



TARIFF ORDER

True-up for the FY 2023-24, Annual Performance Review for FY 2024-25,
Aggregate Revenue Requirement and Determination of Retail Tariff for 4th
MYT Control Period (FY 2025-26 to FY 2029-30)

Petition No. 139/2025

for

Electricity Department, Government of Puducherry (PED)

24 September 2025

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List of Abbreviations

Abbreviation	Full Form
A&G	Administrative & General
ABR	Average Billing Rate
ACoS	Average Cost of Supply
Act	The Electricity Act, 2003
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal for Electricity
BPL	Below Poverty Line
CAGR	Compound Annualized Growth Rate
Capex	Capital Expenditure
CC	Current Consumption
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGRF	Consumer Grievance Redressal Forum
CGS	Central Generating Stations
COD	Commercial Operation Date
Commission/JER	Joint Electricity Regulatory Commission for the State of
C	Goa and Union Territories
Cr	Crore
Discom	Distribution Company
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
DSM	Deviation Settlement Mechanism
DT	Distribution Transformer
EA 2003	The Electricity Act, 2003
PED	Electricity Department, Puducherry
ED	Electricity Department
EHT	Extra High Tension
ERP	Enterprise Resource Planning
FAR	Fixed Asset Register
FPPCA	Fuel and Power Purchase Cost Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
HT	High Tension
IEX	Indian Energy Exchange Limited
Rs.	Indian Rupee
IPDS	Integrated Power Development Scheme
IPP	Independent Power Producer
ISTS	Inter-State Transmission System
KSEB	Kerala State Electricity Board Limited

Abbreviation	Full Form
LT	Low Tension
MOD	Merit Order Despatch
MU	Million Units
MW	Mega Watt
MYT	Multi-Year Tariff
MCLR	Marginal Cost of funds-based Lending Rate
NFA	Net Fixed Assets
NPCIL	Nuclear Power Corporation of India Limited
NTPC	National Thermal Power Corporation
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Ltd.
PSDF	Power System Development Fund
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
R-APDRP	Restructured Accelerated Power Development and Reforms Programme
REC	Renewable Energy Certificate
RLDC	Regional Load Despatch Centre
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RSTPS	Ramagundam Super Thermal Power Station
RRAS	Reserves Regulation Ancillary Services
SECI	Solar Energy Corporation of India
SLDC	State Load Despatch Centre
SOP	Standard of Performance
SRPC	Southern Regional Power Committee
TAPS	Tarapur Atomic Power Station
T&D	Transmission & Distribution
TVS	Technical Validation Session
UI	Unscheduled Interchange
UT	Union Territory

**Before the
Joint Electricity Regulatory Commission
For the State of Goa and Union Territories, Gurugram**

QUORUM

Shri Alok Tandon, Chairperson
Smt. Jyoti Prasad, Member (Law)

Petition No. 139/2025
Date of Order: 24 September 2025

In the matter of

Approval of True-up for FY 2023-24, APR for FY 2024-25, ARR and Determination of Retail Tariff for 4th MYT Control Period FY 2025-26 to FY 2029-30.

And in the matter of

Electricity Department, Government of Puducherry (PED)**Petitioner**

ORDER

- 1) This Order is passed in respect of the Petition filed by the Electricity Department, Government of Puducherry (PED) (herein after referred to as "The Petitioner" or "PED" or "The Licensee") for Approval of True-up for FY 2023-24, Annual Performance Review (APR) for FY 2024-25 Aggregate Revenue Requirement (ARR) and Determination of Retail Tariff for 4th MYT Control Period (from FY 2025-26 to FY 2029-30) before the Joint Electricity Regulatory Commission (herein after referred to as "The Commission" or "JERC").
- 2) In exercise of the powers conferred on it by sub-Section (2) of Section 181 read with Section 36, Section 39, Section 40, Section 41, Section 51, Section 61, Section 62, Section 63, Section 64, Section 65 and Section 86 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in this behalf, the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (except Delhi), after previous publication, issued the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024 on 15th October 2024.
- 3) In terms of Regulation 9 of JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 and Regulation 17 of the aforesaid JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024, the Petitioner has filed a Petition for approval of its, true-up for FY 2023-24, Annual Performance Review for FY 2024-25 and MYT Petition & Tariff Proposal for the Control Period FY 2025-26 to FY 2029-30, with details for each year of the Control Period before the Commission.



- 4) The Commission scrutinized the said Petition and generally found it in order. The Commission admitted the Petition on 7th April 2025. The Commission thereafter requisitioned further information/ clarifications on the data gaps observed to take a prudent view of the said Petition. Further, suggestions/ comments/ views and objections were invited from the Stakeholders and Electricity Consumers.
- 5) The suggestions/ comments/ views and objections were invited from the Stakeholders and Electricity Consumers. The Public Hearing was held on 29th April 2025 at Puducherry, and all the Stakeholders/Electricity Consumers present in the Public Hearing were heard.
- 6) The Commission based on the Petitioner's submission, relevant JERC MYT Regulations, facts of the matter, Rules and provisions of the Electricity Act, 2003 and after proper due diligence and prudence check, has approved the true-up for FY 2023-24, Annual Performance Review (APR) for FY 2024-25, Aggregate Revenue Requirement (ARR) and determination of Retail Tariff for 4th MYT Control Period (from FY 2025-26 to FY 2029-30).
- 7) A summary has been provided as follows.

I. True-Up of FY 2023-24

The following table provides ARR, Revenue and gap as submitted by the Petitioner and approved by the Commission in the True-up of FY 2023-24:

Table 1-1 Standalone Revenue Gap/ (Surplus) approved for FY 2023-24 (in Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	Approved by the Commission
1.	Net Revenue Requirement	2,126.44	2,064.33
2.	Revenue from Retail Sales at existing tariff	2,026.58	2,026.58
3.	Net Gap / (Surplus)	99.86	37.75

II. Annual Performance Review of FY 2024-25

The following table provides ARR, Revenue and Standalone Gap/ (Surplus) at existing tariff as submitted by the Petitioner and approved by the Commission in the APR of the FY 2024-25:

Table 1-2 Standalone Revenue Gap/ (Surplus) without regulatory surcharge approved for the FY 2024-25 (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	Approved by the Commission
1.	Net Revenue Requirement	2,290.02	2,298.21
2.	Revenue from Retail Sales at existing tariff	2,202.75	2,291.14
3.	Net Gap / (Surplus)	87.27	7.07

III. ARR of 4th MYT Control Period (FY 2025-26 to FY 2029-30)

The following table provides ARR, Revenue and Standalone Gap/ (Surplus) at existing tariff as submitted by the Petitioner and



approved by the Commission in the ARR of the 4th MYT Control Period (FY 2025-26 to FY 2029-30):

Table 1-3 Standalone Revenue Gap/ (Surplus) at existing tariff without regulatory surcharge approved for the 4th MYT Control Period (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission for FY					Approved by the Commission for FY				
		25- 26	26- 27	27- 28	28- 29	29- 30	25- 26	26- 27	27- 28	28- 29	29- 30
1.	Net Revenue Requirement	2430.70	2623.02	2823.69	2991.81	3213.97	2,409.74	2,565.90	2,681.39	2,865.40	3,036.40
2.	Revenue from Retail Sales at existing tariff	2364.89	2489.06	2602.32	2719.68	2843.05	2,358.36	2,482.36	2,595.01	2,712.16	2,835.26
3.	Net Gap / (Surplus)	65.81	133.97	221.37	272.13	370.92	51.38	83.55	86.37	153.24	201.14

- a. To meet the increasing revenue gap as observed in the above table over FY 2025-26, FY 2026-27, FY 2027-28, FY 2028-29 and FY 2029-30 the Commission has approved an average annual tariff hike of ~2%.

The following table provides ARR, Revenue and Standalone Gap/ (Surplus) at approved tariff as submitted by the Petitioner and approved by the Commission in the ARR of the 4th MYT Control Period (FY 2025-26 to FY 2029-30):

Table 1-4 Standalone Revenue Gap/ (Surplus) at approved tariff without regulatory surcharge approved for the 4th MYT Control Period (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission for FY					Approved by the Commission for FY				
		25- 26	26- 27	27- 28	28- 29	29- 30	25- 26	26- 27	27- 28	28- 29	29- 30
1.	Net Revenue Requirement	2430.70	2623.02	2823.69	2991.81	3213.97	2,409.74	2,565.90	2,681.39	2,865.40	3,036.40
2.	Revenue from Retail Sales at existing tariff	2364.89	2569.84	2774.63	3020.47	3290.82	2,380.37	2,541.29	2,677.34	2,874.77	3,069.93
3.	Net Gap / (Surplus)	65.81	53.18	49.06	(28.65)	(76.84)	29.38	24.61	4.05	(9.36)	(33.52)

- b. The Commission has made every effort to rationalize the tariffs so that they gradually reflect the true cost to service a category of consumer in accordance with the provisions of the Act. Accordingly, the Commission has approved relatively higher percentage increase in tariff for the cross-subsidized categories than the cross-subsidizing categories.

