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**Petition for Review of Order of Hon'ble
Commission on Capital Investment Plan for FY
2022-23 to 2026-27**

Submitted By:

**Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited
Block No. 7, Shakti Bhawan, Rampur, P.O. Vidyut Nagar, Jabalpur**



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**BEFORE THE HON'BLE MADHYA PRADESH
ELECTRICITY REGULATORY COMMISSION, BHOPAL**

Petition No. _____ of 2024

Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited
Shakti Bhawan, Vidyut Nagar, Jabalpur (MP) ----- **Petitioner**

IN THE MATTER OF:

Filing of Petition for revised CAPEX Application(Capital Investment Plan) for the period FY 2022-23 to FY 2026-27 for obtaining approval of the Commission for various schemes as per Regulation 10.3 of the MPERC (The Conditions of Distribution License for Distribution Licensees (including Deemed Licensees), Regulations 2004 by MPPoKVVCL, Jabalpur (East Discom) as the Distribution Licensee.

The Petitioners above respectfully submits as under: -

1. Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Ltd. (MPPoKVVCL) is a Company incorporated under the Companies Act, 1956 (now Companies Act 2013) and having its registered office at Block No.7, Shakti Bhawan, Vidyut Nagar, Jabalpur. The Petitioner is a deemed licensee under the Fifth Proviso to Section 14 of the Electricity Act, 2003. The area of supply of the Petitioner comprises Jabalpur, Rewa, Sagar and Shahdol Commissionerary within the State of Madhya Pradesh ('MP').
2. The Petitioner submits that the Hon'ble Commission vide order dated 30.12.2022 in PetitionNo. 70 of 2022 has allowed the Capital Investment Plan of Rs.9,466 Crore for the period FY 2022-23 to FY2025-26 of the Petitioner. The approved plan includes Metering Works, Loss Reduction Works, Modernization Works and Works under Central and State Government Scheme.
3. The Petitioner submits that aPetitionvide letter no. 1675 dated 20.12.2023has been filed by the petitioner underthe Regulation 10.3 of the MPERC (The Conditions of Distribution License for Distribution Licensees (including Deemed Licensees), Regulations 2004 and Guidelines for Capital Expenditure by Licensees in Madhya Pradesh, for seeking approval of the Hon'ble Commission on Revised Capital Expenditure Plan of Rs. 10,006 Crore for the period FY 2022-23 to FY 2026-27.
4. The Petitioner submits that the Petition submitted on dated 20.12.2023 was filed specifically for obtaining the Hon'ble Commission approval for the inclusion of the cost of SSTD works of Rs. 821 Crore to the already approved Capital Investment Plan of Rs 9,466 Crore for the period FY 2022-23 to FY2025-26 of the Petitioner.
5. The Petitioner submits that the Petition submitted on dated 20.12.2023is presently awaiting adjudication before the Hon'ble Commission, with no adjudicatory orders having been issued by the Hon'ble Commission in relation to the aforementioned petition.

