from FY 2016-17 to FY 2020-21.
The Hon'ble Commission vide Public Notice CSERC letter 03/CSERC/Tariff 2020/1228 dated November 26, 2020 has notified the extension of CSERC MYT Regulation, 2015 for next year i.e. FY 2021-22 due to the intervening COVID-19 and subsequent lockdowns imposed, the new MYT Regulations could not be notified.

In compliance, CSLDC is herewith submitting the petition for approval of final true-up of ARR for FY 2021-22 according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 for consideration of the Hon'ble Commission. The following documents are enclosed herewith for kind perusal and approval by the Hon'ble Commission:

1. Formal Petition, Formats and Affidavit verifying the petition along with authorization.
2. Petition Fee

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 and additional submissions in the matter in due course of regulatory process in the matter of petition, if required.

Yours Faithfully,

For Chhattisgarh State Load Despatch Centre, Raipur
(Authorized Signatory)

Executive Director (CSLDC)
Enclosed: As above

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BEFORE THE CHHATTISGARH STATE ELECTRICITY REGULATORY COMMISSION, RAIPUR

Filing No_____

Case No_____

IN THE MATTER OF: Filing of the petition for approval of final true-up of ARR for FY 2021-22 & determination of SLDC Charges for FY 2023-24 under Section 62 and 64 of the Electricity Act, 2003

AND

IN THE MATTER OF: Chhattisgarh State Load Despatch Centre (hereinafter referred as "**CSLDC**" or "**the Petitioner**" or Applicant)

The Applicant respectfully submits as under: -

1. The Electricity Act, 2003 requires the state government to establish a State Load Dispatch Center (SLDC). In the state of Chhattisgarh, the Load Dispatch Centre (LDC) situated at Danganiya, Raipur has been designated as the State Load Dispatch Centre and presently "Chhattisgarh State Load Dispatch Centre" or "CSLDC" means the center established the proviso of sub section (2) of section 31 of the Act i.e. working under administrative control of CSPTCL. CSLDC started functioning since 1st Dec 2000 from 400 kV substation, Khedamara, Bhilai-24. CSLDC setup is now fully functional from Raipur w.e.f. 03rd Jan 2012.

2. The Petitioner submits that the Hon'ble Commission has issued the following regulations namely, CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 for the MYT control period from FY 2016-17 to FY 2020-21 (hereinafter referred to as "**MYT Regulations, 2015**") & CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2021 for the MYT control period from FY 2022-23 to FY 2024-25 (hereinafter referred to as "**MYT Regulations, 2021**")

3. The Hon'ble Commission vide Public Notice CSERC letter 03/CSERC/Tariff 2020/1228 dated November 26, 2020 has notified the extension of CSERC MYT Regulation, 2015 for next year i.e. FY 2021-22 due to the intervening COVID-19 and subsequent lockdowns imposed, the new MYT Regulations could not be notified.

4. The said regulations are applicable to power generating stations, transmission system, SLDC and distribution system where tariff for generation, transmission, SLDC, retail or wheeling is not determined under section 63 of the Electricity Act 2003 through transparent process of competitive bidding in accordance with the guidelines issued by the Central Government

5. In compliance, CSLDC is herewith submitting the petition for approval of final true-up of ARR for FY 2021-22 according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 for consideration of the Hon'ble Commission..

6. CSLDC accordingly submits that the present petition is being filed within the above provisions of MYT Regulations 2015

Date:

Petitioner
Executive Director (CSLDC)
CSLDC, Raipur

NOTESAND ABBREVATIONS

In this Petition:

- ✓ ***Fourth Control Period is defined as Financial Year 2022-23, 2023-24 & 2024-25 herein referred to as FY 2022-23, FY 2023-24 and FY 2024-25***
- ✓ ***Ensuing Year is defined as Financial Year 2023-24 or FY 24***
- ✓ ***Current Year is defined as Financial Year 2022-23 or FY 23***
- ✓ ***Previous Year is defined as Financial Year 2021-22 or FY 22***
- ✓ ***All currency figures used in this Petition, unless specifically stated otherwise, are in Rs. Crores.***

Abbreviation	Full Description
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal for Electricity
CERC	Central Electricity Regulatory Commission
PGCIL	Power Grid Corporation India Limited
CGS	Central Generating Stations
Ckt – kms	Circuit Kilometres
Co-gen	Cogeneration Power Plant
CPP	Captive Power Plant
CSEB	Chhattisgarh State Electricity Board
CSERC	Chhattisgarh State Electricity Regulatory Commission
CSPDCL	Chhattisgarh State Power Distribution Company Limited
CSPGCL	Chhattisgarh State Power Generation Company Limited
CSPTCL	Chhattisgarh State Power Transmission Company Limited
CSPTdCL	Chhattisgarh State Power Trading Company Limited
CWIP	Capital Work In Progress
EA - 2003	The Electricity Act 2003
FY	Financial Year
GFA	Gross Fixed Assets
GoCG	Government of Chhattisgarh
GoI	Government of India
HT	High Tension
HV	High Voltage
IDC	Interest During Construction

Abbreviation	Full Description
IPP	Independent Power Project
kV	Kilo Volt
LT	Low Tension
LV	Low Voltage
MoP	Ministry of Power, Government of India
MU	Million Units
PLR	Prime lending rate
GFA	Gross Fixed Assets
MYT	Multi Year Tariff
NCE / NCES	Non-Conventional Energy Sources
SEB	State Electricity Board
SGS	State Generating Stations
S/s	Sub-Station
TO	Tariff Order
SLDC	State Load Dispatch Centre
SOC, MOC	System Operation Charges, Market Operation Charges
STOA	Short Term Open Access
WRPC	Western Region Power Committee

1: BACKGROUND

1.1 Chhattisgarh State Electricity Board became functional w.e.f 1.12.2000. Chhattisgarh State Electricity Board (CSEB) was earlier a part of the erstwhile Madhya Pradesh Electricity Board (MPEB) till 2000. It became a separate entity with the formation of the State of Chhattisgarh. The board functioned as unified entity till December 2008 when the State Government notified a transfer scheme for unbundling it. The transfer scheme resulted in the formation of five successor entities for undertaking the functions of the erstwhile board. Chhattisgarh State Power Transmission Company Limited (CSPTCL) is one of the five successor entities, formed for undertaking the 'Transmission Function' of CSEB. CSPTCL started its operations on 1st January 2009.

