

## CHAPTER-5

### AGGREGATE REVENUE REQUIREMENT FOR FY-25:

The Hon'ble Commission has approved the estimation of ARR vide Order Dtd: 28.02.2024. HESCOM has revised the estimations, only in order to facilitate to make further projections for FY-25 required for filing as stated below:

#### ENERGY DETAILS

Particulars	FY-25
	Revised projections
Energy Purchased at Generation Point (Mus)	16,666.05
Energy at Transmission Level (Mus)	16,666.05
Transmission Loss (%)	2.664%
Energy at Interface Point (Mus)(without HRECS & AEQUS)	15,667.78
HRECS & AEQUS Consumption	554.29
Sub-Total:	<b>16,222.07</b>
Energy Sales (Mus)(without HRECS & AEQUS)	13,680.58
HRECS & AEQUS Consumption	554.29
Sub-Total:	<b>14,234.86</b>
Distribution Loss (%)	12.50%

#### Capital Expenditure of HESCOM for the year 2024-25 (Up to Sept-24)

In Tariff Order 2024 issued on 28-02-2024, Hon'ble Commission has approved Capital Budget of Rs.1095.31 crores excluding works of Creation of infrastructure to IP Sets. Later approval was accorded vide letter: KERC/15/DDP/F-1326/2024-25/154 Dt:17-05-2024 for Rs. 200 crores to Creation of infrastructure to IP Sets by re-appropriation from approved Capital budget of other works. Accordingly Capital Budget of Rs. 1095 crores is approved in HESCOM BOD which comprises of Rs. 610.63 crores of spillover works and Rs.484.69 crores of fresh works.

The details of Capital Budget approved and expenditure up to Sept-24 is as below:

Sl. No.	Scheme	KERC approved in Tariff order 2024	Revised approval by KERC for 2024-25	Exp up to Sept-2024
1	<b>Mandatory works, Social obligation and other works</b>			
	<b>Gangakalyan total</b>	95.00	95.00	35.31
	<b>GOK Sponsored Works</b>			
2	Rural Electrification under SCSP	34.00	34.00	3.30
3	Rural Electrification under TSP	14.59	14.59	1.29
4	Creating infrastructure to UAIP Sets (Before and after 2014 GOK circular)		200.00	51.19
	<b>Sub - total</b>	<b>48.59</b>	<b>248.59</b>	<b>55.78</b>
5	<b>Expansion of network and system improvement works.</b>			
a	Additional DTCs	80.00	10.00	2.40
b	Enhancement of Distribution Transformers	8.75	8.75	1.64
c	Shifting of existing transformer to load centre	1.97	1.97	



<b>d</b>	LT line conversion of 1Ph 2 wire or 1Ph 3 wire to 3ph 5 wire	7.85	7.85	0.55
<b>e</b>	Other E & I works	2.72	2.72	1.26
<b>6</b>	Construction of new 11 KV lines for 33 KV / 110 KV sub-stations	350.00	325.00	34.38
<b>7</b>	11 KV Re-conductoring.	80.00	40.00	2.38
<b>8</b>	LT Re-conductoring.	65.00	35.00	4.20
	<b>Sub - total</b>	<b>596.29</b>	<b>431.30</b>	<b>46.82</b>
	<b>33 KV System</b>			
<b>9</b>	Construction of new 33 KV stations	9.00	9.00	0.05
<b>10</b>	Construction of new 33 KV lines.	6.00	6.00	1.13
<b>11</b>	Augmentation of 33 KV stations.	9.00	9.00	0.09
<b>12</b>	Replacement of 33 KV lines Rabbit conductor by Coyote conductor.	4.00	4.00	
<b>13</b>	Replacement of old and failed equipments and other works of existing 33 KV stations and lines.	8.94	8.94	5.68
	<b>Sub - total</b>	<b>36.94</b>	<b>36.95</b>	<b>6.95</b>
	<b>UG Cable</b>			
<b>14</b>	Replacement of 11 KV OH feeders by UG Cables	20.00	5.00	0.00
<b>15</b>	Commissioning of 3 Ph 4 wire HT Metering Cubicle with meter, CTs, PTs	5.00	5.00	0.88
	<b>Sub-total</b>	<b>25.00</b>	<b>10.00</b>	<b>0.88</b>
	<b>Reduction of T &amp; D and ATC loss</b>			
<b>16</b>	Providing meters to un-metered BJ/KJ installations.	4.00	4.00	0.03
<b>17</b>	Replacement of electromechanical/high precision meters by static meters.	35.00	35.00	8.48
<b>18</b>	DTC's metering ( Other than APDRP)	12.00	12.00	0.44
	<b>Sub - total</b>	<b>51.00</b>	<b>51.00</b>	<b>8.95</b>
	<b>General (In House)</b>			
<b>19</b>	Service connections	39.15	39.15	2.69
<b>20</b>	T&P materials.	5.00	5.00	0.22
	<b>Sub - total</b>	<b>44.15</b>	<b>44.15</b>	<b>2.91</b>
	<b>New initiatives works</b>			
<b>21</b>	IT initiatives, automation and call centre	20.00	20.00	1.25
<b>22</b>	IPDS IT initiatve Phase II	20.00	20.00	0.00
<b>23</b>	Establishing ALDC & SCADA.	2.00	2.00	0.00
<b>24</b>	DSM Projects	1.00	1.00	0.00
	<b>Sub - total</b>	<b>43.00</b>	<b>43.00</b>	<b>1.25</b>
	<b>Immediate Execution (Planned/Unplanned)</b>			
<b>25</b>	Replacement of failed distribution transformers.	10.00	10.00	126.89
<b>26</b>	Replacement of Power Transformers.	10.00	10.00	0.53
<b>27</b>	Preventive measures to reduce the accidents. (Providing intermediate poles, Restranging of sagging lines, providing guy & struds, providing guarding, DTC earthing )	85.34	75.34	11.92
<b>28</b>	Civil Engineering works like Construction of new office buildings/ Sub station civil works, Modernisation/Repairs to existing buildings, regular maintenance to immovable properties	50.00	40.00	12.65
	Others			7.88
	<b>Sub - total</b>	<b>155.34</b>	<b>135.35</b>	<b>159.87</b>
	<b>Total</b>	<b>1095.31</b>	<b>1095.33</b>	<b>318.72</b>