6. The Petitioner submits that in accordance with the participatory mandate of the Revamp Distribution Sector Scheme (RDSS), the Petitioner has projected a Capital Expenditure Plan of Rs. 9,185 Crore for FY 2022-23 to FY204-25. This plan of the Petitioner was approved by the Project Evaluation Committee and MCM, underwent revision due to thorough post-approval studies.
7. The Petitioner submits that theseveral factors necessitated a revision of the earlier approved work hence increasing the cost of work. In addition to these modifications, the petitioner has to undertake work related two new agendas under the revised RDSS guidelines.
 - a) Household Items: Inclusion of specific measures related to household items to further improve the efficiency of power distribution.
 - b) Smart Meters: Integration of Feeder smart meters to enhance metering capabilities and ensure better management of power resources.
8. The Petitioner asserts that, in light of the aforementioned circumstances, the approved sanctioned cost of Rs. 9,185 Crore was deemed insufficient for the implementation of RDSS assignments. In response to this challenge, the Petitioner has formulated a revised Detailed Project Report (DPR) and seeks approval of Rs. 10,056 Crore from the Project Evaluation Committee.
9. The Petitioner, is filling the subject Petition under Regulation 10.3 of the MPERC (The Conditions of Distribution License for Distribution Licensees (including Deemed Licensees), Regulations 2004 and Guidelines for Capital Expenditure by Licensees in Madhya Pradesh, seeking approval of the Commission on Revised Capital Expenditure Plan of Rs 10,877 Crore for the period FY 2022-23 to FY2026-27 for improvement in its operational efficiency and financial viability as well as to improve the quality and reliability of power supply to the consumers. The revised plan incorporates an additional allocation of Rs 821 Crore for SSTD work, 59 Cr. of household electrification of PVTG and Rs. 813 Crore for RDSS work, supplementing the previously approved Capital Investment Plan for the same period.
10. The Petitioner respectfully requests the Hon'ble Commission to entertain the substitution of the previously filed petition, dated 20.12.2023, with the instant petition, without imposing any additional fees or charges.
11. While filing the present Petition under the prevailing Regulation/Code, Petitioners endeavored to comply with the various legal and regulatory directions and stipulations applicable, including the directions given by the Hon'ble Commission in the Business Rules of the Commission, the Guidelines, of the Hon'ble Commission.
12. Based on the information available, the Petitioner has made sincere efforts to comply with the Regulations of the Madhya Pradesh Electricity Regulatory Commission and discharge its obligations to the best of its ability and resources at its command.
13. Shri Ajay Dugad, General Manager (Works/RDSS) of MPPoKVVCL, Jabalpur have been authorized to execute and file all the documents on behalf of the respective Petitioner in this regard. Accordingly, the current Petition filing is signed and verified by, and backed by the affidavit of respective authorized signatories.

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1. Revised Capital Investment Plan for FY 2022-23 to 2026-27

1.1 The Petitioner submits that the Hon'ble Commission vide order dated 30.12.2022 in Petition No. 70 of 2022 has allowed the Capital Investment Plan of Rs 9,466 Crore for the period FY 2022-23 to FY 2025-26 of the Petitioner. The approved plan includes Metering Works of Rs. 3,387 Crore, Loss Reduction Works of Rs. 3,470 Crore, Modernization Works of Rs 2,229 Crore and Works under State Government Scheme of Rs. 280 Crore.

Table 1: Hon'ble Commission Approved Capital Investment Plan for the period FY 2022-23 to FY 2025-26 (Rs. Crore)

Sr. No.	Particulars	2022-23	2023-24	2024-25	2025-26	Total
1	Metering Works	641.58	719.38	2,026.37	-	3,387.33
2	Distribution Infrastructure works for loss reduction	1,153.82	1076.47	1,240.53	-	3470.81
3	Distribution Infrastructure works for modernization	-	738.05	678.43	812.55	2,229.03
A	Sub-Total (RDSS)	1,795.40	2,533.90	3,945.32	812.55	9,087.17
1	PMA for smart metering Works					12.70
2	PMA for Loss reduction Work					52.07
3	PMA for Modernization Work					33.44
B	Sub-Total (RDSS including PMA Charges)					9,185.38
C	Government schemes (ST(N), TSP, SCSP)	120	160	-	-	280.36
D	GRAND TOTAL	1,915.40	2,693.90	3,945.32	812.55	9,466

1.2 It is submitted that while filing the Petition No. 70 of 2022 for the approval of Capital Investment Plan FY 2022-23 to FY 2025-2026 before the Hon'ble Commission, the Petitioner has sought approval based on the Approved Sanctioned Cost to execute works assigned under RDSS. Notably, the Petitioner also did not put forth a financial expenditure proposal for the implementation of SSTD works.