1.2 Later on amendment in above transfer scheme notified on dated 02.05.2022, Chhattisgarh State Power Holding Company Limited & Chhattisgarh State Power Trading Company Limited has been merged in Chhattisgarh State Power Transmission Company Limited & Chhattisgarh State Power Distribution Company Limited respectively and as on date following three power companies are functioning: -

a) Chhattisgarh State Power Generation Company Limited (CSPGCL)
b) Chhattisgarh State Power Transmission Company Limited (CSPTCL)
c) Chhattisgarh State Power Distribution Company Limited (CSPDCL)

1.3 The Electricity Act, 2003 requires the state government to establish a State Load Despatch Center (SLDC). In the state of Chhattisgarh, the Load Despatch Centre (LDC) situated at Danganiya, Raipur has been designated as the State Load Dispatch Centre and presently "Chhattisgarh State Load Despatch Centre" or "CSLDC" means the center established under the proviso of sub section (2) of section 31 of the Act i.e. working under administrative control of CSPTCL. CSLDC started functioning since 1st Dec 2000 from 400 KV substation, Khedamara, Bhilai-24. The CSLDC setup is now fully functional from Raipur w.e.f. 03rd Jan 2012.

 The State Load Dispatch Centre is the apex body to ensure integrated operation of the power system in a State. The State Load Dispatch Centre performs the following functions:

 Ensure optimum scheduling and dispatch of electricity within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State;

 Monitor grid operations;

 Keep accounts of the quantity of electricity transmitted through the state grid;

 Exercise supervision and control over the intra-state transmission system; and

 Responsible for carrying out real time operations for grid control and dispatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code. Further, with effect from 01.10.2016 (DOCO) the Backup SLDC of Chhattisgarh has started functioning at Khedamara, Bhilai-24, Chhattisgarh approved vide CSERC letter No. 03-Tariff/16/2013/1622 dated 05.12.2013.

1.4 The Hon'ble Commission by exercising its powers conferred under Section 61 and 62 read with Section 181(2) and Section 32 (3) of the Electricity Act 2003 has issued CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 for the MYT Control Period from FY 2016-17 to FY 2020-21 & CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2021 for the MYT control period from FY 2022-23 to FY 2024-25 (hereinafter referred to as "MYT Regulations, 2021")

1.5 The Hon'ble Commission vide Public Notice CSERC letter 03/CSERC/Tariff 2020/1228 dated November 26, 2020 has notified the extension of CSERC MYT Regulation, 2015 for next year i.e. FY 2021-22 due to the intervening COVID-19 and subsequent lockdowns imposed, the new MYT Regulations could not be notified.

1.6 Further, the Hon'ble Commission in its MYT Regulations, 2015 has directed the licensees to file true-up of the previous year and determination of revenue gap/surplus for the ensuing year. The relevant clauses of MYT Regulations 2015 are reproduced below. As per clause 10.2 & 10.3 –

"10.2 The STU/transmission licensee shall file application for truing up of the previous year and determination of revenue gap/surplus for the ensuing year, within the time limit specified in these Regulations. Provided that the generating company or STU/transmission licensee or distribution licensee or SLDC, as the case may be, shall submit to the Commission information in such form as may be prescribed by the Commission, together with the Audited Accounts duly certified by the Auditor, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges.

10.3 In case the audited accounts are not available, the provisional truing up shall be done on the basis of un-audited / provisional account and

1.7 In accordance with the above, the final true-up of ARR for FY 2021-22 and determination of SLDC charges FY 2023-24 is being filed before the Hon'ble Commission.

2: REGULATORY REQUIREMENT OF FILING OF THIS TARIFF PETITION

Regulations

2.1 This petition is based on the following regulations notified by the Chhattisgarh State Electricity Regulatory Commission (CSERC):

I. ***CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2015 - Applicable for Control Period from FY 2016-17 to FY 2020-21;***

II. ***CSERC (Terms and Conditions for determination of tariff according to Multi-Year Tariff principles and Methodology and Procedure for determination of Expected revenue from Tariff and Charges) Regulations, 2021.***

2.2 The Hon'ble Commission vide Public Notice CSERC letter 03/CSERC/Tariff 2020/1228 dated November 26, 2020 has notified the extension of CSERC MYT Regulation, 2015 for next year i.e. FY 2021-22 due to the intervening COVID-19 and subsequent lockdowns imposed, the new MYT Regulations could not be notified.

Multi Year Tariff (MYT) Order and True-up Order for FY 2020-21

2.3 The Hon'ble Commission issued the last tariff order dated 13th April' 2022 on true-up of ARR for FY 2020-21 based on the audited accounts for FY 2020-21 and ARR for the Control Period from FY 2022-23 to FY 2024-25. The final true-up of ARR for FY 2021-22 is being submitted by comparing the actual performance based on the audited accounts with the values as approved in this tariff order.

2.4 The Hon'ble Commission had determined the ARR and tariff for FY 2021-22 on 2nd August' 2021 and the final true-up of ARR for FY 2020-21 had been carried out by comparing actual performance with the values as approved in Order dated 2nd August' 2021.

2.5 There were certain instructions/advices/directions issued by the Commission in the above MYT Order dated 30th April 2016 and in the subsequent tariff orders. CSPTCL has made its best efforts to ensure compliance to these instructions/advices/directions issued by the Commission and has structured its current petition accordingly to capture the maximum information as desired by the Commission from time to time.

3: METHODOLODY ADOPTED IN FILING OF THIS PETITION (INCLUDING CONSTRAINTS)

Methodology

3.1 The Petitioner is submitting the final true-up of ARR for FY 2021-22 based on the audited accounts and SLDC charges for FY 2023-24. It consists of details of actual expenditures made by CSLDC and details of revenue received leading to actual revenue gap incurred from April 2021 to March 2022. The final true-up of ARR for FY 2021-22 with SLDC charges for FY 2023-24 in accordance with the provisions of the MYT Regulations 2015.

