<u>Department of Power</u> <u>Government of Arunachal Pradesh</u>

Additional Submission in the Review Petition Dt 02.02.2024

on

True-up Order issued by the Hon'ble APSERC vide order dated 9TH January, 2024 (Case No. 02 of 2023)

Submitted to

Arunachal Pradesh State Electricity Regulatory Commission

Submitted By,
Department of Power
Government of Arunachal Pradesh,
Itanagar

15 February 2024

Before the Hon'ble Arunachal Pradesh State Electricity Regulatory Commission

Filing No.:
Case No.:
IN THE MATTER OF:
Filing of the Review Petition on the matter of APDoP True-up Order dated 9 th January, 2024 case No. 02 of 2023 for True up of FY 2021-22 and 2022-23, under Section 94 of the Electricity Act, 2003 and Regulation 37 of the APSERC (Conduct of Business) Regulations, 2011 and read with the other relevant guidelines.
AND
IN THE MATTER OF THE APPLICANT
Department of Power, Government of Arunachal Pradesh (herein after called 'APDoP' or 'The Petitioner'), which shall mean for the purpose of this Petition the Licensee, having its office at Vidyut Bhawan, Itanagar, Arunachal Pradesh
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The Petitioner respectfully submits as under:

- 1. The Petitioner, the Department of Power, Government of Arunachal Pradesh (herein after called APDoP), is a Government Department under the Ministry of Power, Government of Arunachal Pradesh, and is the sole Electricity Distribution Utility for the entire State of Arunachal Pradesh.
- 2. The petitioner, being a Government Department, is a Deemed Distribution Licensee as per Section 14, proviso 3 of the Electricity Act 2003.
- 3. APDOP filed its True-up Petition for approval of Truing-up of FY 2017-18 to FY 2022-23 on 13th November 2023 under Sections 61, 62 and 64 of the Electricity Act, 2003 read with Multi-Year Tariff Regulation 2018 notified by Arunachal Pradesh State Electricity Regulatory Commission (hereinafter called "Hon'ble Commission") and the other governing Regulations thereof.
- 4. The Hon'ble Commission admitted the Petition as Case No. 02 of 2023 after preliminary verification of the petition.
- 5. The Hon'ble Commission issued True-up Order in the Case No. 02 of 2023 on 9th January, 2024.
- 6. APDOP submitted a Review Petition on 02.02.2024 against the Order of Truing-up of FY 2021-22 & FY 2022-23 issued by the Hon'ble APSERC vide order dated 9th January, 2024 in Case No. 02 of 2023 in accordance with Regulation 37 of the BERC (Conduct of Business) Regulations, 2011.
- 7. The Hon'ble Commission conducted hearing on the Review Petition on 14.02.2024.
- 8. APDoP is hereby making additional submissions which was inadvertently not included in the Review Petition & was identified subsequent to the filing of the Review Petition.
- 9. APDoP requests the Hon'ble Commission to take the instant submission on record as part of the Review Petition
- 10. It is submitted that in case the order of the Hon'ble Commission in the above-mentioned Review Petition is in favour of APDOP, the Hon'ble Commission may kindly provide the impact of the desired relief on all the issues raised by APDOP in the petition along with the instant submission in subsequent Tariff Order(s).

- 11. It is further submitted that in the instant petition, APDOP has considered the specific ground on which the review is being sought against each aspect of the Order dated 9th January, 2024 case No. 02 of 2023 in subsequent paragraphs:
- 12. APDOP respectfully seeks an opportunity to present their case prior to the approval of the same. APDOP believes that such an approach would go a long way towards providing a fair treatment to all the stakeholders and may eliminate the need for a further review or clarification.
- 13. APDOP may also be permitted to propose suitable changes to the petition on further analysis, prior to the final approval by the Hon'ble Commission.

Review Petition on True-up Order issued by the Hon'ble APSERC vide order dated 9th January, 2024, Case No. 02 of 2023

- 14. In view of the above, APDOP respectfully prays that the Hon'ble Commission may be pleased to consider and approve the following:
 - a. Take the instant submission on record as part of the Review Petition Dt 02.02.2024;
 - b. Review the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;
 - c. Permit to propose suitable changes to the Review Petition, prior to the final approval by the Hon'ble Commission;
 - d. Condone any inadvertent omission/errors/short comings and permit the petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;
 - e. Pass desired impact of issues raised by APDOP in review in ensuing Tariff Orders in case the review are ruled in favour of APDOP;
 - f. Pass such Order as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.

Department of Power, Government of Arunachal Pradesh (APDOP) Itanagar, Arunachal Pradesh

Dated: 15 February, 2024.

Chief Engineer
Commercial cum CEI
Department of Power,
Government of Arunachal Pradesh

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(1) Submissions under Review

1.1 ACS-ARR Gap of FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22 & FY 2022-23

i. It is submitted that APDoP submitted the following in respect of the ACS-ARR Gap in the Review Petition Dt 02.02.2024:

"As per the True-up Order, the Total Gap amount proposed by the Department of Power was ₹ 483.36 Cr for FY 2021-22 and ₹ 506.05 Cr for the FY 2022-23 and approved by the Hon'ble Commission for ₹ 463.53 Cr for FY 2021-22 and ₹ 484.81 Cr for FY 2022-23. This gap amount was funded by the Government of Arunachal Pradesh and was used for the Power Purchase, O&M Expenses, Interstate and Intrastate Transmission charges, etc. Hence this gap amount funded by the Government of Arunachal Pradesh may be considered as revenue and included in the ARR."

- ii. In this regard it is submitted that Gap in the ARR & Revenue from tariff of the Respective years were funded by the Government of Arunachal Pradesh in form of Revenue grant & not Capital Grant. Hence, the same may be considered as Revenue of the APDoP for the respective years.
- iii. It is further submitted that the Hon'ble Commission in the order Dt. 9th January, 2024 in the Case No. 02 of 2023 had approved Tariff Order for the FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22 & FY 2022-23. In the above True-up Orders Hon'ble Commission has approved the gap for the all the financial years i.e FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22 & FY 2022-23.
- iv. However, APDoP in the Review Petition Dt 02.02.2024 inadvertently submitted for review of the gap of FY 2021-22 & FY 2022-23 only instead of all the years i.e. FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22 & FY 2022-23. It is submitted that the facts & figures as submitted for FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21 are identical to that of FY 2021-22 & FY 2022-

- 23. Further, the issues of Review along with & grounds for the FY 2021-22 & FY 2022-23 as prayed in the Review Petition are also applicable for the FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21.
- v. In view of the above, it is prayed that the Hon'ble Commission may Review the issue of considering Revenue Grant & corresponding impact on ACS-ARR gap for the FY 2017-18, FY 2018-19, FY 2019-20 & FY 2020-21 along with FY 2021-22 & FY 2022-23.

Accordingly, APDOP respectfully prays to the Commission to consider and review its Order dated 9th January, 2024 in respect of the computation of ACS-ARR Gap.

(2) Prayers

APDOP respectfully prays that the Hon'ble Commission may be pleased to consider and approve the following:

- a. Take the instant submission on record as part of the Review Petition Dt 02.02.2024;
- b. Review the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;
- c. Pass suitable Orders with respect to the Review Petition;
- d. Permit to propose suitable changes to the Review Petition, prior to the final approval by the Hon'ble Commission.
- e. Condone any inadvertent omission/errors/short comings and permit the petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;
- f. Pass desired impact of issues raised by APDOP in appeals & review along with carrying cost in ensuing Tariff Order in case the appeals & review are ruled in favour of APDOP;
- g. Pass such Order as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.