1.3 The Petitioner, as a distribution licensee, is under a legal obligation according to Section 42 (1) to ensure the delivery of dependable and high-quality electrical power to consumers within its distribution region. Given the extensive operational area of the Petitioner's supply network, the complexities associated with electricity distribution are exacerbated by aged and extensive power grids, especially in rural and remote regions, making it challenging to deliver efficient and dependable services.

"Section 42. (Duties of distribution licensee and open access): --- (1) It shall be the duty of a distribution licensee to develop and maintain an efficient, coordinated and economical distribution system in his area of supply and to supply electricity in accordance with the provisions contained in this Act."

1.4 It is submitted that the Petitioner has made efforts to address the numerous obstacles it encountered in providing efficient and reliable power by participating in the Revamped Distribution Sector Scheme (RDSS) announced by the Government of India (GoI).

- 1.5 It is submitted that that in accordance with the participatory mandate of the Revamp Distribution Sector Scheme (RDSS), the Petitioner has projected a Capital Expenditure Plan of Rs. 9,185 Crore for FY 2022-23 to FY2024-25. This plan of the Petitioner was approved by the Project Evaluation Committee and MCM, underwent revision due to thorough post-approval studies.
- 1.6 It is submitted that the several factors necessitated a revision of the earlier approved work hence increasing the cost of work. In addition to these modifications, the petitioner has to undertake work related two new agendas under the revised RDSS guidelines.
- a) Household Items: Inclusion of specific measures related to household items to further improve the efficiency of power distribution.
 - b) Smart Meters: Integration of Feeder smart meters to enhance metering capabilities and ensure better management of power resources.
- 1.7 The Petitioner asserts that, in light of the aforementioned circumstances, the approved sanctioned cost of Rs. 9,185 Crore was deemed insufficient for the implementation of RDSS assignments. In response to this challenge, the Petitioner has formulated a revised Detailed Project Report (DPR) and seeks approval of Rs. 10,056 Crore from the Project Evaluation Committee.
- 1.8 It is further submitted that owing to the extensive operational areas, the projects authorized under the RDSS need supplementary support from other schemes to expedite the resolution of issues faced by the Petitioner in a timelier manner.
- 1.9 It is submitted that within the framework of the State Government's SSTD Scheme, the Petitioner is receiving financial assistance for the purpose of augmenting its distribution capacity and ensuring the delivery of high-quality electrical power to consumers residing in remote areas served by the company. The Petitioner hereby further submit that the proposed allocation of funds will primarily be directed towards the establishment of new infrastructure to replace retired systems and to upgrade older systems nearing the conclusion of their operational life.
- 1.10 The Petitioner, is filing the subject Petition under Regulation 10.3 of the MPERC (The Conditions of Distribution License for Distribution Licensees (including Deemed Licensees), Regulations 2004 and Guidelines for Capital Expenditure by Licensees in Madhya Pradesh, seeking approval of the Commission on Revised Capital Expenditure Plan of Rs 10,877 Crore for the period FY 2022-23 to FY2026-27 for improvement in its operational efficiency and financial viability as well as to improve the quality and reliability of power supply to the consumers. The revised plan incorporates an additional allocation of Rs 821 Crore for SSTD work, 59 Cr. of household electrification of PVTG and Rs. 813 Crore for RDSS work, supplementing the previously approved Capital Investment Plan for the same period.

Table 2: Revise Capital Investment Plan for the Period between FY 2022-23 - FY 2026-27

Sr. No.	Particulars	2022-23	2023-24	2024-25	2025-26	2026-27	Total
1	Metering Works	641.58	719.38	2,026.37	-	-	3,387
2	Distribution Infrastructure works for loss reduction	1,153.82	1076.47	1,358.53	-	-	3,589
3	Distribution Infrastructure works for modernization	-	738.05	978.43	1206.55	-	2,923
4	Households Electrification including PVTGs	-	-	58.83	-	-	-
A	Sub-Total (RDSS)	1,795	2,534	4,422	1,206	-	9,958
1	PMA for smart metering Works						12.70
2	PMA for Loss reduction Work						52.07
3	PMA for Modernization Work						33.44
B	Sub-Total (RDSS including PMA Charges)						10,056
C	Government schemes (ST(N), TSP, SCSP)	120	380.88	118.22	102.03	100.28	821
E	GRAND TOTAL	1,915	2,915	4,540	1,309	100	10,877