IV. Treatment of Regulatory Assets till FY 2023-24

The Commission decided to continue with the Regulatory Surcharge of 10% for the FY 2025-26 and FY 2026-27 to recover the previous year's gaps including the gap of FY 2023-24.



Accordingly, the recovery plan for the Regulatory Asset at approved tariff approved by the Commission is given in the following tables:

Table 1-5 The recovery plan for the Regulatory Asset at approved tariff approved by the Commission (Rs. Cr.)

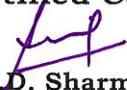
Particulars	FY 2022-23	FY 2023-24	APR FY 2024-25	FY 2025-26	FY 2026-27
Net Revenue Requirement		2,064.33			
Revenue from Retail Sales (excluding surcharge)		2,026.58	2,291.14	2,380.37	2,541.29
Opening Gap Balance	432.97	611.77	575.56	390.93	180.08
Standalone Gap / (Surplus) for the year	178.8	37.75			
Regulatory Surcharge rate		8.00%	10.00%	10.00%	10.00%
Less: Regulatory surcharge		126.09	229.11	238.04	254.13
Closing Gap Balance	611.77	523.43	346.44	152.89	-74.05
Average		567.60	461.00	271.91	53.02
Interest rate		9.50%	9.65%	10.00%	10.00%
Carrying Cost		52.13	44.49	27.19	5.30
Cumulative Gap		575.56	390.93	180.08	-68.75

- 9) The licensee shall publish the Tariff Schedule and salient features of Tariff as determined by the Commission in this Order within one week of receipt of the Order in three daily newspapers in the respective local languages of the region, besides English, having wide circulation in its respective areas of supply and also upload the Tariff Order on its website.
- 10) The attached documents giving detailed reasons, grounds and conditions are the Integral part of this Order.
- 11) This Order shall come into force with effect from 1st October 2025 and shall, unless amended or revoked, continue to be in force till further orders of the Commission.

Ordered accordingly.

Sd/-
(Jyoti Prasad)
Member (Law)

Sd/-
(Alok Tandon)
Chairperson

Certified Copy

(S.D. Sharma)
Secretary (I/c), JERC

Place: Gurugram
Date: 24 September 2025



1 Introduction

1.1 About Joint Electricity Regulatory Commission (JERC)

In exercise of powers conferred by the Electricity Act 2003, the Central Government constituted the Joint Electricity Regulatory Commission for all the Union Territories except Delhi to be known as “Joint Electricity Regulatory Commission for the Union Territories” vide notification no. 23/52/2003-R&R dated 2nd May 2005. Later with the joining of the State of Goa, the Commission came to be known as “Joint Electricity Regulatory Commission for the State of Goa and Union Territories” (hereinafter referred to as “JERC” or “the Commission”) vide notification no. 23/52/2003-R&R (Vol. II) dated 30th May, 2008.

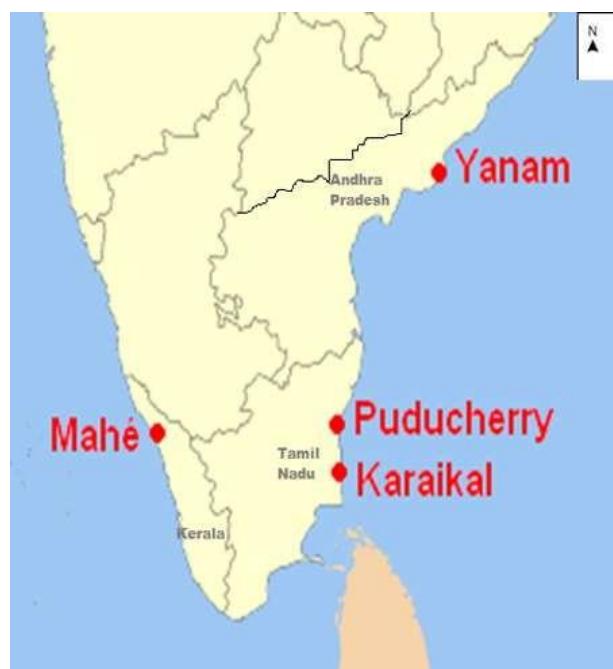
JERC is a statutory body responsible for regulation of the Power Sector in the State of Goa and Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Puducherry, consisting of generation, transmission, distribution, trading and use of electricity etc. Its primary objective includes taking measures conducive to the development of the electricity industry, promoting competition therein, protecting the interests of consumers and ensuring supply of electricity to all areas.

1.2 About Puducherry

The Union Territory of Puducherry comprises of four regions namely Puducherry, Karaikal, Mahe and Yanam, which are not geographically contiguous and is spread over an area of 492 Sq. km with the total population of 12.45 lakhs as per provisional results of census 2011. The basic profiles of four regions are as follows:

Puducherry is the largest among the four regions and consists of 12 scattered areas interspersed with enclaves of Villupuram and Cuddalore Districts of Tamil Nadu.

- Karaikal is about 150 kms South of Puducherry and is bounded by Nagapattinam and Thiruvarur Districts of Tamil Nadu State.
- Mahe lies almost parallel to Puducherry 653 kms away on the west coast near Kannur District of Kerala State.
- Yanam is located about 840 kms north-east of Puducherry and it is located in the East Godhavari District of Andhra Pradesh State.



1.3 About Electricity Department, Govt. of Puducherry

The Electricity Department of the UT Administration of Puducherry (hereinafter referred to as PED), is a deemed licensee under Section 14 of the Electricity Act 2003 and is carrying out the business of transmission, distribution and retail supply of electricity in Puducherry, Karaikal, Yanam and Mahe regions of the Union Territory of Puducherry. PED is divided into three circles, each headed by a Superintending Engineer. There are ten Technical Divisions across the three circles, each headed by an Executive Engineer.

The key duties being discharged by ED Puducherry are:

- To develop and maintain an efficient, coordinated and economical transmission and distribution system;
- To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
- To provide non-discriminatory open access to the consumers;
- To establish a forum for redressal of grievances of the consumers.

PED does not have its own generation and procures power from various Central Generating Stations (CGS), neighbouring state utilities and the State-owned Puducherry Power Corporation Limited (PPCL), which runs a 32.5 MW gas-based combined cycle power plant in the Karaikal region. The entire power generated from PPCL is consumed within the Karaikal region.

PED operates a transmission network of 230 kV & 110 kV and distribution network at 33 kV, 22 kV, 11 kV and at LT levels. It supplies power to consumers through its 18 EHV substations, 489 km of EHT line, 2294 km of HT line, 2877 distribution transformers and 3845 km of LT line. PED also has 90 km of HT and 535 km of LT underground cabling for certain urban areas. It monitors grid operation on real time basis and passes on necessary instructions to field staff to control the flow of energy.

1.4 Multi-Year Tariff Regulations, 2021

The Commission notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 on 22nd March 2021 for the 3rd MYT Control Period comprising of three financial years from FY 2022-23 to FY 2024-25. PED was governed by these Regulations until the end of the Control Period i.e. 31st March 2025.

1.5 Multi-Year Tariff Regulations, 2024

The Commission notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024 (in short 'the JERC MYT Regulation 2024') on 15th October 2024. These Regulations are applicable for the 4th Control Period comprising of five financial years from FY 2025-26 to

FY 2029-30 to all the generation companies, transmission licensees and distribution licensees under jurisdiction of the Commission.

1.6 Filing and Admission of the Present Petition

The present Petition was filed on 1st April 2025 & admitted on 7th April 2025 and marked as Petition No. 139/2025. The Commission and the Petitioner subsequently uploaded the Petition on their respective websites.

1.7 Interaction with the Petitioner

A preliminary scrutiny/analysis of the Petition was conducted, and certain deficiencies were observed. Accordingly, deficiency notes were issued to the Petitioner. Further, additional information/clarifications/ justifications were solicited from the Petitioner as and when required.