3.2 The Petitioner has proposed the final true-up of ARR for FY 2021-22 with SLDC charges for FY 2023-24. The Petitioner humbly requests the Hon'ble Commission to approve final true-up of ARR for FY 2021-22 with SLDC charges for FY 2023-24.

3.3 In accordance with the applicable regulations, expenses and income have been considered while carrying out the final true-up of ARR for FY 2021-22 and SLDC charges for FY 2023-24

4: FINAL TRUE-UP OF ARR FOR FY 2021-22

4.1 This chapter has in detail, the true-up of ARR for FY 2021-22. The following sections explain in detail the various elements of ARR and consequent revenue (gap)/surplus for true-up of ARR for FY 2021-22.

4.2 Determination of Aggregate Revenue Requirement by validating the actual figures taken from the audited accounts of the following costs, other income & returns:

i. Employee Cost

ii. Repairs & Maintenance Cost

iii. Administrative & General Expenses

iv. Contribution to Pension & Gratuity Fund

v. Interest Cost

vi. Interest on Working Capital

vii. Depreciation

viii. Return on Equity

ix. Net Prior Period Expenses/(Credit)/Other Debits

x. Non-Tariff Income

Gross Fixed Assets (GFA)

4.3 The Hon'ble Commission in its MYT order for the control period from FY 2016-17 to FY 2020-21 dated 30th April 2016 had approved the methodology for determination of capital structure of GFA into debt and equity. CSLDC would like to submit that the capital structure for FY 2021-22 has been determined based on the following:

- GFA addition of Rs. 0.09 Crores has been considered as per the audited accounts for FY 2021-22

4.4 The GFA for FY 2021-22 as against approved earlier as shown below

Table 1: GFA for FY 2021-22 (Rs. Crores)

Sr. No.	Particulars	FY 2020-21 (Tariff order dated 13.04.2022)	FY 2021-22 (Based on final accounts)
A	**GROSS FIXED ASSETS (GFA)**		
1	*Opening GFA*	16.38	16.38
2	*Capitalisation during the Year*	0.00	0.09
3	*Closing GFA*	16.38	16.47
4	*Average of Opening and Closing GFA*	16.38	16.42

4.5 CSLDC submits that Rs. 0.09 Crores of GFA addition was during FY 2021-22.

Depreciation

4.6 CSLDC would like to submit that it has calculated depreciation as per Regulation 24 of MYT Regulations 2015. The Regulation states that:

"24.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the capital cost shall not include funds from grant or consumer contribution or deposit works received for funding of fixed asset as specified in Regulation 21.

24.2 The salvage value of the asset except for IT equipment's and software used for SLDC business shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

Provided that, the salvage value for IT equipment's and Software shall be considered as NIL and 100% value of the assets shall be considered depreciable.

24.3 Land other than the land held under lease and the land for reservoir in case of hydro generating station and the land for ash-bund for thermal power stations shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

24.4 Depreciation shall be calculated annually based on Straight Line Method and at rates as specified in Appendix-I to these regulations for the assets of the generating station, transmission system, distribution system and SLDC:

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 15 years from date of commercial operation shall be spread over the balance useful life of the assets;

In case of the existing projects, the balance depreciable value as on 01.04.2016 shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to 31.03.2016 from the gross depreciable value of the assets.

Provided that in those cases where the capital investment plan has been approved by the Commission and the depreciation rates as provided in these Regulations are insufficient for the repayment of loan, the rate of depreciation shall be decided by the Commission at the time of issuance of tariff order, subject to prudence check.

24.5 Till the separate SLDC Company is notified by the State Government, the depreciation shall be calculated as applicable for the STU under this Regulations;

Provided further the balance depreciable value as on the date of transfer shall be worked out by deducting the cumulative depreciation from the gross depreciable value of the assets appearing in the books of accounts of the SLDC for the SLDC as on the date of transfer.

24.6 Depreciation shall be chargeable from the first year of commercial operation. The depreciation shall be computed on the average asset base during the year:

Provided for the new generating station or unit, the depreciation shall be charged on prorata basis during the year the asset has been declared under commercial operation. For subsequent years, the depreciation shall be computed on the average asset base during the year"

4.7 CSLDC would like to submit that its asset base comprises of SCADA system, computer terminals, equipment, building, etc. The asset base has been identified from the accounts of CSPTCL by the asset segregation committee and the same has been considered in its computations. As the asset class-wise segregation of the SLDC's asset base is not available, the weighted average depreciation rate as considered for CSPTCL for FY 2021-22 has been considered for CSLDC. It is to be informed that the CSLDC is not operating as a separate company and therefore we have considered the depreciation as applicable to CSPTCL.

4.8 CSLDC, while calculating the depreciation for FY 2021-22 has followed the methodology specified in the aforesaid Regulation as well as the methodology considered by the Hon'ble Commission in the past and has computed the depreciation as follows:

Table 2: Depreciation for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		Tariff Order dated 13.04.2022	(Tariff Order dated 02.08.2021)	Final True-up
1	Opening GFA	16.38	16.45	16.38
2	Add: Additional capitalization during the year	0.00	2.01	0.09
3	GFA at the end of the year	16.38	18.46	16.47
4	Average GFA for the year	16.38	17.45	16.42
5	Depreciation Rate	5.26%	5.26%	5.26%
6	**Annual Depreciation**	**0.86**	**0.92**	**0.86**

4.9 Thus, CSLDC would like to request the Hon'ble Commission to approve depreciation of Rs. 0.86 Crores for final true-up of ARR for FY 2021-22 as detailed above.

Interest on Loan

4.10 CSLDC would like to submit that it has computed Interest and Finance Charges as per Regulation 23 of the MYT Regulations, 2015. The Regulation states that:

23.1. The loans arrived at in the manner indicated in Regulation 17 shall be considered as gross normative loan for calculation of interest on loan.

23.2. The normative loan outstanding as on 01.04.2016 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.03.2016 from the gross normative loan.

23.3. The repayment for the year of the tariff period shall be deemed to be equal to the depreciation allowed for that year.