1.11 The Petitioner understand that the Capital Investment Plan for FY 2022-23 to 2026-27 incorporating the impact as stated above has considerable influence over the Capital Expenditure Plan for providing quality, reliable and continuous uninterrupted power supply to the consumers. The proposed Capital Investment plan is imperative to align with the prescribed work trajectory under RDSS and is crucial within the framework of the SSTD Scheme for the replacement of retired systems and the upgrade of aging infrastructure approaching the end of its operational life with modernized systems. Hence, the Hon'ble is requested to consider and approve the revised plan as attached above with this Petition.

1.12 The Petitioner respectfully requests the Hon'ble Commission to entertain the substitution of the previously filed petition, dated 20.12.2023, with the instant petition, without imposing any additional fees or charges.

2. The Revamped Distribution Sector Scheme (RDSS)

2.1 It is submitted that the Government of India has announced the Revamped Distribution Sector Scheme (RDSS) with the primary goal of enhancing the quality and reliability of power supply to consumers. The scheme is designed to achieve financial sustainability and operational efficiency in the distribution sector. The objective includes reducing Aggregate Technical and Commercial (AT&C) losses nationwide to the range of 12-15% and eliminating the Aggregate Cost of Supply to Average Revenue Realized (ACS-ARR) gap by the year 2024-25.

2.2 It is submitted that under the RDSS Scheme, the Central Government is providing 60% of the approved cost as a grant, while the State Government is expected to contribute the remaining assistance.

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2.3 Concerning the Revamp Distribution Sector Scheme, the Petitioner has put forth projects amounting to Rs. 10,056 Crore for the FY 2022-23 to 2024-25, seeking funding through both the GoI Grant and State Government budgetary allocations. The proposed works include: -

- Metering Works.
- Distribution Infrastructure works for loss reduction(Inclusive of cost of IT-OT works)
- Distribution Infrastructure works for modernization.
- Electrification of Un-electrified Households

2.4 The substantial factors that leading to modification in the sanctioned cost within the context of the RDSS are.

a) **Distribution Infrastructure works for loss reduction (Inclusive of cost of IT-OT works)**

It is submitted that the petitioner after obtaining initial DPR approval for Loss Reduction Works, conducted a pole-to-pole GIS survey for validating project requirements, leading to adjustments in some projects to better match the loss reduction needs. The Survey findings also prompted equipment specification modifications, resulting in price variations. This survey prompted adjustments in projects to align with loss reduction needs and modifications to equipment specifications, resulting in price variations. The survey revealed changes in actual quantities. Higher specification materials, such as H-Beam poles and larger-sized conductors, were found necessary in certain areas due to future load growth and topology considerations.

It is further submitted by the petitioner that the Schedule of Rates (SOR), which were taken into account during the DPR preparation phase, has experienced an escalation upon reaching the award stage. Furthermore, throughout this period, alterations in the load profile have also occurred, giving rise to overloading concerns in the existing transformers and conductor/cable systems.

b) **Distribution Infrastructure Works for Modernization.**

It is submitted that the initial Detailed Project Report (DPR) was formulated for modernization work under RDSS, receiving approval in the MCM. However, a revised guideline for Modernization was subsequently received from the Power Finance Corporation (PFC). In adherence to the updated guideline, the Petitioner framed a revised DPR, incorporating significant changes attributed to load growth and the increment in Schedule of Rates (SOR) over the past two years. Further a comprehensive GIS Survey was conducted by the Petitioner to accurately align project requirements with the DPR. Adjustments were made to certain projects to better conform to the stipulated guideline.