The Commission and the Petitioner also discussed on the various concerns of the Petitioner and key data gaps, which includes energy sales, power purchase, capitalisation, revenue from retail tariff, tariff proposal etc. The Petitioner submitted its response on the issue through various letters/emails. The following table provides the list of interactions with the Petitioner along with the dates:

Table 1-1 Timelines of the interaction with the Petitioner

S. No.	Subject	Date
1.	Public hearing	29th April 2025
2.	Issue of First Deficiency Note	21st May 2025
3.	Replies received from the Petitioner with regard to Deficiency Note	3rd June 2025

1.8 Notice for Public Hearing

Public notices were published by the Petitioner for inviting suggestions/ comments from stakeholders on the Tariff Petition as per details given below:

Table 1-2 Details of Public Notices published by the Commission

S. No.	Date of Public Notice	Name of News Paper	Languages	Place of Circulation
1.	13.04.2025	The Hindu Publishing	English	Yanam, Mahe, Karaikal, Puducherry
2.	16.04.2025	Dinakaran	Tamil	Puducherry, Karaikal
3.	16.04.2025	The Daily Thanthi	Tamil	Puducherry, Karaikal
4.	17.04.2025	Janamitra	Telugu	Yanam
5.	18.04.2025	Kerala Kaumudi	Malayalam	Mahe

The Commission also published Public Notices in the leading newspapers as tabled below, giving due intimation to the stakeholders, consumers and the public at large about the Public Hearings conducted by the Commission.

Table 1-3 Details of Public Notices published by the Petitioner

S. No.	Date	Name of News Paper	Languages	Place of Circulation
1.	09.04.2025 & 27.04.2025	Standard Post	English	Puducherry
2.		Dinamalar	Tamil	Puducherry
3.		Dinakaran	Tamil	Puducherry
4.		Namathu Murasu	Tamil	Puducherry

1.9 Public Hearing

The Public Hearing was held on 29th April, 2025 at PMSSS Hall, No.81, Laporte Street, MG Road Area, Puducherry-605001. The major issues discussed, the responses of the Petitioner thereon and the views of the Commission, have been summarized in Chapter 2 of this Order. The list of stakeholders is attached at **Annexure-1** of this order.

2 Summary of Stakeholder's Comments, Response of the Petitioner and the Commission's View

2.1 Regulatory Process

On admitting the Petition, the Commission directed the Petitioner to make copies of the Petition available to the public, upload the Petition on the website and also publish the same in the newspapers in an abridged form in the given format duly inviting comments/objections from the public as per the provisions of the “JERC MYT Regulations, 2024”. The Public Hearing was held on 29th April 2025 at Puducherry, to discuss the issues if any, related to the Petition filed by the Petitioner. The issues and concerns raised by the stakeholders in writing and as voiced by them during the Public Hearing have been examined by the Commission. The names of the stakeholders who attended the Public Hearings is provided in Annexure-I of this Order.

2.2 Suggestions/ Objections of the stakeholders Response of the Petitioner and Commission's Views

The Commission is appreciative of the efforts of various stakeholders in providing their suggestions/comments/ observations to make the Electricity Distribution Sectors process responsive and efficient. The relevant observations of the stakeholders have been suitably considered by the Commission while finalizing this Tariff Order. It is noted that all comments/ observations/ suggestions in oral and in writing have been taken note of by the Commission and have been dealt with wherever required. The submissions of the stakeholders, response of the Petitioner and views of the Commission are summarized below:

2.2.1 Tariff Burden and Consumer Rights

Stakeholder's Comment:

Citizens are already burdened with rising tariffs, yet the government has not outlined measures to minimize the financial strain on consumers. We request details on how consumer rights will be protected and how the government plans to ensure equitable billing practices that do not penalize honest consumers for systemic inefficiencies, such as power theft and faulty metering.

Petitioner's Response:

PED strives to comply with the (Electricity Supply Code) Regulations and (Standard of Performance) Regulations issued by the JERC for ensuring the reliable & efficient power supply to its consumers and for ensuring the protection of consumer rights. Further, periodic inspection is being conducted by the field officials against theft of energy, and the requisite penalty as per the Regulations are being levied on such consumers. Further, the Department

has proposed capex for the installation of smart meters across Puducherry for solving the issues of faulty meters.

Commission's View:

The stakeholder is requested to note the submission of the Petitioner.

2.2.2 Recruitment Irregularities and Reservation Policies

Stakeholder's Comment:

Concerns regarding recruitment in the Electricity Department, particularly for Junior Engineer (JE) positions, remain unaddressed. Reports of promotions and appointments without proper recruitment rules (RR) or open applications are alarming. Additionally, the lack of adherence to reservation policies in past recruitments and the unresolved helper recruitment scam demand immediate scrutiny and a public response from the government.

Petitioner's Response:

Action is being taken by the Government of Puducherry to fill up the vacancies. Recruitment of Junior Engineers (73 posts) and Construction Helpers (177 posts) is announced and will be completed shortly.

Commission's View:

The Commission has noted the submission of the Stakeholders and response of the Petitioner. The Commission clarifies that issue is not related to the present order on the Multi-year Tariff determination.

2.2.3 Solar Scheme and Net Metering

Stakeholder's Comment:

The implementation of the solar scheme, including net metering arrangements, is critical for promoting renewable energy in Puducherry. We seek updates on the progress of this initiative and the government's plans to incentivize solar adoption among citizens.

Petitioner's Response:

The Solar schemes launched by the Central/State Government with applicable incentives are available on the Department's website.

Commission's View:

The Commission has noted the concern of the Stakeholders. The Petitioner is directed to inform the consumers about various Solar schemes launched by the Central/State Government through various modes i.e., through bills, community meetings etc.

2.2.4 Implementation of Smart Meter

Stakeholder's Comment:

The department has initiated smart meter installation only within Puducherry's town area, neglecting regions like Mahe, Yanam, and Karaikal. Consumers outside the town are coerced into purchasing meters from private agents, which is unacceptable. A recent incident in Colas Nagar highlights this issue, where a burnt smart meter, damaged due to electrical faults, was replaced with a local meter instead of a new smart meter. We urge the department to adopt advanced technology, such as meters that record input and output units at every transformer, to monitor and curb power theft effectively.

Smart metering of all consumers is still not completed despite several targets provided by JERC. Again, this is leading to higher losses and is being burdened on the consumers.

Petitioner's Response:

PED has proposed a detailed action plan for the installation of smart meters under RDSS in its Business Plan Petition for the U.T. of Puducherry. Installation of smart metering across the UT is a time-consuming task and has been proposed to be implemented in a phased manner.

PED has started a drive to change all electromechanical meters to electronic/smart meter, which would result in improving the distribution system efficiency. Further, PED has proposed Smart metering works under the RDSS Scheme in its Business Plan Petition for FY 2025-26 to FY 2029-30.

Commission's View:

The Commission notes the submission of the Stakeholders and Petitioner. Further, the Commission has observed that the Petitioner has started the implementation of Smart prepaid meters of entire consumer base of UT of Puducherry through PFCCCL under RDSS scheme.

2.2.5 Failure to Recover Losses and Address Theft

Stakeholder's Comment

The department has failed to recover over ₹500 crores in dues, as acknowledged in public records. This financial mismanagement is compounded by the department's inaction on power theft, with losses conveniently passed onto consumers through inflated bills. We request a thorough investigation into these unrecovered dues and the implementation of stringent measures to identify and penalize theft.

Petitioner's Response:

In a move to strengthen the action on pilferage of electricity and reduce T&D losses by revoking illegal connections, checking meter tampering and correctness of the energy meters, PED has made Anti-Power Theft Squad (ATPS) and empowered all its engineers to inspect the consumer premises regularly. Further, to identify and penalize theft of electricity, actions are being taken as per applicable provisions of the Electricity Act and the Electricity Supply Code Regulations.

Commission's View:

The stakeholder is requested to note the response of the Petitioner.

2.2.6 Unjust Surcharges and Fixed Charges

Stakeholder's Comment:

The imposition of surcharges and fixed charges on consumers is unjust and should be abolished. These charges unfairly burden honest consumers and are not in line with JERC guidelines. The Electricity Department must operate efficiently, not as a profit-driven corporate entity, and eliminate unnecessary administrative costs to reduce consumer expenses.

Petitioner's Response:

The Petitioner has responded that it has proposed tariff and surcharges for its consumers in accordance with the Electricity Act, National Tariff Policy and the Regulations & Guidelines etc., issued by the JERC.

Further, the levy of Regulatory Surcharge is essential for the recovery of regulatory assets accumulated over the years, investment in future capital expenditure and manage day to day expenses of the department.

Commission's View:

The Regulatory Surcharge is levied to recover the Regulatory Assets, if any within a fixed time frame as envisaged in the Tariff Policy 2016 and the Electricity (Amendment) Rules, 2024. Further, the Commission has discussed about the fixed charges and surcharge in Tariff Principle and Design chapter of this order.

