MGVCL is required to furnish the following information w.r.t. the ARR for FY 2025-26 to FY 2029-30

<table>
<tr><th>Petition Reference</th><th>Requirement</th></tr>
<tr><td>Historical energy sales
(Table 39)</td><td>• DISCOM need to furnish the basis for estimating the sales for Agricultural Consumers in the next Control period
• Petitioner while submitting data of historical energy sales has shown energy sales for EV charging under both LT & HT categories for FY 2023-24 in Table 39, but the same categories have been left blank in Table 6 of True Up section. Justification to be provided.</td></tr>
<tr><td><u>Compliance</u></td><td><u>DISCOM need to furnish the basis for estimating the sales for Agricultural Consumers in the next Control period</u>

For the unmetered category, MGVCL has decided not to release any new connections therefore has assumed a growth rate of 0% to project the sales, no. of consumers and connected load during the control period.

For the metered category, MGVCL growth rate has been assumed based on the no. of connection anticipated for MYT Control Period. The sales, number of consumers, and connected load for the metered category during the control period are projected using this growth rate, which aligns with anticipated connection releases.

<u>Petitioner while submitting data of historical energy sales has shown energy sales for EV charging under both LT & HT categories for FY 2023-24 in Table 39, but the same categories have been left blank in Table 6 of True Up section. Justification to be provided.</u>

While submitting the data of historical energy sales for FY 2023-24, energy sales for EV charging under both LT and HT categories were inadvertently included. These figures were assumptions used as a baseline for projecting energy sales during the MYT Control Period, based on expected trends for EV penetration and infrastructure development. However, these assumptions do not reflect actual sales data, as no recorded energy sales for EV charging were made under either LT or HT categories during the true-up year.</td></tr>
<tr><td>Distribution loss
(Table 49)</td><td>• Justification for considering higher distribution loss target of 7.04% for FY 2025-26, even after submitting loss of 6.77% in FY 2023-24.</td></tr>
<tr><td><u>Compliance</u></td><td>The losses for FY 2023-24 has reduced drastically from approved level of 9.00% to 6.77% and to maintain the level in FY 2025-26 is a big challenge. Continuous untiring efforts in all area is require to put to maintain the level of losses and further to improve it and bring down it to considerable level as up to 6.03% is MYT control period up to FY 2029-30. MGVCL is wide spread in central part of Gujarat having huge Tribal area in Chhotaudepur and Dahod District which are prone to higher losses compare to other area due to their socio economic & geographical situation. However, on analysing the status of Distribution losses for FY 2024-25, as on Nov’24, it is observed that cumulative losses is 7.81%.

It’s our endeavour to reduce distribution losses in the MYT Control Period from 8.37% approved for FY 2024-25 to 7.04% in FY 2025-26. MGVCL will put all efforts to bring down losses and continues efforts will be made to reach the level of projection made. Various loss reduction activities for system strengthening like High voltage distribution system, Conversion of O/H bare conductor line to Underground cable, providing LT AB Cable in theft prone area, Feeder bifurcation, Feeder reconfiguration, Removal of PDC line, DTC review, bringing the transformers to load center, Faulty Meter replacement planned and will be</td></tr>
</table>