The Power Purchase Cost for FY-25 up to Sept-24 are furnished as below-

Power Purchase -Consumption and Amount for 2024-25 Up to Sep-24 (Provisional)				
Sl. No.	Name of the IPPs	Grand Total 2024-25		Rate Per Unit
		Consumption in MU	Amount In Crores	
1	KPCL Hydel	1,571.72	184.11	1.17
2	TBHE	0.33	0.00	0.00
3	KPCL Solar	0.74	0.45	6.00
4	KPCL Thermal	808.58	502.30	6.21
5	KPCL as per G.O. dtd: 30-03-2024	0.00	0.00	0.00
6	RPCL	295.86	224.04	7.57
<b>KPCL Total (1+3+4+5+6)</b>		<b>2,676.90</b>	<b>910.90</b>	<b>3.40</b>
1	NLC	384.34	180.65	4.70
2	NTPC	1,373.28	798.08	5.81
3	NTPC VVNL (Coal)	37.22	21.23	5.70
4	NTPC NSM	0.00	4.05	0.00
5	NTECL Vallur	72.99	44.78	6.14
6	NPCIL MAPS	10.82	2.88	2.66
7	NPCIL Kaiga	196.09	74.38	3.79
8	Damodar Valley Corporation	275.42	132.01	4.79
9	NPCIL Kudankulam	253.66	114.87	4.53
10	Priyadrashini Jurala Hydro Electric Project	13.62	4.40	3.23
11	PGCIL Transmission Charges	0.00	133.15	0.00
12	South Western Railways (UI)	2.04	0.00	0.00
13	UI Charges	38.83	5.72	1.47
<b>CGS Total (5 to 10)</b>		<b>2,658.32</b>	<b>1,516.19</b>	<b>5.70</b>
1	Wind Mill (A)	1,352.19	566.35	4.19
2	Mini Hydel	19.49	6.30	3.23
3	Co-Generation (Long Term PPA)	39.16	24.32	6.21
4	Solar Above 3 MW	865.92	391.10	4.52
5	Solar Farmer Scheme (1 to 3 MW)	44.19	34.98	7.92
<b>NCE Total (1+2+3+4+5)</b>		<b>2,320.95</b>	<b>1,023.04</b>	<b>4.41</b>
6	Section-11 Export	98.01	57.08	5.82
7	Section-11 Import @ 115%	0.00	0.00	0.00
8	Major IPPs (UPCL)	313.45	249.49	7.96
9	KPTCL Transmission Charges	0.00	640.33	0.00
10	T-GNA Transmission Charges	0.00	13.45	0.00
11	Sales ( Through IEX, PXIL & PTC, GTAM India )	-895.24	-441.84	4.94
12	Purchase ( Through IEX, PXIL & PTC, GTAM India )	294.20	256.63	8.72
13	Banking / Swapping Of Power Arrangement	126.28	0.00	0.00
<b>GRAND TOTAL</b>		<b>7,593.20</b>	<b>4,225.26</b>	<b>5.56</b>



  
**CONTROLLER (A & R),  
HESCOM, Hubballi.**

**RPO for the financial for the month Apr-24 to September-24 (Provisional)**

No.	Particulars	Quantum in MU
1	Total Power Purchase Quantum	7,871.48
2	Renewable Energy Purchased under PPA route at Generic Tariff including RE purchased from KPCL	2,271.16
3	Short-Term purchase from RE sources under sec-11	
4	RE purchase under APPC	
5	RE purchase pertaining to green energy sold to consumers under green tariff	
6	RE purchased from other ESCOMs and GTAM	-
7	RE sold to other ESCOMs and GTAM	55.43
8	Solar Energy purchased from NTPC as bundled power	137.30
9	RE purchased from any other source (Banked energy & Infirm enrgy)	
10	<b>Total RE Energy Purchased</b> [No 2+ No3+No6+No8+No9]	2,408.45
11	<b>RE accounted for the purpose of RPO</b> [No 10-No4-No5-No6-No7]	2,353.02
12	<b>RPO complied in % [No 11/No 1]*100</b>	29.89