c) **IT/OT Works**

It is submitted that subsequent to the attainment of preliminary approval for the DPR, the Petitioner carried out a comprehensive review process in collaboration with MPPMCL and the Energy Department, Government of Madhya Pradesh which involved conducting an in-depth IT/OT Landscape study, seeking expert consultations, and engaging with private distribution companies and IT firms to identify critical system gaps. As a result of

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this thorough assessment, an integrated system architecture was selected, along with various applications to address current and future needs.

d) **Electrification of Un-electrified Households including Particularly Vulnerable Tribal Groups (PVTGs)**

It is submitted that Government of India has issued fresh guideline for consideration of electrifications of unelectrified households under RDSS scheme, which existed before 31.03.2019 (period of execution of SAUBHAGYA Scheme). As per MoM of DRC meeting held on dated 12.01.2024, DPR of Rs. 58.83 Cr. has been prepared. Additionally, all identified beneficiary households of Particularly Vulnerable Tribal Groups (PVTGs) across states under PM-JANMAN (Pradhan Mantri Janjaati Adivasi Nyaya Maha Abhiyan) are eligible for funding under RDSS according to these guidelines. As per the Guideline, the eligibility is limited to households that were un-electrified prior to March 31, 2019. Fully unelectrified habitations with more than 10 households are eligible, while partially electrified habitations can include any number of un-electrified households. Metered connections will be provided to all remaining unelectrified households. The petitioner has duly incorporated the cost of the item associated with implementation in the revised Capital Investment Plan according to these guidelines.

e) **Metering Works.**

It is submitted that in the initial DPR the petitioner has not projected to install Feeder meters and HT consumers' meters. In the pursuit of enhancing measurement accuracy and monitoring of electricity consumption to mitigate losses, the Petitioner has devised plans to deploy 9,540 Feeder meters and 2,500 HT consumers' meters within its supply jurisdiction.

3. The Government schemes (SSTD)

3.1. It is submitted that within the framework of the SSTD Scheme, the State Government is extending 30% equity and 70% loan from financial institution/bank against Govt. Security to the Petitioner with the primary objective of enhancing their power distribution reliability and ensuring the delivery of high-quality electricity to consumers residing in remote areas served by the Petitioner.

3.2. Concerning the government scheme under the SSTD, the Petitioner has submitted projects totaling Rs. 821 Crore for funding through the state government's budgetary allocations. The proposed works include: -

- Evacuation of power from new EHV S/s that are not covered in RDSS.
- New 33KV, 11KV lines and DTRs are proposed to replace the old, depreciated asset (25 years old) which will be written off.
- Up gradation of existing 33/11 KV S/s that are not covered under RDSS.
- Replacement of damaged 33&11 KV underground crossing are proposed.
- Sanction Rs. 380.88 CR for FY 23-24 has been received from GoMP vide letter no. 9525 dated 21.09.2023.

The detailed description of works to be carries out is provided below:

Table 3: Capital Investment Plan for the FY 2023-24

Sr. No.	Particulars	Unit	Proposed Quantity	Total Cost (Rs. In Crore)
1	2	3	4	5
1	Upgradation of Substation	No.	130	31.97
2	33 KV Line on PCC Pole with DP	KM	241.2	15.47
3	33 KV Line on H-Beam with DP	KM	160.8	37.63
4	33 KV Underground Crossing	No.	81	12.04
5	11 KV Line with DP on PCC Pole	KM	1228.2	61.85
6	11 KV Line with DP on H-Beam	KM	818.8	82.43
7	11 KV Line on 3X 95 Sq mm AB Cable	KM	152	47.61
8	11 KV Underground Crossing	No.	247	37.28
9	DTR (25 KVA)	No.	1544	28.79
10	DTR (63 KVA)	No.	323	8.28
11	DTR (100KVA)	No.	405	11.77
12	DTR (200KVA)	No.	113	5.76
Total Cost				380.88