23.4. Notwithstanding any moratorium period availed by the generating company or the licensee, as the case may be the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

23.5. The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the project;

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided further that if the generating station or the licensee, as the case may be, does not have actual loan, then the weighted average rate of interest of the generating company or the licensee as a whole shall be considered:

Provided further, in case of new generating station or the licensee commencing its operation after the date of effectiveness of these Regulations, and which don't have actual loan portfolio, the rate of interest shall be considered on normative basis and shall be equal to the Base rate of State Bank of India plus 200 basis points as on the date on which the generating station or a unit thereof or the transmission system or the distribution licensee, as the case may be, is declared under commercial operation.

23.6. The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

23.7. The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, grants or deposit works carried out by transmission licensee or distribution licensee or generating company, as the case may be.

23.8. The generating company or SLDC or the licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the beneficiaries and the generating company or the STU or the transmission licensee, as the case may be, in the ratio of 2:1.

Provided in case of SLDC, this provision shall be applicable only to those intra-State entities who are availing long-term services of SLDC.

23.9. Provided that the beneficiary shall not withhold any payment on account of the interest claimed by the generating company or the licensee during the pendency of any dispute arising out of re-financing of loan.

23.10. The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.

23.11. In case of distribution licensee, the interest paid on security deposit (cash) to the consumers shall be allowed as a part of the Interest and Finance charges under these regulations.

4.11 It is to be informed that CSLDC is not operating as a segregate Company and therefore we have considered the actual loan as applicable to STU (CSPTCL).

4.12 The actual loan details as per the accounts for FY 2021-22 are as follows:

Table 3: Loan Details for FY 2021-22 (Rs. Crores)

Sr. No.	Particulars	Opening Loan	Addition	Repayment	Closing Loan	Avg.	RoI
1	PFC	570.73	0.00	98.22	472.51	521.62	9.63%
2	BOM	0.00	56.68	0.00	56.68	28.34	1.30%
3	SBI	79.19	0.00	10.77	68.42	73.80	7.42%
4	REC	691.65	212.08	34.24	869.49	780.57	10.43%
	Total	**1,341.56**	**268.75**	**143.22**	**1,467.10**	**1,404.33**	**9.97%**

Note: -The rate of interest has been computed on the actual loan portfolio at the beginning of the year and therefore has been considered as 9.97%

4.13 CSLDC would like to submit that it has considered the opening normative loan balance for true-up of ARR for FY 2021-22 equal to the closing normative loan balance for FY 2020-21 as per the submission of the Petitioner based on the audited accounts for FY 2020-21 (true-up based on audited accounts for FY 2020-21). The debt component of 70% of the GFA addition during FY 2021-22 has been considered as the normative loan addition during the year. The allowable depreciation for the year as calculated above has been considered as the normative repayment for the year. The rate of interest has been computed in accordance with Regulation 23.5 i.e. as the weighted average rate of interest on the basis of the actual loan portfolio at the beginning of the year. The actual weighted average interest rate of 9.97 % has been considered for computation of the interest on loan for FY 2021-22.

Table 4: Interest on Loan for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		Tariff Order dated 13.04.2022	(Tariff Order dated 02.08.2021)	Final True-up
1	Total Opening Net Loan	2.48	1.67	1.62
2	Repayment during the period	0.86	0.92	0.86
3	Additional Capitalization of Borrowed Loan during the year	0.00	1.41	0.06
4	Total Closing Net Loan	1.62	2.16	0.82
5	Average Loan during the year	2.05	1.91	1.22
6	Weighted Average Interest Rate	9.76%	10.02%	9.97%
7	**Interest Expense for the Period**	**0.20**	**0.19**	**0.12**

4.14 Thus, CSLDC requests the Hon'ble Commission to approve Interest on Loan of Rs. 0.12 Crores for final true-up of ARR for FY 2021-22

Return on Equity (RoE) and Income Tax

4.15 Petitioner submits that it has computed Return on Equity as per Regulation 22 of the MYT Regulations, 2015. The Regulation states that:

22.1. ***Generation, Transmission and SLDC:*** *Return on equity shall be computed in rupee terms on the equity base determined in accordance with Regulation 17. Return on equity shall be computed on pre-tax basis at the base rate of 15.50% to be grossed up as per Regulation 22.3 of these Regulations.*

22.3. The rate of return on equity for each year of the control period shall be computed by grossing up the base rate with the prevailing MAT rate of the base year: Provided that return on equity with respect to the actual tax rate applicable to the generating company or the transmission licensee or distribution licensee, as the case may be, in line with the provisions of the relevant Finance Acts of the respective year during the Control Period shall be trued up separately for each year of the Control Period. In case, no tax is payable during the financial year, the tax rate for the purpose of truing up shall be taken as nil.

Rate of return on equity shall be rounded off to three decimal points and be computed as per the formula given below:

Rate of pre-tax return on equity = Base rate / (1-t)

Where, 't' is the applicable tax rate in accordance with regulation 22.3 of these regulations.

Provided that if there is a loss incurred by the generating company or the transmission licensee or distribution licensee or SLDC, as the case may be, in the previous year and based on the prudence check made by the Commission, the Minimum Alternate Tax may not be considered in such a case while determining the return on equity.

4.16 The closing permissible equity balance of FY 2020-21 (as submitted for true-up of FY 2020-21 based on final accounts) has been considered as the opening normative equity balance for true-up of ARR for FY 2021-22.

4.17 Considering the above, CSLDC would like to submit that it has computed Return on Equity as per Regulation 22 of the MYT Regulations, 2015 using the base rate of Return on Equity of 15.50% (without grossing up by MAT rate):

Table 5: Return on Equity for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		Tariff Order dated 13.04.2022	(Tariff Order dated 02.08.2021)	Final True-up
1	Opening Normative Equity	5.28	5.30	5.28
2	Normative addition during the year	0.00	0.60	0.03
3	Closing Normative Equity	5.28	5.90	5.31
4	**Average Normative Equity**	**5.28**	**5.60**	**5.29**
5	Rate of Return on Equity	15.50%	15.50%	15.50%
6	**Return on Equity**	**0.82**	**0.87**	**0.82**

4.18 Thus, CSLDC would like to request the Hon'ble Commission to approve Return on Equity of Rs. 0.82 Crores for true-up of ARR for FY 2021-22 as detailed above. It is to be noted that CSLDC has not paid any income tax during FY 2021-22 and accordingly NIL tax expense for the year has been considered.

