Summary of Petition No. 2582 / 2025

1) Introduction:

Hon'ble Commission notified the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2024 ("GERC MYT Regulations, 2024") on 6th August 2024 and shall be applicable for determination of tariff in all cases covered under the regulations from 1st April, 2026 onwards.

(2) True –Up for FY 2024-25:

(a) Category wise Sales and Revenue for FY 2024-25:

Sr. No.	Particulars	Sales(MUs)	
		FY 2024-25 (Approved)	FY 2024-25 (Actual)
A	**LT Consumers**		
1	RGP	3,044.00	3,204.58
2	GLP	137.00	128.12
3	Non-RGP & LTMD	2,042.00	2,045.50
4	Public Water Works	500.00	445.16
5	Agriculture - Metered	1,006.00	925.00
6	Agriculture - Unmetered	465.00	462.08
7	Electric Vehicle Charging	0.26	-
	LT Total (A)	**7,194.26**	**7,210.44**
B	**HT Consumers**		
8	Industrial HT	6,559.00	5,980.96
9	Bulk Supply to KPT	-	
10	Electric Vehicle Charging	-	-
	HT Total (A)	**6,559.00**	**5,980.96**
C	**Sale of Power to GUVNL**		
	Grand Total (A + B)	**13,752.49**	**13,191.39**

(b) Distribution loss for FY 2024-25:

DISTRIBUTION LOSSES

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Distribution Losses	8.37%	8.38%

(c) Energy Requirement:

The gross energy requirement for MGVCL is as follows (Actual vis-à-vis approved)

Energy Requirement and Energy Balance

Sr. No.	Particulars	Unit	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Energy Sales	MUs	13,752.49	13,191.30
2	Distribution Losses	MUs	1,255.73	1,207.31
		%	8.37%	8.38%
3	Energy Requirement	MUs	15,008.22	14,398.62
4	Less: Local Power Purchase by Discom	MUs	220.83	277.57
5	Power Purchase at T&D periphery	MUs	14,787.39	14,121.05
6	Transmission Losses	MUs	590.61	496.37
		%	3.8406%	3.3958%
7	Total Energy to be input to Transmission System	MUs	15,378.00	14,617.42
8	Pooled Losses in PGCIL System	MUs	302.64	254.96
9	Add: Local Power Purchase by Discom	MUs	220.83	277.57
10	**Total Energy Requirement**	**MUs**	**15,901.46**	**15,149.95**

<u>Capital Expenditure incurred by MGVCL in FY 2024-25:</u>

Rs. in Crores

Sr. No	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
A	**Distribution Schemes**		
	Normal Deve. Scheme	95.00	285.74
	DISS	20.00	20.00
	Electrification of Hutments	4.00	4.00
	Kutir Jyot Scheme	2.00	2.00
	Other Harijan Basti-Petapara	0.30	0.40
	System Improvement	21.00	228.05
	Vanbandhu Kalyan Yojana	207.05	6.73
	Total	**349.35**	**546.92**
B	**Rural Electrification Schemes**		
	TASP(Wells & Petapara)	49.60	49.60
	Special Componebt Plan	1.35	0.43
	RE Wells(OA+SPA) + Dark Jone	73.70	74.01
	KSY (Kisan suryoday yojana)	-	46.44
	Total	**124.65**	**170.48**
C	**Central Government Scheme - Plan**		
	RDSS	600.00	323.30
	Total	**600.00**	**323.30**
D	**Renewable Energy Based Projects**		
	AG. Wells Feeder Bifurcation	0.50	0.11
	Total	**0.50**	**0.11**

E	**Other New Schemes**		
	Sagar Khedu	1.50	1.51
	Energy Conservation(Hvds)	3.50	4.36
	Sardar Krushi Jyoti Yojana	6.98	9.01
	Total	**11.98**	**14.88**
F	**IT BUDGET**		
	IT BUDGET	13.00	1.61
	Total	**13.00**	**1.61**
G	**Civil Budget**		
	Land / New Building	-	7.25
	Furniture and Fixtures	-	2.44
	Vehicles misc civil elect.	-	4.56
	Total	**-**	**14.25**
	Capital Expenditure Total	**1,099.48**	**1,071.55**

Funding of CAPEX: The detailed breakup of funding of capital expenditure during FY 2024-25 is mentioned below.