2.2.7 Burden of Sanctioned load charges/ fixed charges and tariff hike on commercial establishments

Stakeholder's Comment:

Every month, a large amount is charged in the name of Sanction Load Charges and Fixed Charges on the electricity bill. It is creating a huge adverse impact on businesses, including shops and Commercial establishments, business houses, Hotel and restaurants, and other business communities.

These charges are causing a great impact, especially since it is being charged in addition to the electricity used. It is requested to take immediate action to reduce/eliminate it.

Also, it is requested not to increase the charges for commercial use as various commercial establishments, including Shops/commercial establishments, and Hotel and restaurants, will be severely affected by this.

Petitioner's Response:

The electricity tariff charged by PED from its consumers is as per the applicable Regulations & Guidelines issued by the Hon'ble JERC viz., Multi-Year Tariff Regulations, Electricity Supply Code, Retail Supply Tariff Guidelines etc. It is to be mentioned that the tariff recovered from a consumer is inclusive of the fixed and energy charges. Fixed charges depend on the connected load and energy charges depend upon the units consumed by the consumer.

PED submits that the cost of the power which contributes to around 90% of the total annual revenue requirement is increasing every year. Accordingly, PED has to bridge the gap in the tariff Petition. However, Hon'ble JERC will pass such an increase in tariff only after prudence check of all the calculations / records submitted by PED. However, PED has proposed no tariff hike in FY 2025-26.

Commission's View:

The fixed cost is levied from the consumer as per the tariff orders issued by the Commission. The same along with the tariff approved for FY 2025-26 to FY 2029-30 are dealt in subsequent chapters of this order.

2.2.8 Regulatory Surcharge

Stakeholder's Comment:

At present, the Regulatory Surcharge is 10% and this needs to be removed as consumers cannot be burdened for the losses of previous years.

Petitioner's Response:

Regulatory Surcharge has been levied by the Commission to ensure recovery of the past expenses not allowed to be recovered through usual tariff hikes to prevent sudden tariff shock to the consumers. Further, the accumulated recovery assets are the expenses as approved by the Commission after prudence check.

Levyng the Regulatory Surcharge is essential for the Recovery of Regulatory Asset accumulated over the years. Further, PED in its MYT Petition for FY 2025-26 to FY 2029-30 has proposed the Regulatory Surcharge till 2026-27 only.

Commission's View:

The Regulatory Surcharge is levied to recover the Regulatory Assets, if any within a fixed time frame as envisaged in the Tariff Policy 2016 and the Electricity (Amendment) Rules, 2024. Further, the Commission has discussed about the fixed charges and surcharge in Tariff Principle and Design chapter of this order.

2.2.9 Increase in Tariff from the FY 2026-27**Stakeholder's Comment:**

Puducherry Electricity Department has proposed a high tariff increase from FY 2026-27 which will push industries out of this union territory where the industries have no raw material or customers for its products, the increase proposal needs downward revision.

Petitioner's Response:

PED submits that the cost of the power purchase, which contributes to around 90% of the total annual revenue requirement, is increasing every year. Accordingly, PED has to bridge the gap in the tariff Petition. However, JERC will pass such an increase in tariff only after prudence check of all the calculations / records submitted by PED.

Commission's View:

The stakeholders may note response of the Petitioner.

2.2.10 LT Threshold**Stakeholder's Comment:**

The LT threshold limit in the neighbouring State (TN) was increased from 150 HP to 200 HP. We request the JERC/Puducherry Electricity Department to increase the threshold limit from 120 HP to 150 HP for the industries in Puducherry. This will help the MSME sector to expand their business

Petitioner's Response:

It is submitted that the Commission may prescribe/ recommend development charges to be collected from the LT Industrial consumers in order to develop additional distribution infrastructure. In case the Commission desires to augment LT limit from 120 HP to 150 HP, those class of LT consumers shall also be directed to pay demand charges and energy charges on par with HT consumer in order to have level playing field between LT Industrial consumers and HT Industrial consumers or the Commission may take appropriate decision as deemed fit without impacting the financials of the Department.

Commission's View:

The Commission has noted the submission of the Stakeholders and response of the Petitioner. The Commission clarifies that increase of LT load limit will increase the LT:HT ratio which ultimately cause the T&D losses to increase. Moreover, the threshold limit for LT connection has already been specified vide JERC (Retail Supply Tariff Structure) Guideline 2024.

2.2.11 Renewable Purchase Obligation**Stakeholder's Comment:**

Four years ago, during a JERC-EB meeting at Uppalam, electricity officials explained that the drastic increase in the Electricity base charge was due to the Government of India's Renewable Purchase Obligations (RPOs). Puducherry was facing an RPO deficit, which led to penalties being included in regular tariffs. It was noted that if industries and consumers invested in solar energy, base tariffs could decrease. Now, many industries and domestic consumers in Puducherry have invested in solar energy since then. Should the RPO clause be revisited?

Petitioner's Response:

PED submits that the Commission notified the JERC (Procurement of Renewable Energy), (Fifth Amendment) Regulations, 2024 on 06.06.2024 and revised the RPO targets. In order to comply with the specified RPO targets, PED has proposed the procurement of renewable energy from various sources in the Business Plan Petition & MYT Petition.

Further, it is submitted that the solar power purchased from domestic and industrial consumers of Puducherry are accounted towards the RPO compliance made under the category of "Other RPO".

Commission's View:

The stakeholder is requested to note the submission of the Petitioner.

2.2.12 Delayed Payment Surcharge**Stakeholder's Comment:**

Every month, an amount is collected in the name of Arrears on the Electricity Bill. It has come to the attention of the Chambre De Commerce that this amount is being collected from policy holders who pay on time. It is requested to conduct a proper inquiry and rectify this.

Petitioner's Response:

The Delayed Payment Surcharge (DPS) is collected from the consumers that do not pay the electricity bills on time. The DPS is recovered in the form of arrears.

Commission's View:

The stakeholder is requested to note the submission of the Petitioner.

2.2.13 Accounting of Solar energy**Stakeholder's Comment:**

It is alleged that the electricity received from policy holders who have installed solar systems is not being calculated in a timely manner and the amount of electricity received in this way is not being credited to their accounts.

Petitioner's Response:

The accounting of solar energy is done as per the applicable JERC Net Metering Regulations in a manner specified in the Regulation.

Commission's View:

The Commission has noted the concern of the stakeholders and the submission of the Petitioner. The Commission directs the Petitioner to ensure monthly billing/ accounting of the prosumers for the energy import/ export under net-metering.

2.2.14 EHT Tariff**Stakeholder's Comment:**

In states where the EHT tariff is the same as HT, these states offer substantial power factor and load factor incentives. The Steel industry in Jalna and Maharashtra is thriving due to this load factor incentives even though the nominal EHT tariff is the same as HT. Hence, why EHT tariff is higher than HT category in Puducherry when in our entire country the EHT tariff is lower than HT tariff.

Petitioner's Response:

PED in its instant MYT Petition has proposed power factor rebate & surcharge for LT consumers (except domestic) whose billing is in kW/kWh basis and has also proposed voltage rebate & surcharge for HT & EHT consumers in line with the Retail Supply Tariff Guidelines issued by the JERC.

Commission's View:

The Commission has noted the concern of the stakeholder and response of the Petitioner. The Commission determines the retail supply tariff considering the provision of the Electricity Act and Tariff Policy. Following the Principles mentioned under Section 61 and 62, the Commission determines the consumer category wise tariff and same is elaborated under Tariff Design chapter of this order. Further, the Commission clarifies that it has already categorized tariff structure on voltage-wise - LT, HT and EHT vide JERC (Retail Supply Tariff Structure) Guideline 2024.

2.2.15 Review Order in Petition No. 116/2023

Stakeholder's Comment:

In the review order in Petition No. 116/2023 issued on account of error in connected load for EHT consumers, Rs. 40.15 Crores of fixed charge estimated was used to reduce the revenue gap instead of passing its benefit to the EHT consumers. The impact of the errors in the previous two tariff orders has been that this significantly depressed the revenue projected to be recovered from the EHT consumers by way of fixed charges. As a result, the energy charges were increased disproportionately.

It is submitted that the tariff for the past two years having been thus inequitably designed against the interests of the EHT consumers, it is necessary for the survival of the industry, to factor in the above and make suitable adjustments at least for the coming control period.