Operation and Maintenance (O&M) Expenses

4.19 O&M expenses include Employee expenses, Administrative & General (A&G) expenses and Repairs & Maintenance (R&M) expenses. As per provision 47.5 of the MYT Regulations 2015:

Employee Cost

(c) The employee cost, excluding pension fund contribution and impact of pay revision arrears for the base year i.e. FY 2015-16, shall be derived on the basis of the normalized average of the actual employee expenses excluding pension fund contribution and impact of pay revision arrears available in the accounts for the previous five (5) years immediately preceding the base year FY 2015-16, subject to prudence check by the Commission. Any other expense of nonrecurring nature shall also be excluded while determining normalized average for the previous five (5) years.

(d) The normalization shall be done by applying last five year average increase in Consumer Price Index (CPI) on year to year basis. The average of normalized net present value for FY 2010-11 to FY 2014-15, shall then be used to project base year value for FY 2015-16. The base year value so arrived, shall be escalated by the above inflation rate to estimate the employee expense (excluding impact of pension fund contribution and pay revision, if any) for each year of the control period.

At the time of true up, the employee costs shall be considered after taking into account the actual increase in CPI during the year instead of projected inflation for that period.

Provided further that impact of pay revision (including arrears) and pension fund contribution shall be allowed on actual during the true-up as per accounts, subject to prudence check and any other factor considered appropriate by the Commission.

A&G Expenses and R&M Expenses

(e) The administrative and general expenses and repair and maintenance expenses, for the base year i.e. FY 2015-16, shall be derived on the basis of the normalized average of the actual administrative and general expenses and repair and maintenance expenses, respectively available in the accounts for the previous five (5) years immediately preceding the base year FY 2015-16, subject to prudence check by the Commission. Any expense of non-recurring nature shall be excluded while determining normalized average for the previous five (5) years.

(f) The normalization shall be done by applying last five year average increase in Wholesale Price Index (WPI) on year to year basis. The average of normalized net present value for FY 2010-11 to FY 2014-15, shall then be used to project base year value for FY 2015-16. The base year value so arrived, shall be escalated by the above inflation rate to estimate the administrative and general expense and repair and maintenance expenses for each year of the control period.

At the time of true up, the administrative and general expenses and repair and maintenance expenses shall be considered after taking into account the actual inflation instead of projected inflation for that period.

(g) The additional O&M Expenses on account of new transmission lines/ substations commissioned after March 31, 2016 shall be allowed by the Commission subject to prudence check at the time of truing up exercise.

4.20 O&M expenses include Employee expenses, Administrative & General (A&G) expenses and Repairs & Maintenance (R&M) expenses.

Table 6: O&M Expenses for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2021-22
		Audited
1	Gross Employee Expenses excluding terminal benefits	9.46
2	Gross A&G Expenses	0.90
3	Gross R&M Expenses	1.70
4	**Total O&M Expenses**	**12.06**

4.21 Further, the Petitioner wants to highlight the current employee strength at CSLDC. As on 31st March 2022, total sanctioned strength of different class of employees of SLDC is 76 out of which 47 are currently working and balance 29 are envisaged to be filled in the coming FYs. The details are as follows:

Table 7: Employee Strength at CSLDC as on 31stMarch 2022 (Nos)

No. of Employees as on 31st March 2022				
Sr. No	**Particulars**	**Sanctioned**	**Working**	**Vacant**
CSPTCL				
1	Class I	159	144	15
2	Class II	241	187	54
3	Class III	1533	740	793
4	Class IV	1142	408	734
5	**Total**	**3075**	**1479**	**1596**
SLDC				
1	Class I	20	19	1
2	Class II	24	12	12
3	Class III	24	14	10
4	Class IV	8	2	6
5	**Total**	**76**	**47**	**29**
CSPTCL+SLDC				
1	Class I	179	163	16
2	Class II	265	199	66
3	Class III	1557	754	803
4	Class IV	1150	410	740
5	**Total**	**3151**	**1526**	**1625**

4.22 CSLDC requests the Hon'ble Commission to approve Rs. 12.06 Crores towards net operation & maintenance expenses for FY 2021-22.

Sharing of gain and losses on account of O&M expenses

4.23 CSLDC would like to submit that the MYT Regulations 2015 allows incentive/disincentive for better/under performance in operational norms so that such efforts are appropriately recognized and promoted, thereby, ensuring improved efficiency on a sustainable basis.

4.24 Regulation 8 of MYT Regulations 2015 states that:

8. SPECIFIC TRAJECTORY FOR CERTAIN VARIABLES

Targets will be set by the Commission for the items that are "controllable". Besides, trajectory for specific variables may be stipulated by the Commission where the performance of the applicant is sought to be improved upon through incentives and disincentives.

4.25 Regulation 11.2 of the MYT Regulations 2015 mentions the ''Controllable factors'' as following:

11.2 For the purpose of these Regulations, the term "Controllable factors" shall comprise of the following:

…..

(d) Operation & Maintenance expenses.

…

4.26 In addition to the above, Regulation 13 of the MYT Regulations 2015 has also provision of allowing the incentive/disincentive to the utilities on account of improved/under performance in efficiency linked controllable items.

13. MECHANISM FOR SHARING OF GAINS OR LOSSES ON ACCOUNT OF CONTROLLABLE FACTORS

13.1 The mechanism for sharing of aggregate net gain on account of over achievement in reference to the target set in tariff order for efficiency linked controllable items other than energy losses computed in accordance to Regulation 71 shall be passed on to the beneficiary / consumer(s) and retained by the generating company or the licensee or SLDC, as the case may be, in the ratio of 50:50 or as may be specified in the Order of the Commission passed under these Regulations.

13.2 The mechanism for sharing of aggregate net loss on account of under achievement in reference to the target set in tariff order for efficiency linked controllable items shall be passed on to the beneficiary/consumer(s) and retained by the generating company or the licensee, as the case may be, in the ratio of50:50 or as may be specified in the Order of the Commission passed under these Regulations.