**Details of Town Energy Audit for FY 25 upto Sept 2024.**

Name of the Town	Input to the Town in MUs	Total Energy Sold in MUs	Energy Un-accounted in MUs	% Distribution loss
BAGALKOTE	52.85	48.12	4.73	8.96
BELAGAVI	259.46	244.85	14.61	5.63
DANELI	14.35	13.66	0.69	4.84
DHARAWD(U)	126.36	118.43	7.94	6.28
GADAG	43.78	40.42	3.36	7.67
GOKAK	25.28	23.02	2.25	8.92
HAVERI	22.41	20.41	2	8.91
HUBLI	278.33	262.2	16.13	5.8
JALAKAL	28.33	26.12	2.2	7.77
JAMAKHANDI	19.95	18.03	1.92	9.62
KARWAR	28.87	27.66	1.21	4.2
NIPPMANI	18.8	16.68	2.12	11.28
RABAKAVI+ BANAHATTI	15.99	14.65	1.34	8.38
RANE BENNUR	28.54	25.43	3.11	10.9
SIRSI	22.33	20.37	1.96	8.79
VIJAYPUR	149.41	135.2	14.21	9.51

**ANNUAL REVENUE REQUIREMENT-FY-25**

Rs. In Crs

Ref. Form	Particulars	(As approved in Tariff Order 2024)	Revised Projection
D-1	Energy Purchased at Generation Point (Mus)	15,874.00	16,666.05
	Energy at Transmission Level (Mus)	15874.00	16,666.05
	Transmission Loss (%)	2.664%	2.664%
	Energy at Interface Point (Mus)(without HRECS & AEQUS)	14,940.04	15,667.78
	HRECS & AEQUS Consumption	511.07	554.29
	Sub-Total:	15,451.11	16,222.07
	Energy Sales (Mus)(without HRECS & AEQUS)	13,109.89	13,680.58
D-1	HRECS & AEQUS Consumption	511.07	554.29
D-2	Sub-Total:	13,620.96	14,234.86
	Distribution Loss (%)	12.25%	12.25%
<b>INCOME:</b>			
D-2	Revenue from Tariff	11388.68	11484.29
D-2	Bulk power supply to Hukkeri Rural Electric Co-Operative Society- HRECS	297.54	329.96
	<b>TOTAL INCOME</b>	<b>11686.22</b>	<b>11814.25</b>
<b>EXPENDITURE:</b>			
D-1	Purchase of Power	7041.49	7496.61
	Tr. Charges (PGCIL & POSOCO)	708.96	708.96
	Tr. Charges (KPTCL & SLDC) Charges	1288.92	1288.92
	<b>Total Power Purchase Cost</b>	<b>9039.37</b>	<b>9494.49</b>
D-5	Repairs & maintenance		208.93
D-6	Employee Costs	1686.99	1500.45
D-7	Administrative & General expenses		217.34
	<b>Total O&amp;M expenses</b>	<b>1686.99</b>	<b>1926.72</b>
D-8	<b>Depreciation &amp; related debits</b>	<b>393.26</b>	<b>581.96</b>
D-9	<b>Interest &amp; Finance charges</b>		
	Interest on loan capital	306.05	342.01
	Interest on working capital	244.76	259.25
	Interest on consumer deposit	87.57	85.06
	Other interest and finance charges	40.00	60.00
	Interest on belated payments of IPPs	-	-
D-10	LESS: Int. & Fin. charges capitalized	40.00	40.00
	<b>Total Interest and Finance Charges</b>	<b>638.38</b>	<b>706.32</b>
D-11	Other debits (incl. Bad debts)	-	10.94
D-12	Extraordinary Items (Exceptional Items)	-	-
D-13	Net prior period (credits) / charges	-	-
	Provision for Taxes	-	-
	Funds towards consumer Relations	0.50	0.50
A-4	Return on Equity		
	Pension and Gratuity Trust arrears		
	LESS: Excess RoE		
	LESS: Other Income	321.86	305.52
	<b>ARR</b>	<b>11436.64</b>	<b>12415.41</b>
	Previous years' surplus/deficit carried forward	101.04	
	<b>Net ARR</b>	<b>11335.60</b>	<b>12415.41</b>

**HESCOM is not proposing any modifications, in the approved ARR for FY25 as ordered in the Tariff Order 2024.**

HESCOM has made the projections for FY-25, only in order to facilitate for further projections of MYT period FY-26 to FY-28.

**ATTESTED**

CHAPTER - 5 AGGREGATE REVENUE REQUIREMENT FOR FY-25

**NOTARY**



**CONTROLLER (A & R),  
HESCOM, Hubballi.**