Petitioner's Response:

Hon'ble JERC vide Review Order dated 06.01.2025 in Petition No.116/2023 approved an additional revenue of Rs.40.15 Crore and passed following directive:

"The Commission directs the PED to continue to bill all its consumers as per the tariff schedule approved vide its order in Petition no 116/2023 dated 12.06.2024. The Commission shall deal with the expected additional revenue that would be received during Truing up exercise for FY 2024-25.

Ordered Accordingly."

In regard to the Objector's request of passing on some benefits of additional revenue (as approved by the Commission vide Review Order dated 06.01.2025 in Petition No.116/2023) in EHT tariff of the upcoming period, it is submitted that the same may be accounted during the true-up exercise of FY 2024-25.

Commission's Response:

The Commission has noted the comments of stakeholders and response of the Petitioner.

2.2.16 Power factor

Stakeholder's Comment:

Pondicherry had a power factor incentive and a power factor penalty when the billing was on kWh basis. When the billing was switched to kVAh, the power factor incentive and power factor penalty was removed. Removing the power factor penalty since the billing is now kVAh is fine but removing the Power Factor incentive was not warranted.

Petitioner's Response:

PED submits that levying tariff based on kVAh ensures maintaining optimum power factor level by industries. The Commission has allowed power factor incentives to industries for a long period and after switching over to KVAh tariff, allowing power factor incentive is not reasonable as requested by Objector.

Further, under Section 62 of the Electricity Act, 2003, the Commission has the power to differentiate the consumer tariff on the basis of Power Factor, Load Factor, voltage, consumption of electricity, time at which supply is required, geographical position of the area, nature of supply and purpose for which supply is required. Therefore, the Commission may take an appropriate view on the same.

It is further submitted that PED in its instant MYT Petition has proposed voltage rebate & surcharge for HT & EHT consumers in line with the Retail Supply Tariff Guidelines issued by the Hon'ble JERC.

Commission's Response:

The Commission has introduced the kVAh based tariff (except of domestic, religious places and small farmers categories), which has inbuilt incentive/penalty mechanism. In case the consumer operates at a high power factor than the specified threshold power factor, the corresponding kVA demand of that consumer will be lower causing levy of lower demand charges and vice-versa.

2.2.17 Regulatory Surcharge

Stakeholder's Comment:

The arbitrary and irrational proposal of the Discom is contrary to the principles and practices that are applied by other Commissions across all other States, and if approved, would directly infringe upon the fundamental rights of the EHT consumers to carry on their business under Article 19(1)(g) of the Constitution of India.

The steep increase, which was primarily due to an error on the part of the Discom in projecting the connected load of the EHT category of consumers (as elaborated) has now been retained as the tariff for FY 2025-26 and is set to increase in the subsequent years of the control period, which would result in a significant unjustifiable burden upon the EHT consumers. Moreover, the Discom proposes regulatory surcharge, which has doubled over the years and is amongst the highest in the country. The revenue gap in Puducherry is much less compared with other States, however, despite this, other States have surcharge in the range of 3% to 5%.

Petitioner's Response:

PED has proposed tariff for its consumers based on the Electricity Act, Tariff Policy, applicable JERC MYT Regulations and the JERC (Retail Supply Tariff) Guidelines, 2024. PED has proposed no change in the consumer tariff (for both fixed and energy charges) for FY 2025-26.

The fixed charges of all the consumer categories for FY 2026-27 to FY 2029-30 are proposed to be same as the fixed charges of FY 2025-26. The energy charges of FY 2025-26 have been escalated by 4% to arrive at the energy charges of FY 2026-27. The energy charges thus arrived have been escalated by 4% to arrive at the energy charges of FY 2027-28. The energy charges of FY 2027-28 have been escalated by 5% to arrive at the energy charges of FY 2028-29 which is again escalated by 5% to arrive at the energy charges of FY 2029-30.

Since, the tariff of EHT category in FY 2024-25 was higher, consequently, the EHT tariff for MYT period comes to be higher.

PED further submits that the cost of the power which contributes to around 90% of the total annual revenue requirement is increasing every year. Accordingly, PED has to bridge the gap in the tariff Petition. With regard to the proposed Regulatory Surcharge, it is submitted that PED has to recover the Regulatory Surcharge to liquidate the accumulated Regulatory Assets. It is further submitted that PED has proposed a Regulatory Surcharge at the rate of 10% in FY 2025-26 and 8% in FY 2026-27 only.

Commission's Response

The Regulatory Surcharge is levied to recover the Regulatory Assets within a fixed time frame as envisaged in the Tariff Policy 2016 and the Electricity (Amendment) Rules, 2024. Further, the Commission has discussed about the fixed charges and surcharge in Tariff Principle and Design chapter of this order.

2.2.18 JERC Meeting Outcomes

Stakeholder's Comment:

Non-Disclosure of 2024 JERC Public Hearing Outcomes

Petitioner's Response:

It is submitted that the status of public/stakeholder concerns and grievances raised during the 2024 public hearings have been incorporated in the Tariff Order of FY 2024-25 issued by the Hon'ble JERC and the same is available on JERC and Puducherry Electricity Department's website.

Commission's Response

The Commission noted the suggestion of the stakeholders and Submission of the Petitioner. The status of public/stakeholder concerns and grievances raised during public hearings are incorporated in respective Tariff Order issued by this Commission and these are available on the website of this Commission. Further, any specific grievances may be raised by the stakeholders before the Consumer Grievance Redressal Forum.

2.2.19 Tariff design based on VCoS

Stakeholder's Comment:

Hon'ble Commission has been designing the tariff and cross subsidy levels for different categories of consumers using the average cost of supply (ACOS). Whereas, it is the mandate of the Electricity Act, 2003, the statutory policies and the judgments of the APTEL that the tariff for a category of consumers must be reflective of the cost of supply for such category of consumers, and in particular, the voltage-wise cost of supply (VCoS).

Petitioner's Response:

PED submits that determination of retail supply tariff is a prerogative of the Hon'ble Commission under Section 62(3) of the Act. In the capacity of Distribution Licensee, PED submits that the aforesaid request of the Objector may be considered subject to the protection of Petitioner's ARR.

Commission's Response:

The Commission has noted the Comments of Stakeholders. The Commission clarifies that the Electricity Act 2003 itself provides that the tariff should be reflective of cost of supply. The National Tariff Policy 2016 clearly mentioned that the cross subsidy should be within +20% and -20% of average cost of supply.

2.2.20 Curbing Government Electricity Expense

Stakeholder's Comment:

The government must outline specific measures to reduce its own electricity expenses, which contribute to the financial strain on the system. Transparent reporting on these efforts will demonstrate a commitment to fiscal responsibility.

Petitioner's Response:

No Comments

Commission's Response:

The Commission has noted the Comments of Stakeholders.

2.2.21 Unaddressed Consumer Grievances

Stakeholder's Comment:

Despite repeated grievances raised at the Joint Electricity Regulatory Commission (JERC) meetings since 2022, no action has been taken by the consumer commission or the department. This lack of accountability erodes public trust and demands immediate redressal.

Petitioner's Response:

Puducherry CGRF periodically conducts special camps in all four regions of UT of Puducherry (Puducherry, Karaikal, Mahe and Yanam) as well as at Rural and Urban areas.

Commission's Response:

During the public hearing, the Commission has brought notice of all stakeholders/ consumers that a Forum called CGRF has been created to address the grievance of the consumers. Further, an appeal can be made to the Ombudsman based on dissatisfaction on the order of CGRF. The stakeholders may refer to JERC (CGRF and Ombudsman) Regulations, 2024.

2.2.22 ACoS vs ABR

Stakeholder's Comment:

The Commission has been designing the tariff and cross subsidy levels for different categories of consumers using the average cost of supply (ACOS). Whereas, it is the mandate of the Electricity Act, 2003, the statutory policies and the judgments of the APTEL that the tariff for a category of consumers must be reflective of the cost of supply for such category of consumers, and in particular, the voltage-wise cost of supply

Petitioner's Response:

PED submits that determination of retail supply tariff is a prerogative of the Commission under Section 62(3) of the Act. In the capacity of Distribution Licensee, PED submits that the aforesaid request of the Objector may be considered subject to the protection of Petitioner's ARR.

Commission's Response:

The Commission noted the suggestion of the stakeholders and Submission of the Petitioner. The Commission has dealt the issue in detail in Tariff Philosophy chapter of this Order.