4.27 As per amendment dated 16 June 2017 to the principal regulations, following proviso has been inserted in clause 13.1-

Provided further that employee cost shall not be factored in for sharing of gains or losses on account of operation & maintenance expenses,

4.28 Accordingly, the employee expenses for FY 2021-22 have been considered based on actual and not subject to sharing of gains or losses. The Petitioner, therefore, requests the Commission to approve Rs. 9.46 Crores as gross employee expenses.

4.29 A&G and R&M expenses have been subject to sharing of gains/losses as per regulation 47.5 of the MYT Regulations 2015. The calculation of the normative A&G and R&M expenses for FY 2021-22 is as detailed below.

4.30 As per regulation 47.5, clause (f):

(f) The normalization shall be done by applying last five year average increase in Wholesale Price Index (WPI) on year to year basis. The average of normalized net present value for FY 2010-11 to FY 2014-15, shall then be used to project base year value for FY 2015-16. The base year value so arrived shall be escalated by the above inflation rate to estimate the administrative and general expense and repair and maintenance expenses for each year of the control period.

At the time of true up, the administrative and general expenses and repair and maintenance expenses shall be considered after taking into account the actual inflation instead of projected inflation for that period.

4.31 The Commission's approach on arriving at the normative expenses for A&G and R&M expenses has been adopted. The normative A&G and R&M expenses for FY 2020-21 as determined in the chapter on final true-up of ARR for FY 2020-21 have been considered to arrive at the normative A&G and R&M expenses for FY 2021-22. The same have been escalated by the increase in WPI of 13.00 % for FY 22 to arrive at the normative expenses for FY 2021-22.

4.32 The normative A&G and R&M expenses for FY 2021-22 considered is as shown below.

Table 8: Normative A&G and R&M expenses for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	Formula	Normative Expense
1	Net A&G expenses approved vide Order dated 13.04.202	A	1.22
2	Inflation Factor (%)	B	13.00
3	**Normative A&G Expenses for FY 2021-22**	**C= A * (1+B)**	**1.38**
4	Net R&M expenses approved vide Order dated 13.04.2022	D	1.78
5	Inflation Factor (%)	E	13.00
6	**Normative R&M Expenses for FY 2021-22**	**F= D*(1+E)**	**2.01**

4.33 The normative A&G and R&M expenses for FY 2021-22, including additional A&G and R&M expenses are Rs. 1.38 Crores and Rs. 2.01 Crores respectively. The normative A&G and R&M expenditure so arrived have been considered for the purpose of gain/loss calculation. The actual net A&G and R&M expenses are Rs. 0.90 Crores and Rs. 1.70 Crores (net of capitalisation) respectively for FY 2021-22. The same have been considered for sharing of gain/(loss) as shown in the table below.

Table 9: Sharing of gain/(loss) on A&G and R&M expenses for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	Normative Expense	Actual	Gain/(Loss)
1	Net A&G expenses	1.38	0.90	0.48
2	Net R&M expenses	2.01	1.70	0.32
3	Total Gain/(Loss)	3.39	2.60	0.79
4	**CSLDC share (1/2 of Total Gain/(Loss))**			**0.40**

4.34 The gain/(loss) of Rs. 0.40 Crores on account of expenditure in actual A&G and R&M expenses as compared to the normative A&G and R&M expenses has been considered as part of the true-up of ARR for FY 2021-22.

Contribution to Pension and Gratuity (P&G)

4.35 As per MYT Regulations, 2015 Regulation 32:

PENSION FUND

For meeting up the past unfunded liabilities of erstwhile CSEB/State Power Companies employees appointed before 1.1.2004, a pension and gratuity trust has been created and funding to the same has been allowed in the past Tariff Orders of the Commission. The contribution to the fund shall be decided by the Commission on the basis of actuarial analysis, expected pension outflow for the State Power Companies and availability of fund with the Pension trust at the time of determination of MYT / ARR for each year of the control period. However, the actual outflow towards the pension payment shall not be allowed in the O&M expenses covered in these Regulations for the Control Period. The pension outflow shall be met by the Pension trust. The pension fund contribution so determined by the Commission shall be recoverable in the same manner as specified in relevant chapters.

Provided till the time SLDC is part of STU, SLDC's share out of the STU contribution shall be decided on pro-rata basis. For the purpose of ratio determination, the employee strength as on 1st April of the preceding year shall be considered.

4.36 The Hon'ble Commission in its Order dated 02.08.2021 determined ARR for FY 2021-22 and allowed contribution to Pension and Gratuity (P&G) fund of Rs. 1.80 Crores. The same has been considered in True-up of FY 2021-22.

Table 10: Terminal Benefits (Pension & Gratuity) for FY 2021-22(Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		Tariff Order dated 13.04.2022	(Tariff Order dated 02.08.2021)	Final True-up
1	**CSLDC**	1.71	1.80	1.80

4.37 CSLDC would like to request the Hon'ble Commission to approve Rs. 1.80 Crores as P&G contribution for FY 2021-22.

Interest on Working Capital

4.38 Regulation 25 of the MYT Regulations 2015 states that:

25.1. The working capital shall cover:

(c) In case of Transmission business:

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

ii. Maintenance spares @ 40% of repair and maintenance expenses specified in Regulation 47.5; plus

iii. Receivables equivalent to one (1) month of fixed cost.

iv. Less: Amount, if any, held as security deposits from Transmission System users.

4.39 Further, the MYT Regulations, 2015 states that:

25.2 At the time of True-up, the receivables for the computation of working capital requirement of the generating company, STU/transmission licensee, distribution licensee and SLDC will be determined equivalent to one (1) month of actual revenue billed.

25.4. Interest on working capital shall be allowed at a rate equal to the Base rate of State Bank of India as on 30th September of the financial year in which the Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on 1st April of the financial year for which truing up exercise has been undertaken.

25.5. Interest on working capital shall be payable on normative basis notwithstanding that the generating company or the transmission licensee or the distribution licensee or SLDC has not taken loan for working capital from any outside agency."

4.40 The Petitioner would like to submit that it has considered one month of O&M expenses, maintenance spares at 40% of R&M expenses and receivables equivalent to one month of revenue billed for computing the working capital requirement for FY 2021-22.

4.41 The Petitioner has considered the interest rate 10.90% (7.40% - SBI Base Rate on 01st April 2021 plus 350 basis points) for computing the Interest on Working Capital for final true-up of ARR for FY 2021-22.