Rs. in Crores

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Capitalization	1,099.48	622.70	476.78
2	Less: Consumer Contribution	290.00	175.42	114.58
3	Grants	585.33	25.48	559.85
4	**Balance Capitalization**	**224.15**	**421.80**	**(197.65)**
5	Debt @ 70%	156.91	295.26	(138.35)
6	Equity @ 30%	67.25	126.54	(59.29)

(d) Aggregate Revenue Requirement of FY 2024-25:

Aggregate Revenue Requirement for FY 2024-25 for MGVCL in comparison with values approved by the Hon'ble Commission is as under.

Rs. in Crores

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Cost of Power Purchase	8,733.36	8,158.57	574.79
2	Operation & Maintenance Expenses	834.47	983.49	(149.01)
2.1	*Employee Cost*	*720.62*	*711.25*	*9.37*
2.2	*Repair & Maintenance*	*75.58*	*115.80*	*(40.22)*
2.3	*Administration & General Charges*	*110.43*	*140.77*	*(30.34)*
2.4	*Other Debits*	-	-	-
2.5	*Extraordinary Items*	-	-	-
2.6	*Net Prior Period Expenses / (Income)*	-	-	-
2.4	*RDSS Metering Opex*	-	*56.91*	*(56.91)*
2.5	*Other Expenses Capitalised*	*(72.15)*	*(41.24)*	*(30.91)*
3	Depreciation	326.02	326.97	(0.95)

4	Interest & Finance Charges	84.14	90.45	(6.31)
5	Interest on Working Capital	-	-	-
6	Provision for Bad Debts	0.002	0.04	(0.04)
7	**Sub-Total [1 to 6]**	**9,977.98**	**9,559.52**	**418.49**
8	Return on Equity	184.41	188.56	(4.15)
9	Provision for Tax / Tax Paid	7.65	126.48	(118.83)
10	**Total Expenditure (7 to 9)**	**10,170.04**	**9,874.56**	**295.50**
11	Less: Non-Tariff Income	205.56	256.78	(51.22)
12	Add: DSM Expenses	-		
13	**Aggregate Revenue Requirement (10 - 11)**	**9,964.49**	**9,617.79**	**346.71**

(e) Net Gain/ (Loss): Net Gain/Loss to MGVCL on account of controllable factors and uncontrollable factors is given here under.

Net Gain/ (Loss) for FY 2024-25

Rs. in Crores

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Cost of Power Purchase	8,733.36	8,158.57	(1.22)	576.01
2	Operation & Maintenance Expenses	834.48	983.49	11.33	(160.34)
2.1	*Employee Cost*	*720.62*	*711.25*	*81.89*	*(72.52)*
2.2	*Repair & Maintenance*	*75.58*	*115.80*	*(40.22)*	-
2.3	*Administration & General Charges*	*110.43*	*140.77*	*(30.34)*	-
2.4	*RDSS Metering Opex*	-	*56.91*	-	*(56.91)*
2.5	*Other Expenses Capitalised*	*(72.15)*	*(41.24)*	-	*(30.91)*
3	Depreciation	326.02	326.97	-	(0.95)
4	Interest & Finance Charges	84.14	90.45	-	(6.31)
5	Interest on Working Capital	-	-	-	-
6	Provision for Bad Debts	0.00	0.04	(0.04)	-
7	Return on Equity	184.41	188.56	-	(4.15)
8	Provision for Tax / Tax Paid	7.65	126.48	-	(118.83)
9	**ARR (1 to 8)**	**10,170.04**	**9,874.56**	**10.08**	**285.42**
10	Non - Tariff Income	205.56	256.78	-	(51.22)
11	**Total ARR (9-10)**	**9,964.49**	**9,617.79**	**10.08**	**336.64**

(f) Revenue for FY 2024-25: Actual Revenue of MGVCL vis-à-vis approved for FY 2024-25.