2.2.23 Miscellaneous Suggestions:

Stakeholder's Comment:

- CC bill in Tamil.
- PED is working in profit, why privatisation

- PED does not have sufficient equipment for attending fault
- Non burning of street lights
- Why five year MYT, what is the reason
- Public hearing is not published in wide circulation
- Last year Public hearing minutes not uploaded in website
- Public hearing is needed every constitution wise
- CGRF and PED combined together and conduct the camp
- Government arrear is very huge
- Every year Public hearing has to be conducted to revise the tariff
- FSC in the bill is very huge
- In JERC one Member (Technical) vacant for a long time. As per 83(5), 83(2) of Act 2003 one member knowing tamil language should be in the forum of JERC.
- The petition filed are not in varanakulam language

Petitioner's Response:

- The Consumer can download the CC bill in both English and Tamil through Online PED service portal by entering the policy number.
- It is a policy decision of Ministry of Power, Government of India. Issue not pertains to tariff petition.
- Issue not pertains to tariff petition.
- Non burning street lights will be identified. Action will be taken to make them burning.
- As per JERC (Generation, Transmission and Distribution Multi-Year Tariff) Regulations 2024 and JERC (Retail Supply Tariff Structure) notified by JERC.
- Wide circulation had been made in all the four regions.
- Ensure to follow in future.
- Public hearing is conducted by JERC and the decision has to be taken by JERC.
- In all four regions 53 numbers of camp were conducted during 2024-25.
- Based on the Budgetary provision made during 2024-25 an action was taken by the department to made book adjustments to the tune of Rs.30 Crores towards Government service arrears.
- Decision has to be taken by JERC.
- Decision has to be taken by JERC.
- Decision has to be taken by JERC.
- In future it will be complied

Commission's Response:

The Commission has noted the suggestion of stakeholders and submission of the Petitioner.

3 True-up of the FY 2023-24

3.1 Regulatory Provisions

The True up for the FY 2023-24 has been carried out in accordance with Regulation 12 of the JERC MYT Regulations, 2021, as stated below:

"12.1 The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.

12.2 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30th November of each Year, in formats specified by the Commission from time to time:

Provided that the Generating Company, Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be specified by the Commission, together with the audited accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges.

12.3 The scope of the annual performance review, truing up and tariff determination shall be a comparison of the performance of the Generating Company, Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges and shall comprise of the following:

- a) **True-up:** a comparison of the audited performance of the Applicant for the Financial Year for which the true up is being carried out with the approved forecast for such previous Financial Year, subject to the prudence check;
- b) **Annual Performance Review:** a comparison of the revised performance targets of the Applicant for the current Financial Year with the approved forecast in the Tariff Order corresponding to the Control Period for the current Financial Year subject to prudence check;
- c) **Tariff determination** for the ensuing Year of the Control Period based on the revised forecast of the Aggregate Revenue Requirement for the Year;
- d) Review of compliance with directives issued by the Commission from time to time;
- e) Other relevant details, if any.

12.4 Upon completion of the exercise, the Commission shall attribute any variations or expected variations in performance for variables specified under Regulation 12 below, to factors within the control of the Applicant (controllable factors) or to factors beyond the control of the Applicant (uncontrollable factors):

Provided that any variations or expected variations in performance, for variables other than those specified under Regulation 12 below shall be attributed entirely to controllable factors.

Provided further that, where the Petitioner believes, for any variable not specified under Regulation 13.1, that there is a material variation or expected variation in performance for any year on account of uncontrollable factors, it may apply to the Commission for inclusion of such variable.

12.5 Upon completion of the exercise, the Commission shall pass an order recording:

a) Components of approved cost pertaining to the uncontrollable factors, which were not recovered during the previous Year, to be passed through in tariff as per Regulation 14 of these Regulations:

Provided that, for a Generating Company, the above exercise shall be in accordance with prevalent CERC Tariff Regulations.

b) Approved aggregate gain or loss to the Transmission Licensee or Distribution Licensee on account of controllable factors, and the amount of such gains or such losses that may be shared in accordance with Regulation 15 of these Regulations:

Provided that, for a Generating Company, the above exercise shall be in accordance with prevalent CERC Tariff Regulations.

c) Carrying cost shall be allowed for a Generating Company, Transmission Licensee or Distribution Licensee on the amount of revenue gap for the period from the date on which such gap has become due, i.e., from the end of the Year for which true-up has been done, till the end of the Year in which it is addressed, on the basis of actual rate of loan taken by the Licensee to fund the deficit in revenue:

Provided that carrying cost on the amount of revenue gap shall be allowed subject to prudence check and submission of documentary evidence for having incurred the carrying cost in the years prior to the year in which the revenue gap is addressed:

Provided also that if no loan has been taken to fund revenue deficit, the Commission shall allow Carrying Cost on simple interest basis at one (1) Year State Bank of India (SBI) MCLR /any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be, applicable as on 1st April of the relevant Year plus 100 basis points;

Provided further that in case of revenue surplus, the Commission shall charge the Licensee a Carrying Cost from the date on which such surplus has become due, i.e., from the end of the Year for which true up has been done, till the end of the Year in which it is addressed on simple interest basis at one(1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be, applicable as on 1st April of the relevant Year plus 100 basis points.

d) Revision of estimates and tariff for the ensuing Financial Year."

3.2 Approach for the True-Up of FY 2023-24

The Petitioner has submitted the audited accounts for FY 2023-24 based on audit conducted by statutory auditor i.e. M/s Sahaj and Associates. The Commission in this Chapter has carried out the True-up of FY 2023-24 in accordance with the principles laid down in the JERC MYT Regulations, 2021.

3.3 Energy Sales

Petitioner's Submission

The Petitioner has submitted that total actual sales of PED for FY 2023-24 are 3,104.11 MUs. The category wise approved sales in ARR and APR order (dated 30th March 2023 and 12th June 2024) and actual sales for FY 2023-24, as submitted by the Petitioner, are shown in the table below.

Table 3-1 Energy Sales (MUs) for FY 2023-24

Consumer Category	Approved in T.O dt. 30.03.2023 (P.No.96/2022)	Approved in T.O dt. 12.06.2024 (P.No.116/2023)	Petitioner's Submission
Domestic & Cottage	844.45	792.35	856.54
OHOB / Lifeline Services	3.62	1.59	2.26
Commercial	183.28	206.65	236.89
Agriculture	62.06	59.92	59.24
Public Lighting	19.95	18.22	21
LT Industrial + Water Tank	176.94	166.79	179.87
HT-1 Industrial and commercial	935.13	989.27	1031.37
HT-2 Government	62.30	62.67	49.15
HT 3 - EHT Industries	603.02	719.13	664.02
Temporary supply – LT & HT	4.01	3.85	3.78
Grand Total	2,880.47	3,020.44	3,104.11

Commission's analysis

The JERC MYT Regulations, 2021 stipulate that the variation in sales constitutes "uncontrollable factors" that are beyond the control of the Petitioner and cannot be mitigated. Regulation 13.1 of the JERC MYT Regulations, 2021 in this regard stipulates the following:

"For the purpose of these Regulations, the term "uncontrollable factors" for a Transmission or Distribution Licensee shall comprise of the following factors, which were beyond the control of the Licensee, and could not be mitigated by the Licensee:

- a) Force Majeure events;
- b) Change in Law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- c) Variation in the number or mix of Consumers or quantities of electricity supplied to Consumers;
- d) Inter-state Transmission loss;
- e) Variation in the cost of power purchase due to variation in the rate of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;
- f) Variation in fuel cost;
- g) Change in power purchase mix;
- h) Inflation;
- i) Transmission Charges for a Distribution Licensee;
- j) Variation in market interest rates for long-term loans;
- k) Employee expenses limited to one time payment owing requirements of a pay commission and terminal liability of employees;
- l) Taxes and Statutory levies;
- m) Taxes on income;
- n) Income from the realisation of bad debts written off:

Provided that where the Applicant believes, for any variable not specified above, that there is a material variation or expected variation in performance for any Financial Year on account of uncontrollable factors, such Applicant may apply to the Commission for inclusion of such variable at the Commission's discretion, under this Regulation for such Financial Year:"

As variation in the number or mix of Consumers or quantities of electricity supplied to Consumers are uncontrollable, the actual sales have been approved for true-up of FY 2023-24 in line with the Petitioner's submission. However, the Commission has verified the submission of the Petitioner from the energy audit report of FY 2023-24 and observed that the Petitioner has considered the energy sales as per the energy audit report of FY 2023-24. The table below provides the energy sales approved by the Commission in the Approved APR Order dated 12.06.2024 (P.No.116/2023), the Petitioner's Submission and quantum of energy sales now trued-up by the Commission:

Table 3-2 Energy Sales (MUs) approved by the Commission for FY 2023-24

Consumer Category	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Domestic & Cottage	792.35	856.54	856.54
OHOB /Lifeline Services	1.59	2.26	2.26
Commercial	206.65	236.89	236.90
Agriculture	59.92	59.24	59.24
Public Lighting	18.22	21.00	21.00
LT Industrial + Water Tank	166.79	179.87	179.87
HT-1 Industrial and commercial	989.27	1,034.74	1,031.37
HT-2 Government	62.67	45.78	49.15
HT 3 - EHT Industries	719.13	664.02	664.02
Temporary supply – LT & HT	3.85	3.78	3.78
Grand Total	3,020.44	3,104.11	3,104.11

The Commission approves 3,104.11 MUs as energy sales in the True-up of the FY 2023-24.