<table>
<tr><td></td><td>implemented in true spirit. System strengthening work under RDSS planned and that will impact on loss reduction.</td></tr>
<tr><td>Transmission charges (Table 64)</td><td>Details of projected PGCIL charges and NLDC/RLDC charges for the control period FY 25-26 to FY 29-30. – Petitioner to furnish month wise PGCIL, NLDC/ RLDC charges paid in FY 2023-24 and till the latest month of FY 2024-25.</td></tr>
<tr><td><u>Compliance</u></td><td>Month wise PGCIL & NLDC/RLDC charges for FY 23-24 and for FY 24-25 (upto Dec-24) is as under:
<table>
<tr><th>Month</th><th>PGCIL/WRLDC charges (Amount in Rs. Crs.)</th></tr>
<tr><td>Apr-23</td><td>263.64</td></tr>
<tr><td>May-23</td><td>302.51</td></tr>
<tr><td>Jun-23</td><td>363.50</td></tr>
<tr><td>Jul-23</td><td>271.72</td></tr>
<tr><td>Aug-23</td><td>211.03</td></tr>
<tr><td>Sep-23</td><td>238.35</td></tr>
<tr><td>Oct-23</td><td>268.22</td></tr>
<tr><td>Nov-23</td><td>198.62</td></tr>
<tr><td>Dec-23</td><td>349.97</td></tr>
<tr><td>Jan-24</td><td>300.00</td></tr>
<tr><td>Feb-24</td><td>306.94</td></tr>
<tr><td>Mar-24</td><td>351.65</td></tr>
<tr><td>Total</td><td>3426.15</td></tr>
</table>
<table>
<tr><th>Month</th><th>PGCIL/WRLDC charges (Amount in Rs. Crs.)</th></tr>
<tr><td>Apr-24</td><td>267.04</td></tr>
<tr><td>May-24</td><td>284.17</td></tr>
<tr><td>Jun-24</td><td>312.73</td></tr>
<tr><td>Jul-24</td><td>273.66</td></tr>
<tr><td>Aug-24</td><td>258.40</td></tr>
<tr><td>Sep-24</td><td>288.94</td></tr>
<tr><td>Oct-24</td><td>271.13</td></tr>
<tr><td>Nov-24</td><td>293.02</td></tr>
<tr><td>Dec-24</td><td>314.91</td></tr>
<tr><td>Total</td><td>2564.04</td></tr>
</table></td></tr>
<tr><td>Power Purchase cost projections</td><td>DISCOM needs to provide rationale for its RPO target quantum for the next control period specifying if it’s based on MNRE guidelines, Energy Efficiency Act or any other mechanism
DISCOM is required to clarify if there is escalation considered over the numbers of FY 2023-24, while projecting the FC and VC of the power purchased from different sources</td></tr>
<tr><td><u>Compliance</u></td><td><u>DISCOM needs to provide rationale for its RPO target quantum for the next control period specifying if it’s based on MNRE guidelines, Energy Efficiency Act or any other mechanism</u></td></tr>
</table>

<table>
<tr>
<td></td>
<td>
The RPO targets align with the provisions of the Draft GERC (Procurement of Energy from Renewable Sources) Regulations, 2024.
Additionally, the targets comply with the trajectory specified in the Notification No. S.O. 4617(E) issued by the Ministry of Power, dated 20th October 2023, which outlines minimum renewable energy consumption requirements for distribution licensees and other designated consumers
The proposed RPO targets for the control period are based on the established regulatory guidelines and trajectories issued by the Ministry of Power and GERC.
TABLE
<table>
<tr><th>Sl.No</th><th>Year</th><th>Wind renewable energy</th><th>Hydro renewable energy</th><th>Distributed renewable energy*</th><th>Other renewable energy</th><th>Total renewable energy</th></tr>
<tr><td>(1)</td><td>(2)</td><td>(3)</td><td>(4)</td><td>(5)</td><td>(6)</td><td>(7)</td></tr>
<tr><td>1.</td><td>2024-25</td><td>0.67%</td><td>0.38%</td><td>1.50%</td><td>27.35%</td><td>29.91%</td></tr>
<tr><td>2.</td><td>2025-26</td><td>1.45%</td><td>1.22%</td><td>2.10%</td><td>28.24%</td><td>33.01%</td></tr>
<tr><td>3.</td><td>2026-27</td><td>1.97%</td><td>1.34%</td><td>2.70%</td><td>29.94%</td><td>35.95%</td></tr>
<tr><td>4.</td><td>2027-28</td><td>2.45%</td><td>1.42%</td><td>3.30%</td><td>31.64%</td><td>38.81%</td></tr>
<tr><td>5.</td><td>2028-29</td><td>2.95%</td><td>1.42%</td><td>3.90%</td><td>33.10%</td><td>41.36%</td></tr>
<tr><td>6.</td><td>2029-30</td><td>3.48%</td><td>1.33%</td><td>4.50%</td><td>34.02%</td><td>43.33%</td></tr>
</table>
The document is attached as GU-E and GU-F
<u>DISCOM is required to clarify if there is escalation considered over the numbers of FY 2023-24, while projecting the FC and VC of the power purchased from different sources</u>
For projection of fixed cost for Control Period from FY 25-26 to FY 29-30, in case of GSECL station 3% escalation is considered on approved fixed cost by Hon’ble Commission for FY 24-25. Further, in case of state IPP and Central Sector’s Stations actual fixed cost paid during FY 2023-24 is taken for entire control period without any escalation. Moreover, for private thermal stations fixed cost for FY 2025-26 is determined based on normative availability and terms of PPA and is taken same for the Control Period.
As regard to variable cost, for existing stations actual variable cost paid during FY 2023-24 is considered for entire control without any escalation.
</td>
</tr>
<tr>
<td>O&M Expenses</td>
<td>
The information w.r.t. Employee Cost, R&M Expenses and A&G Expenses for the last 10 years need to be considered on the basis of trued up numbers. In the model, different numbers appear than the trued up numbers. Pls explain/ provide accordingly
</td>
</tr>
<tr>
<td><u>Compliance</u></td>
<td>
As per Regulation 92.1, the Operation and Maintenance (O&M) expenses are to be derived based on the average of actual audited O&M expenses for the past 10 years ending March 31, 2024, excluding any abnormal O&M expenses, subject to a prudence check by the Hon’ble Commission.
In compliance with the above regulation, MGVCL has considered the actual audited financial numbers for Employee Costs, R&M Expenses, and A&G Expenses for the past 10 years while calculating the O&M cost for the MYT Control Period
</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>
DPRs for schemes exceeding the threshold limit specified in MYT Regulations 2024 to be submitted, in addition to all new and augmentation capital investment projects involving voltage level above 33 kV
</td>
</tr>
</table>