Table 4: Capital Investment Plan for the FY 2024-25

Sr. No.	Particulars	Unit	Proposed Quantity	Total Cost (Rs. In Crore)
1	Upgradation of Substation	No.	75	25.88
2	33 KV Line on PCC Pole with DP	KM	60.0	3.85
3	33 KV Line on H-Beam with DP	KM	65.0	11.17
4	33 KV Underground Crossing	No.	42	6.24
5	11 KV Line with DP on PCC Pole	KM	400.0	13.63
6	11 KV Line with DP on H-Beam	KM	300.0	26.54
7	11 KV Line on 3X 95 Sq mm AB Cable	KM	25	7.83
8	11 KV Underground Crossing	No.	52	5.74
9	DTR (25 KVA)	No.	500	9.32
10	DTR (63 KVA)	No.	100	2.56
11	DTR (100KVA)	No.	100	2.91
12	DTR (200KVA)	No.	50	2.55
Total Cost				118

Table 5: Capital Investment Plan for the FY 2025-26

Sr. No.	Particulars	Unit	Proposed Quantity	Total Cost (Rs. In Crore)
1	2	3	4	5
1	Upgradation of Substation	No.	60	19.87
2	33 KV Line on PCC Pole with DP	KM	55	3.53
3	33 KV Line on H-Beam with DP	KM	62	10.65
4	33 KV Underground Crossing	No.	35	5.20
5	11 KV Line with DP on PCC Pole	KM	358	12.20
6	11 KV Line with DP on H-Beam	KM	200	17.69
7	11 KV Line on 3X 95 Sq mm AB Cable	KM	32	10.02
8	11 KV Underground Crossing	No.	50	5.52
9	DTR (25 KVA)	No.	500	9.32
10	DTR (63 KVA)	No.	100	2.56
11	DTR (100KVA)	No.	100	2.91
12	DTR (200KVA)	No.	50	2.55
Total Cost				102

Table 6: Capital Investment Plan for the FY 2026-27

Sr. No.	Particulars	Unit	Proposed Quantity	Total Cost (Rs. In Crore)
1	2	3	4	6
1	Upgradation of Substation	No.	35	17.55
2	33 KV Line on PCC Pole with DP	KM	47	5.53
3	33 KV Line on H-Beam with DP	KM	45	9.83
4	33 KV Underground Crossing	No.	30	6.86
5	11 KV Line with DP on PCC Pole	KM	265	16.39
6	11 KV Line with DP on H-Beam	KM	150	15.27
7	11 KV Line on 3X 95 Sq mm AB Cable	KM	22	7.89
8	11 KV Underground Crossing	No.	25	3.55
9	DTR (25 KVA)	No.	500	9.39
10	DTR (63 KVA)	No.	100	2.56
11	DTR (100KVA)	No.	100	2.91
12	DTR (200KVA)	No.	50	2.55
Total Cost				100

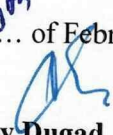
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PRAYER

The Petitioners hereby prays to the Hon'ble Commission to:

- a) Take the accompanying this Petition of the above Petitioners on record and treat it as complete.
- b) Review portions of the order passed in Petition No.70/2022 as set out in the present Petition and consider the issues as raised in the present Petition:
- c) To entertain the request for the substitution of the petition previously filed by the petitioner on 20.12.2023 with the current petition, without the imposition of additional fees.
- d) Consider and approve Petitioner's RevisedPetition seeking approval of the revised capital expenditure plan.
- e) Condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioner to add/ change/ modify/ alter portion(s) of this filing and make further submissions as may be required at a later stage; and
- f) Pass such an order as the Hon'ble Commission deems fit and proper as per the facts and circumstances stated.

Date: 20th of February 2024


Shri Ajay Dugad
General Manager (Works/RDSS)
MP Poorv Kshetra Vidyut Vitaran
Co. Ltd, Jabalpur