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Revenue from Sale of Power	6,500.88	9,626.46
2	Revenue from FPPAS	3,809.44	
3	Other Income (Consumer related)	97.96	221.77
4	**Total Revenue excluding subsidy (1 + 2 + 3)**	**10,408.28**	**9,848.23**
5	Agriculture Subsidy	72.22	66.61
6	**Total Revenue including subsidy (4 + 5)**	**10,480.51**	**9,914.84**

(g) Revenue Gap for FY 2024-25:

This revised Aggregate Revenue Requirement is compared against the actual income under various heads including Revenue from Existing Tariff of Rs. 9,626.46 Crores, Other Consumer related Income of Rs. 221.77 Crores, Agriculture Subsidies of Rs. 66.61 Crores and GUVNL profit allocation of Rs. 17.61 Crores, summing up to a total revenue of Rs. 9,932.45 Crores. Accordingly, total Revenue Gap of MGVCL for FY 2024-25 after treatment of gain/(loss) due to controllable / uncontrollable factors is computed at Rs. 207.45 Crores as shown in the table below:

REVENUE GAP/ (SURPLUS) FOR FY 2024-25

Rs. in Crores

Sr. No.	Particulars	FY 2024-25 (Approved)
1	Aggregate Revenue Requirement originally approved for FY 2024-25	9,964.49
2	Less: (Gap) / Surplus of FY 2022-23	(515.41)
3	Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer	336.64
4	Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss)	3.36
5	**Revised ARR for FY 2024-25 (1 - 2 - 3 - 4)**	**10,139.90**
6	Revenue from Sale of Power	9,626.46
7	Other Income (Consumer related)	221.77
8	**Total Revenue excluding Subsidy (6 + 7)**	**9,848.23**
9	Agriculture Subsidy	66.61
10	GUVNL Profit / (Loss) Allocation	17.61
11	**Total Revenue including Subsidy (8 + 9 + 10)**	**9,932.45**
12	**Revised (Gap)/ Surplus after treating gains/(losses) due to Controllable/ Uncontrollable factors (11 - 5)**	**(207.45)**

3. Tariff for FY 2026 -27:

Estimated Revenue at existing Tariff for FY 2026-27 and estimated revenue gap at Existing tariff for FY 2026-27

Total Revenue for FY 2026-27 at existing Tariff:

Sr. No.	Particulars	FY 2026-27
		Projected
1	Revenue with Existing Tariff	6,942.21
2	Revenue from FPPAS (Rs. Crore)	3,710.72
3	Other Income (Consumer related)	154.85
4	Agriculture Subsidy	70.89
5	**Total Revenue including subsidy (1 to 4)**	**10,878.66**

Estimated Revenue Gap/Surplus for FY 2026-27 at Existing Tariff

Sr. No.	Particulars	FY 2026-27
		Projected
1	Revised Aggregate Revenue Requirement	10,257.24
2	Less: Revenue (Gap)/ Surplus from True up	(207.45)
3	**Total Revised Aggregate Revenue Requirement**	**10,464.69**
4	Revenue with Existing Tariff	6,942.21
5	Revenue from FPPAS (Rs. Crore)	3,710.72
6	Other Income (Consumer related)	154.85
7	Agriculture Subsidy	70.89
8	**Total Revenue including subsidy (4 to 7)**	**10,878.66**
9	**Revenue (Gap) / Surplus (8 - 3)**	**413.97**

Tariff Proposal

1. Industries and Mines Department, Government of Gujarat has notified Draft Homestay Policy 2025 Gujarat Tourism. As per the “Scheme for Assistance to Homestay 2025” under the proposed “Draft Homestay Policy 2025”, Home Stay units are categorised as (i) Home Stay Units, (ii) Heritage Home Stay Units and (iii) Farm Stay Units which will be provided to tourist on payment for boarding and lodging services.

2. In terms of the provisions of Homestay Registration Guideline 2025 under the Draft Homestay Policy 2025, it is provided that Home Stay registered under the guideline will be considered as a property with residential usage.

3. Therewith, all utility bills (such as Property tax, electricity charges etc.,) that are based on building usage shall be considered under residential units accordingly. The unit is eligible to avail all benefits (such as electricity rate) provided by the State or Central Government to residential units as per Residential General-Purpose rates.

4. In light of above, it is proposed to include Homestay Units fulfilling the criteria under the policy and registered with Commissioner of Tourism, Gujarat to be included under the RGP (Rural) and RGP tariff category.