	• Further, the DISCOM is required to submit all details as envisaged under Regulation 95 of the GERC MYT Regulations, 2024 • Regulation 17.3 of the GERC MYT Regulations, 2024 specify the following: *"Capital investment plan shall show separately, on-going projects that will spill over into the Control Period, and new projects (along with justification) that will commence in the Control Period but may be completed within or beyond the Control Period. The Commission shall consider and approve the capital investment plan for which the Applicant, may be required to provide relevant technical and commercial details."* Accordingly, DISCOM is required to provide details of all such schemes
Compliance	DPRs Attached herewith
CWIP	• Detailed CWIP for the control period, also indicating the spill over works from previous period.
Compliance	We humbly submit that the detailed Capital Work in Progress (CWIP) data for the control period, including spillover works from the previous period, is currently not available.
Funding of capitalisation (Table 74)	• Justification of consumer contributions and grant amounts projected for the control period FY 25-26 to FY 29-30.
Compliance	As per the Capex plan, the Normal Development Scheme (ND) capex will be financed through consumer contributions, while some RE schemes such as SC Basti, Sagar Khedu, Sardar Krushi Jyoti Yojna, and Energy Conservation will be funded through the GOG grant, as per the Capex projection." **Justification:** a) Consumer Contributions: The Normal Development Scheme (ND) capex being financed through consumer contributions suggests that the company plans to collect funds directly from consumers to support development projects. This is a common approach for infrastructure or service expansion, ensuring that the community or end users contribute to the funding of the projects they benefit from. ***b)*** RE Schemes & GOG Grant: Renewable Energy (RE) schemes like SC Basti, Sagar Khedu, Sardar Krushi Jyoti Yojna, and Energy Conservation are generally funded through government grants or subsidies, such as the GOG grant in this case. These programs align with government policies aimed at promoting sustainable energy and welfare for specific communities (e.g., SC Basti). The inclusion of these programs in the Capex projection is a strategic alignment with government funding expectations for development initiatives in energy conservation and rural electrification
RDSS metering opex (Table 82)	• Petitioner has not incurred any expense against RDSS metering opex in FY 2022-23 & FY 2023-24. Detailed justification of projected amounts for the control period FY 25-26 to FY 29-30 along with the full timeline of installation of smart meters to be provided.
Compliance	***Petitioner has not incurred any expense against RDSS metering opex in FY 2022-23 & FY 2023-24. Detailed justification of projected amounts for the control period FY 25-26 to FY 29-30 along with the full timeline of installation of smart meters to be provided.*** As per approved DPR of RDSS, Target period for smart meter installation work was March'2025 but smart meter installation work could not be undertaken as per

<table>
<tr><td></td><td>target on account of oppose and not allowing to install meters by various categories of consumers. Now to complete the entire approved quantity of smart meters the project timeline is revised and same will be completed in FY 2026-27. During FY 2025-26 total 1945006 Smart Meters and FY 2026-27 total 1195418 smart meters planned to install. Thus, based on proposed planning of smart Meter installation amounts for OPEX for the control period FY 2025-26 to FY 2029-30 projected.</td></tr>
<tr><td>Interest on Security Deposit
(Table 85)</td><td>• Justification of interest on security deposit projected over the years during the control period FY 25-26 to FY 29-30.</td></tr>
<tr><td><u>Compliance</u></td><td>According to the RDSS (Revamped Distribution Sector Scheme) guidelines, the installation of smart meters removes the need for collecting security deposits from consumers. This is because smart meters enable more accurate billing and real-time monitoring of energy consumption, reducing the risk of payment defaults.