Table 11: Interest on Working Capital for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		Tariff Order dated 13.04.2022	(Tariff Order dated 02.08.2021)	Final True-up
1	O&M for One Month	0.99	0.90	1.07
2	Maintenance Spares – 40% of R&M Expenses	0.71	0.73	0.80
3	Receivables – 1 Month of Fixed Cost	1.51	1.24	1.37
4	Total WC requirement	3.21	2.88	3.24
5	Rate of Interest on WC	11.65%	10.90%	10.90%
6	**Net Interest on Working Capital**	**0.37**	**0.31**	**0.35**

4.42 The Petitioner requests the Hon'ble Commission to approve IWC of Rs 0.35 Crores for final true-up of ARR for FY 2021-22.

Non - Tariff Income

4.43 The Petitioner has considered Rs. 0.02 Crores as non-tariff income for CSLDC based on the segmental notes to the audited accounts for FY 2021-22. The Petitioner has claimed non-tariff income as per the below table for FY 2021-22.

Table 12: Non – Tariff Income for FY 2021-22 (Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		(Tariff order dated 13.04.2022)	(Tariff order dated 02.08.2021)	Final True-up
1	**Non-Tariff Income**	0.02	0.02	0.02

4.44 Thus, CSLDC would like to request the Hon'ble Commission to approve Non–Tariff Income of Rs. 0.02 Crores for FY 2021-22 based on the accounts.

Aggregate Revenue Requirement (ARR) for FY 2021-22

4.45 Based on the submission in the above paragraphs, the Aggregate Revenue Requirement (ARR) for FY 2021-22 is as shown below:

Table 13: Aggregate Revenue Requirement (ARR) for FY 2021-22(Rs. Crores)

Sr. No	Particulars	FY 2020-21	FY 2021-22	
		(Tariff order dated 13.04.2022)	(Tariff order dated 02.08.2021)	Final True-up
1	Employee Expenses	8.91	7.80	9.46
2	A&G Expenses	0.51	1.24	0.90
3	R&M Expenses	1.66	1.81	1.70
4	Terminal Benefits	1.71	1.80	1.80
5	Provision for Interim Wage Relief			
6	Less: Capitalization of Employee, R&M and A&G Expenses			
7	Depreciation	0.86	0.92	0.86
8	Interest on Loan	0.20	0.19	0.12
9	Interest on Working capital	0.34	0.31	0.35
10	Prior Period (Income) / Expenses			
11	Return on Equity	0.82	0.87	0.82
12	Gain/(Loss) on sharing O&M efficiency	0.42		0.40
13	Current Tax			
14	Total	15.42	14.94	16.41
15	Less: Non-Tariff Income	0.02	0.02	0.02
16	**Aggregate Revenue Requirement (ARR)**	**15.40**	**14.93**	**16.39**

4.46 Thus, CSLDC would like to request the Hon'ble Commission to approve Aggregate Revenue Requirement (ARR) of Rs. 16.39 Crores for final true-up of ARR for FY 2021-22 as shown above.

Revenue from SLDC Charges

4.47 The revenue from SLDC charges for FY 2021-22 as per the audited accounts is as shown below:-

Table 14: Revenue from SLDC Charges for FY 2021-22 (Rs. Crores)

S.No.	Particulars	FY 2021-22 (True- Up order dated 02.08.2021)	FY 2021-22 As per audited accounts
1	System Operation Charges	9.04	
2	Intra-State Market Operation Charges	2.26	
3	**Total SLDC Charges**	**11.30**	**14.90**

4.48 CSLDC hereby requests the Hon'ble Commission to approve Revenue from SLDC Charges of Rs. 14.90 Crores as shown above.

Revenue Surplus/ Deficit

4.49 The Revenue Surplus/ (Deficit) for FY 2021-22 is as follows:-

Table 14: Revenue Surplus for FY 2021-22 (Rs. Crores)

S.No.	Particulars	Final True-Up
1	Annual Revenue Requirement	16.39
2	Less: Revenue from SLDC Charges	14.90
3	**Standalone Revenue/ (Deficit)**	**(1.49)**
4	Previous Gap	0.00
5	**Total Revenue Surpus/ (Deficit)**	**(1.49)**

4.50 The surplus/(Deficit) to be adjusted in the tariff for FY 2023-24 is as shown below:-

Table 15: Revenue Deficit for FY 2023-24 (Rs. Crores)

Sr. No	Particulars	FY 2021-22	FY 2022-23	FY 2023-24
1	Opening (Deficit)	(0.00)	(1.57)	(1.74)
2	Stand-alone (Deficit)	(1.49)	(0.00)	(0.00)
3	**Closing** (Deficit)	(1.49)	(1.57)	(1.74)
4	Interest rate	10.90%	10.90%	10.90%
5	**Carrying Cost**	(0.08)	(0.17)	(0.09)
6	**Total Closing** (Deficit)	**(1.57)**	**(1.74)**	**(1.83)**

4.51 As per this calculation shown in the above table deficit arrived Rs. 1.49 crores on account of final true-up of ARR of FY 2021-22. It is requested Hon'ble Commission may kindly consider the same and adjust the Rs. 1.83 Crores after taken into account of carrying cost from the ARR of FY 2023-24.

5: SLDC CHARGES FOR FY 2023-24

SLDC Charges

5.1 CSLDC would like to submit that it has proposed annual SLDC charges to system operation function and market operation function in accordance with Regulation 102.2 of the MYT Regulations, 2021.

"102.2. Allocation and apportionment of components of annual charges to system operation function and market operation function:
(a) Annual charges towards State system operation function shall comprise 80% of the annual charges.
(b) Annual charges towards intra-State market operation function shall comprise the balance 20% of annual charges.
(c) The ratio of allocation of annual charges to system operation charges and market operation charges may be reviewed and decided by the Commission from time to time."