3.4 Open Access Sales and Purchase

Petitioner's Submission

The Petitioner has also submitted that there is NIL Open Access Sales and Purchase of energy for FY 2023-24 in the replies to the data deficiency note raised by the Commission.

Commission's analysis

The following table provides the Open Access Sales and Purchase approved by the Commission in the MYT Order, the Petitioner's Submission and sales now trued-up by the Commission based on the information submitted by the Petitioner.

Table 3-3 Open Access Sales (MUs) and purchase trued-up by the Commission

S. No	Category	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
1	Open Access Sales	0	0	0
2	Open Access Purchase	0	0	0

The Commission approves NIL Open Access Sale and Purchase in the True-up of the FY 2023-24.

3.5 Inter-State Transmission Loss (ISTS)

Petitioner's Submission

The Petitioner has submitted the Inter-State Transmission Loss of 3.53% against an approved figure of 2.50% in the APR Order dated 12.06.2024 (P.No.116/2023) for FY 2023-24.

Commission's analysis

The Commission has verified the submission of the Petitioner from the Energy Audit Report of FY 2023-24 and observed that the Petitioner has considered the ISTS loss of 3.53% as per the Energy Audit Report of FY 2023-24. The Table below provides the ISTS loss approved for FY 2023-24:

Table 3-4 Approved Inter-State Transmission Loss for FY 2023-24 (%)

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Inter-State Transmission Loss	2.50%	3.53%	3.53%

3.6 Intra- State Transmission & Distribution (T&D) loss

Petitioner's Submission

The Petitioner has submitted that actual T&D loss as 10.67% against the Commission's approved energy loss of 10.75% for FY 2023-24. The table below provides the details.

Table 3-5 Transmission and Distribution Loss for FY 2023-24 (MU) as submitted by the Petitioner for Energy Balance

S. No.	Particulars	FY 2023-24 Actuals
A	Energy Requirement	
1	Sales Within Territory	3104.11
2	Energy Drawal by TANGEDCO	0.00
3	Sales to Electricity Traders / Power Exchange	0.00
4	Sale to Open access Consumers	0.00
5	Total Sales	3104.11
6	T&D Losses	
A	T&D Loss (%)	10.67%
B	T&D Loss (MUs)	370.63
7	Total Energy Requirement at UT Periphery	3474.75

Commission's analysis

The Commission has verified the submission of the Petitioner from the Energy Audit Report of FY 2023-24 and observed that the Petitioner has considered the T&D losses of 10.67% as per the Energy Audit Report of FY 2023-24. The Commission has reconciled the plant-wise power purchase quantum from REA report of SRPC and has found the losses as submitted by the Petitioner. Table below provides the Intra-State T&D loss approved for FY 2023-24:

Table 3-6 Approved T&D loss for FY 2023-24 (%)

Particulars	Approved in APR Order	Petitioner's Submission	Actual achieved
T&D Losses (%)	10.75 %	10.67 %	10.67 %

The Commission allows the sharing of gain/ (loss) on account of over/under achievement of loss in subsequent section.

3.7 Power Purchase Quantum & Cost

Petitioner's Submission

The table provides a summary of power purchase sources, costs, transmission charges, UI charges, and purchases from traders for FY 2023-24 as submitted by the Petitioner for FY 2023-24:

Table 3-7 Power Purchase Quantum and Cost submitted by the Petitioner for FY 2023-24

Particulars	Approved in APR Order			Actuals (FY 2023-24)		
	Purcha se (MUs)	Cost (Rs. Cr.)	Rate (Rs. / unit)	Purcha se (MUs)	Cost (Rs. Cr.)	Rate (Rs. / unit)
NTPC	936.62	476.17	5.08	1411.99	642.15	4.55
NTPL	83.93	49.38	5.88	123.18	66.55	5.40
NLC	1056.86	515.71	4.79	582.33	244.90	4.20
PPCL	225.02	208.38	9.26	211.12	192.37	9.11
KAIGA	491.59	171.57	3.49	243.54	83.81	3.44
MAPS	33.04	7.93	2.40	21.38	5.05	2.57
NTECL	102.84	66.12	6.43	85.97	51.23	5.96
KKNP	428.78	151.78	3.54	455.12	189.29	4.16
NNTPS	275.59	167.69	6.08	405.35	177.15	4.37
NTPC Solar	253.26	66.61	2.63	256.91	96.01	3.74
SECI Wind	460.54	132.17	2.87	457.45	129.15	2.82
Sub-Total (A)	3988.55	1796.44	4.50	4254.35	1876.70	4.49
Net UI				(100.87)	3.53	
PGCIL (POC + Non POC) Charges		171.50			258.16	
SRLDC					0.75	
KPTCL					0.22	
Bank (LC) Charges					1.19	
EESL					3.49	
SRPC & RPO					0.33	
KSEB					0.04	
Debit Note of Previous Year					15.01	
Interest Cost (LPSC)					7.87	
Sub-Total (B)	3988.55	1967.94		4153.47	2167.30	
Less: Bank (LC) Charges					1.19	
Less: Interest Cost (LPSC)					7.87	
Less: EESL					3.49	
Add: URS Income					0.56	
Add: PTC Charges					0.01	
Sub-Total (C)	3988.55	1967.94		4153.47	2155.32	
Open Market (Sale)/Purchase	(528.05)	(256.11)		(555.50)	(261.86)	
Sub-Total (D)	3460.50	1711.83		3597.97	1893.46	
UI/DSM Charges					32.68	

Particulars	Approved in APR Order			Actuals (FY 2023-24)		
	Purchase (MUs)	Cost (Rs. Cr.)	Rate (Rs. / unit)	Purchase (MUs)	Cost (Rs. Cr.)	Rate (Rs. / unit)
URS Income					0.56	
RRAS Income		14.00			0.42	
Less: Sub-Total (E) = Revenue from other services related to sale of power	0.00	14.00		0.00	33.66	
Total Power Purchase = (D-E)	3460.50	1697.83		3597.97	1859.80	

Commission's analysis

The JERC MYT Regulations, 2021 stipulate that any variation in the cost of power generation and/or power purchase shall be treated as an uncontrollable factor. The relevant provisions of Regulations 13.1 of JERC MYT Regulations, 2021 is provided below.

"For the purpose of these Regulations, the term "uncontrollable factors" for a Transmission or Distribution Licensee shall comprise of the following factors, which were beyond the control of the Licensee, and could not be mitigated by the Licensee:

- ..
- e) Variation in the cost of power purchase due to variation in the rate of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;
- f) Variation in fuel cost;
- g) Change in power purchase mix;
- h) Inflation;
- i) Transmission Charges for a Distribution Licensee;"

The Commission has noted that the Petitioner procures power mainly from NTPC Stations, NTPL stations, NLC station, PPCL station NPCIL stations, NTECL station, KKNP station, NNTPS station, NTPC Solar and SECI Wind. No power has been purchased through IEX, KSEB and TANGEDCO. The Petitioner submitted the overall Power Purchase cost as Rs. 1859.80 Crore inclusive of transmission charges. Transmission charges and the other charges as submitted by the Petitioner have been considered based on actuals.

The Commission has considered all-power purchase bills & summary invoice submitted by the Petitioner in its replies to the 1st deficiency note raised by the Commission. For the power purchase cost, the Commission has verified the actual audited account, which was submitted by the Petitioner.

The following table provides the summary of the power purchase quantum and the cost approved by the Commission for the FY 2023-24.