As the smart meters are installed, the company will gradually refund the security deposits that were previously collected from consumers. This leads to a reduction in the overall pool of security deposits, which in turn reduces the interest liabilities for the company.</td></tr>
<tr><td>Income tax
(Table 90)</td><td>• Petitioner to provide the basis of Income tax calculation/ rate used for projecting the tax amount for the control period FY 25-26 to FY 29-30.</td></tr>
<tr><td><u>Compliance</u></td><td>The income tax for the control period FY 2025-26 to FY 2029-30 has been calculated by applying the tax rate of FY 2023-24 (true-up year) to the sum of Return on Equity (ROE) and Return on Capital Employed (ROCE) projected for the control period.</td></tr>
<tr><td>Smart Meter</td><td>• DISCOM has proposed a rebate of 2% on prepayment when using Smart Meters. In this regard, information is required about the timeframe for installation of the smart metering infrastructure
• Also, pls share information on how the revenue has been considered for FY 2025-26 for such consumers availing rebate by prepayment through Smart meters</td></tr>
<tr><td><u>Compliance</u></td><td><u>DISCOM has proposed a rebate of 2% on prepayment when using Smart Meters. In this regard, information is required about the timeframe for installation of the smart metering infrastructure</u>
<table>
<tr><th rowspan="2">Sr. No.</th><th rowspan="2">Consumer Category</th><th colspan="10">Target for installation of Smart Meter</th></tr>
<tr><th colspan="5">2025-26</th><th colspan="5">2026-27</th></tr>
<tr><th></th><th></th><th>1Ph Meter</th><th>3 Ph Meter</th><th>LT CT Meter</th><th>HT CT Meter</th><th>Total</th><th>1Ph Meter</th><th>3 Ph Meter</th><th>LT CT Meter</th><th>HT CT Meter</th><th>Total</th></tr>
<tr><td>1</td><td>RGP</td><td>1439189</td><td>43176</td><td></td><td></td><td>1482365</td><td>1195418</td><td>0</td><td></td><td></td><td>1195418</td></tr>
<tr><td>2</td><td>GLP</td><td></td><td>35827</td><td>2563</td><td></td><td>38390</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>3</td><td>NRGP</td><td>95811</td><td>234303</td><td>5016</td><td></td><td>335130</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>4</td><td>Public Water Works</td><td></td><td>31996</td><td>2563</td><td></td><td>34559</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>5</td><td>LT EV</td><td></td><td>63</td><td></td><td></td><td>63</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>6</td><td>HT</td><td></td><td></td><td></td><td>1810</td><td>1810</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>Total</td><td>1535000</td><td>345365</td><td>10142</td><td>1810</td><td>1892317</td><td>1195418</td><td>0</td><td>0</td><td>0</td><td>1195418</td></tr>
<tr><td></td><td>LT DT Meter</td><td></td><td></td><td>52689</td><td></td><td>52689</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>Grand Total</td><td>1535000</td><td>345365</td><td>62831</td><td>1810</td><td>1945006</td><td>1195418</td><td>0</td><td>0</td><td>0</td><td>1195418</td></tr>
</table>
Note - HT & LT DT Meter are excluded for Prepaid mode

<u>Also, pls share information on how the revenue has been considered for FY 2025-26 for such consumers availing rebate by prepayment through Smart meters</u>
It is submitted that the impact of smart prepaid metering has been calculated based on 2% rebate on applicable Energy Charge for all LT Consumer except Agriculture. However, it is submitted to the Hon’ble Commission that DISCOM are in process</td></tr>
</table>

<table>
<tr>
<td></td>
<td>of implementing smart meters under RDSS Scheme.
and only after post implementation of the scheme on basis of a careful analysis of impact of prepayment metering on revenue, a detailed breakup can be provided.</td>
</tr>
<tr>
<td>Tariff Schedule</td>
<td>

In the details of modifications proposed in the existing Tariff Structure advertised through newspapers advertisements dated 23.12.2024, it is mentioned that

“ 1. Introduction of ToU Discount of Rs. 0.45/Unit for consumption of Electricity from 11:00 Hrs to 15:00 Hrs for HTP-I & II, LTMD, NRGP, LT & HT – EVCS Category Consumers and all LT consumers (except AG) installing Smart pre-paid meters.”

(Emphasis Added)

And the same has been mentioned at Para 2.5 (A) of the Tariff Petition. Whereas, at Para 6.3 (A) the applicability of ToU discount is mentioned for Tariff Category HTP I & II, LTMD, NRGP, LT & HT – EVCS.

It is required to clarify the mismatch and accordingly intimate the Stakeholders through appropriate correction in the advertisement of Tariff Petitions.
In Para 2.5 (B) of the Tariff Petition. The second para mentions about ToU concession in line with Para 2.5 (A) of the Petition, whereas the Para 2.5 (B) is stipulating ToD charges for certain category of consumers. Accordingly, the discerption of Para 2.5 (B) is not in accordance with title of Para 2.5 (B) and the Tariff Proposal Para 6.3 (B) of the Petition.