5.2 In accordance with the above regulations, 80% of the annual SLDC charges determined above for FY 2021-22 have been allocated to system operation charges, and 20% of the annual SLDC charges determined above for FY 2021-22 have been allocated to intra-State market operation charges, as shown below;-

Table 16: SLDC Charges for FY 2023-24 (Rs. Crores)

Sr. No	Particulars	FY 2023-24
1	ARR for FY 2023-24 as approved by Hon'ble Commission vide Order dated 13.04.2022	19.55
2	Adjustment of Deficit of FY 2021-22 after treatment of carrying cost up to FY 2023-24	1.83
3	**Adjusted ARR for FY 2023-24**	**21.38**
4	System Operation Charges	17.11
5	Intra-State Market Operation Charges	4.28
6	**Total SLDC Charges**	**21.38**

5.3 The Petitioner requests the Hon'ble Commission to approve total SLDC charges for FY 2023-24.

6: COMPLIANCE OF DIRECTIVES

6.1 It is noted that as per the latest tariff order for provisional true-up of ARR for FY 2019-20 dated 2nd August, 2021, no fresh directives were issued to the Petitioner. The Petitioner was directed to ensure compliance to the earlier directives. The compliance of directives is as below:

Directives issued vide Tariff Order Dated 31/03/2016 & Tariff Order Dated 31/03/2017:-

S.No.	Subject Matter	Action Taken
1	State Energy Account: CSLDC should continue to submit State Energy Account to the Commission on quarterly basis endorsing a copy to CSPDCL	CSLDC is complying with this directive and the quarterly report in this regard is being submitted to the Commission
2	Implementation of approved CIP: CSLDC should submit quarterly report on the progress of implementation of approved CIP	
3	Timely payment of twelve equal monthly instalments as Contribution to P&G Trust should be ensured	

7: PRAYER

7.1 CSLDC requests the Hon'ble Commission to:

a. **To invoke the power conferred to it under Section 62 of the Electricity Act, 2003, and to admit the petition seeking approval of final true-up of ARR for FY 2021-22**

b. To allow taxes, FBT, Cess, etc. as pass through on actual basis

c. To condone any inadvertent omissions/ errors/ shortcomings and permit the petitioner to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date

d. To allow the Petitioner to make alterations/additions in the said petition as and when the audited accounts are made available

e. To allow further submissions, addition and alteration to this Petition as may be necessitated from time to time

f. Treat the filing as complete in view of substantial compliance as also the specific requests for waivers with justification placed on record

g. And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case in the interest of justice

BY THE APPLICANT THROUGH

Executive Director
CSLDC, Raipur

8: FORMATS

F-1		
Aggregate Revenue Requirement (Rs. Crores)		
Chattisgarh State Load Despatch Centre		
Sr. No	**Particulars**	**FY 2021-22**
1	Employee Expenses	9.46
2	A&G Expenses	0.90
3	R&M Expenses	1.70
4	Terminal Benefits	1.80
5	Interim Wage Relief	
6	Less: Capitalization of Emp, R&M and A&G Expenses	
7	Depreciation	0.86
8	Interest on Loan	0.12
9	Interest on Working capital	0.35
10	Prior Period (Income) / Expenses	
11	Return on Equity	0.82
12	Gain/(Loss) on Sharing O&M Efficiency	**0.40**
15	**Total Gross Aggregate Revenue Requirement**	**16.41**
16	Less: Non Tariff Income	0.02
17	**Aggregate Revenue Requirement**	**16.39**

FORM-2 Calculation of Return on Equity (Rs Crores) CHATTISGARH STATE LOAD DESPATCH CENTRE		
Sr. No	**Particulars**	**FY 2021-22**
1	Normative Equity Capital	
a	GFA as on 01-04-21	16.38
b	Normative Equity Capital for assets	
2	GFA Opening Balance	16.38
a	Additions to GFA	0.09
b	Closing GFA	16.47
3	Normative Equity for assets acquired after 01-04-2022	
a	Opening Balance	5.28
b	Additions during the year	0.03
c	Closing balance	5.31
4	Notional Equity for Computation of AFC	5.29
5	Return on Equity (Pre-tax %)	15.50%
6	**Return on Equity**	**0.82**

FORM-3 Statement of Capital Cost (Rs. Crores) Chattisgarh State Load Despatch Centre		
Sr. No	**Particulars**	**FY 2021-22**
A	a) Opening Gross Block Amount as per books	16.38
	b) Amount of capital liabilities in A(a) above	
	c) Amount of IDC, FC, FERV & Hedging cost included in A(a) above	
	d) Amount of IEDC (excluding IDC, FC, FERV & Hedging cost) included in A(a) above	
B	a) Addition in Gross Block Amount during the period	0.09
	b) Amount of capital liabilities in B(a) above	
	c) Amount of IDC, FC, FERV & Hedging cost included in B(a) above	
	d) Amount of IEDC (excluding IDC, FC, FERV & Hedging cost) included in B(a) above	
C	a) Closing Gross Block Amount as per books	16.47
	b) Amount of capital liabilities in C(a) above	
	c) Amount of IDC, FC, FERV & Hedging cost included in C(a) above	
	d) Amount of IEDC (excluding IDC, FC, FERV & Hedging cost) included in C(a) above	
	Note:	
	GFA is as per the accounts	
	GFA addition for FY 2021-22 is as per the accounts	

FORM-4 Calculation of Interest on Normative Loan (Rs. Crores) Chattisgarh State Load Despatch Centre		
Sr. No	**Particulars**	**FY 2021-22 (Rs Crores)**
1	Total Opening Net Loan	1.62
2	Repayment during the period	0.86
3	Additional Capitalization of Borrowed Loan during the year	0.06
4	Addition/(Reduction) in Normative Loan during the year	
5	Total Closing Net Loan	0.82
6	Average Loan during the year	1.22
7	Weighted Average Interest Rate	9.97%
8	Interest on Loan	0.12

FORM-5 Interest on Working Capital (Rs. Crores.) CHHATTISGARH STATE LOAD DESPATCH CENTRE		
Sr. No	Particulars	FY 2021-22 (Rs Crores)
1	O&M	1.07
2	Maintenance Spares	0.80
3	Receivables	1.37
4	Total WC requirement	3.24
5	Less: Int on SD from Trans. Users	
6	Gross Interest on Working Capital	
7	Rate of Interest on WC	10.90%
8	Net Interest on Working Capital	0.35
	Notes : * As per the norms of the regulations	