The DISCOM is required to clarify.
In the proposed Tariff Schedule, at Para 4.3, Time of Usage Tariff is specified and the same also features at 6.3 (B). However, the coverage of consumers is different. At Para 4.3, all NGRP consumers are covered. However, at Para 6.3(B), consumers with load above 10 kW are covered. Please clarify the same.
DISCOM has not requested for Green Energy Tariff separately. Pls clarify the reasons

</td>
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<tr>
<td><u>Compliance</u></td>
<td>It has been observed that in Para 6.3 (A) of the Tariff Petition, the LT consumers with installed smart prepaid meters were inadvertently omitted from the applicability of the Time-of-Use (ToU) Discount.

As correctly mentioned in the advertisement dated 23.12.2024 and Para 2.5 (A) of the Tariff Petition, the ToU Discount of Rs. 0.45/Unit for consumption of electricity from 11:00 Hrs to 15:00 Hrs is applicable to the following categories:

<table>
<tr><th>Applicable Category</th><th>Energy Charges</th></tr>
<tr><td>HTP I, II, LTMD, NRGP, LT Consumers (with Smart Meters) except Agriculture, LT & HT EVCS.</td><td>45 paisa/Kwh Concession for consumption during 11:00 Hrs to 15:00 Hrs (i.e. 4 hours)</td></tr>
</table>

We request the Hon’ble Commission to consider this clarification and allow an amendment to Para 6.3 (A) of the Tariff Petition to include LT consumers with smart prepaid meters under the ToU Discount eligibility.

In Para 2.5 (B) of the Tariff Petition. The second para mentions about ToU concession in line with Para 2.5 (A) of the Petition, whereas the Para 2.5 (B) is</td>
</tr>
</table>

	stipulating ToD charges for certain category of consumers. Accordingly, the discerption of Para 2.5 (B) is not in accordance with title of Para 2.5 (B) and the Tariff Proposal Para 6.3 (B) of the Petition. The DISCOM is required to clarify. Upon review, it has been observed that the discrepancy in the description of Para 2.5 (B), where it mentions ToU concession instead of ToD charges, is only present in the Petition filed for PGVCL. For MGVCL, DGVCL, and UGVCL, no such discrepancy has been identified, and the descriptions in their respective petitions are consistent with Para 6.3 (B) of the Tariff Proposal. To rectify this, an amendment has already been submitted to the Hon'ble Commission to ensure that the description in Para 2.5 (B) of PGVCL's Petition aligns correctly with the applicable ToD charges instead of ToU concessions. We request the Hon'ble Commission to kindly consider the amended submission for PGVCL while noting that no correction is required for MGVCL, DGVCL, and UGVCL. ***In the proposed Tariff Schedule, at Para 4.3, Time of Usage Tariff is specified and the same also features at 6.3 (B). However, the coverage of consumers is different. At Para 4.3, all NGRP consumers are covered. However, at Para 6.3(B), consumers with load above 10 kW are covered. Please clarify the same.*** It has been observed that there is a difference in the coverage of consumers mentioned in Para 4.3 and Para 6.3 (B) of the proposed Tariff Schedule with respect to the applicability of the Time of Usage (ToU) Tariff. We confirm that the Time of Usage Tariff is applicable to NRGP consumers with a connected load above 10 kW, as stated in Para 6.3 (B). The inclusion of all NRGP consumers in Para 4.3 was an inadvertent error and does not reflect the intended applicability of the ToU Tariff. ***DISCOM has not requested for Green Energy Tariff separately. Pls clarify the reasons*** The Ministry of Power, Government of India, has issued the Green Energy Open Access Rules, which provide a framework for the determination of Green Power Tariff. In line with these rules and as per the directions of the Hon'ble Commission, the DISCOMs had submitted the proposed methodology for the determination of the Green Power Tariff in its Tariff Petition for the Annual Revenue Requirement (ARR) of FY 2023-24. Based on this submission, the Hon'ble Commission approved a premium on the normal tariff for the provision of Green Power during FY 2023-24 and FY 2024-25. Since the premium for green power is already incorporated into the existing tariff structure for the aforementioned period, we respectfully submit that the Hon'ble Commission may take a suitable view and determine the appropriate Green Power Tariff for FY 2025-26, considering the prevailing rules and regulations. Furthermore, information regarding the consumers availing the Green Power Tariff has been provided as part of the data gaps submitted for the true-up of FY 2023-24.