Table 3-8 Power Purchase Cost and Quantum approved by the Commission

Particulars	Approved in APR Order			Claimed by the Petitioner (FY 2023-24)			Approved in true-up (FY 2023-24)		
	Purchase (MUs)	Cost (Rs. Cr.)	Rate (Rs. /unit)	Purchase (MUs)	Cost (Rs. Cr.)	Rate (Rs. /unit)	Purchase (MUs)	Cost (Rs. Cr.)	Rate (Rs. /unit)
NTPC	936.62	476.17	5.08	1411.99	642.15	4.55	1,411.99	642.15	4.55
NTPL	83.93	49.38	5.88	123.18	66.55	5.40	123.18	66.55	5.40
NLC	697.34	298.64	4.28	582.33	244.90	4.20	582.33	244.90	4.20
PPCL	225.02	208.38	9.26	211.12	192.37	9.11	211.12	192.37	9.11
KAIGA	491.59	171.57	3.49	243.54	83.81	3.44	243.54	83.81	3.44
MAPS	33.04	7.93	2.40	21.38	5.05	2.57	21.38	5.05	2.57
NTECL	102.84	66.12	6.43	85.97	51.23	5.96	85.97	51.23	5.96
KKNP	428.78	151.78	3.54	455.12	189.29	4.16	455.12	189.29	4.16
NNTPS	275.59	167.69	6.08	405.35	177.15	4.37	405.35	177.15	4.37
NTPC Solar	253.26	66.61	2.63	256.91	96.01	3.74	256.91	96.01	3.74
SECI Wind	460.54	132.17	2.87	457.45	129.15	2.82	457.45	129.15	2.82
Sub-Total (A)	3988.55	1796.44	4.50	4254.35	1876.70	4.49	4,254.35	1,876.70	4.49
Net UI				-100.87	3.53		-100.87	3.53	-
PGCIL (POC + Non POC) Charges		171.50		258.16		-	258.16	-	-
SRLDC				0.75		-	0.75	-	-
KPTCL				0.22		-	0.22	-	-
Bank (LC) Charges				1.19		-	1.19	-	-
EESL				3.49		-	3.49	-	-
SRPC & RPO				0.33		-	0.33	-	-
KSEB				0.04		-	0.04	-	-
Debit Note of Previous Year				15.01		-	15.01	-	-
Interest Cost (LPSC)				7.87		-	7.87	-	-
Sub-Total (B)	3988.55	1967.94		4153.47	2167.30		4,153.47	2,167.30	-
Less: Bank (LC) Charges				1.19		-	1.19	-	-
Less: Interest Cost (LPSC)				7.87		-	7.87	-	-
Less: EESL				3.49		-	3.49	-	-
Add: URS Income				0.56		-	0.56	-	-
Add: PTC Charges				0.01		-	0.01	-	-
Sub-Total (C)	3988.55	1967.94		4153.47	2155.32		4,153.47	2,155.32	-
Open Market (Sale)/Purchase	-528.05	-256.11		-555.50	-261.86		-555.50	-261.86	-
Sub-Total (D)	3460.50	1711.83		3597.97	1893.46		3,597.97	1,893.46	-
UI/DSM Charges				32.68		-	32.68	-	-
URS Income				0.56		-	0.56	-	-
RRAS Income		14.00		0.42		-	0.42	-	-
Less: Sub-Total (E) = Revenue from other services related to sale of power	0.00	14.00		0.00	33.66		-	33.66	-
Total Power Purchase = (D-E)	3460.50	1697.83		3597.97	1859.80		3,597.97	1,859.80	5.17

The Commission approves power purchase quantum of 3597.97 MUs and cost of Rs. 1859.80 Cr. in the True-up of the FY 2023-24.

3.8 Renewable Purchase Obligation (RPO)

The Commission observed that Regulation 3, Sub-regulation (1) of the JERC (Procurement of Renewable Energy) Regulations, 2010 provides as under:

“Each distribution licensee shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of the total consumption of all the consumers in its area during a year.”

The Commission notified the JERC (Procurement of Renewable Energy), (Fourth Amendment) Regulations, 2022 on 24th March 2022 and revised the RPO targets, according to which for FY 2023-24 the Petitioner is obligated to

purchase 10% of its energy consumption from solar, 0.66% from HPO, and 9.25% from Other Non-Solar renewable energy sources for FY 2023-24.

Based on the above, the Commission has computed the cumulative RPO compliance and the pending backlog at the end of the FY 2023-24 as shown in the following table:

Table 3-9 Summary of Renewable Purchase Obligation (RPO) (MU) for FY 2023-24

Particulars	Claimed by the Petitioner	Trued-up by the Commission
Sales Within UT (MUs)	3104.11	3104.11
Solar Target (%)	10.00%	10.00%
Non-Solar Target (%)	9.91%	9.91%
Total Target (%)	19.91%	19.91%
RPO Target (MUs)		
Solar	310.41	310.41
Non-Solar	307.62	307.62
Total RPO Target	618.03	618.03
RPO Compliance (Actual Purchase) (MUs)		
Solar	320.58	320.58
Non-Solar	457.45	457.45
Total RPO Compliance (Actual Purchase)	778.03	778.03
RPO Compliance (REC Certificate Purchase)		
Solar	-	-
Non-Solar	-	-
Total RPO Compliance (REC Certificate)	-	-
RPO Compliance (REC + Actual) (MUs)		
Solar	320.58	320.58
Non-Solar	457.45	457.45
Total RPO Compliance	778.03	778.03
Cumulative Requirement for current year (MUs)		
Solar	1340.74	1340.74
Non-Solar	1853.36	1853.36
Total	3194.10	3194.1

Particulars	Claimed by the Petitioner	Trued-up by the Commission
Cumulative Compliance till current year (MUs)		
Solar	655.81	655.81
Non-Solar	1108.15	1108.15
Total	1763.96	1763.96
Net Shortfall in RPO Compliance till current year		
Solar	684.93	684.93
Non-Solar	745.21	745.21
Total	1430.14	1430.14

The Commission notes that there is a net shortfall of 1430.14 MU in RPO compliance till the FY 2023-24.

3.9 Energy Balance

Petitioner's Submission

The Petitioner has submitted the energy balance as shown in the following table:

Table 3-10 Energy Balance submitted by the Petitioner for FY 2023-24 (MUs)

S. No.	Particulars	Value in MU
A	Energy Requirement	
1	Sales Within Territory	3104.11
2	Energy Drawal by TANGEDCO	0.00
3	Sales to Electricity Traders / Power Exchange	0.00
4	Sale to Open access Consumers	0.00
5 = 1+2+3+4	Total Sales	3104.11
6	T&D Loss (%)	10.67%
7	T&D Loss (MU)	370.64
8	Total Energy Requirement at UT Periphery	3474.75
B	Energy Availability at Ex-Bus	
1	Total Power Purchased	4254.35
2	Own Generation (PPCL)	211.12
3	Add: Power Purchase/(Sale) at Exchange	-555.50
4 = 1+2+3	Total scheduled at CGS	3487.73
5	Energy Scheduled at UT periphery through CGS	3364.50
6	Add: Own Generation (PPCL)	211.12
7	Add: UI Overdrwal	31.74
8	Less: UI Underdrawal	-132.62
9 = 5+6+7+8	Net Power Purchase at UT Periphery	3474.75
10	ISTS Losses (MUs)	123.23
11	ISTS Losses (%)	3.53%
12	Deficit/(Surplus)	0.00

Commission's analysis

In accordance with the energy audit report and documentary evidence submitted by the Petitioner against the sales, Intra-State Transmission and Inter-State Transmission Loss, the Commission has determined the energy balance. The following table provides the energy balance approved by the Commission.

Table 3-11 Energy Balance (MUs) approved by Commission for FY 2023-24

Particulars	FY 2023-24
Energy requirement	
Total Sales	3,104.11
Transmission and Distribution losses (%)	10.67%
T&D loss (MU)	370.63
Energy Requirement @ State periphery (MUs)	3,474.74
Less: Own state Generation	211.12
Energy Required at State Periphery from inter-state sources	3,263.62
PGCIL Losses (%)	3.53%
PGCIL Losses	123.23
Total Ex bus requirement	3,597.97
Total Availability	3,597.97
Gap/(Surplus)	-

3.10 Operation & Maintenance (O&M) Expenses

Regulation 61 of JERC MYT Regulations, 2021, provides as under:

“61 Operation and Maintenance (O&M) expenses for Retail Supply Business

61.1 The Operation and Maintenance Expenses for the Retail Supply Business shall be computed in accordance with this Regulation.

61.2 O&M Expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

61.3 The Licensee shall submit the required O&M expenses for the Control Period as a part of Multi-Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the Distribution Licensee, estimates of

the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission.

61.4 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + Terminal\ Liabilities$$

Where,

$$R\&M_n = K \times GFA_{n-1} \times (1 + WPI_{inflation})$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (1 + CPI_{inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPI_{inflation})$$

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI_{inflation} – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPI_{inflation} – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Distribution Licensee for the nth Year;

A&G_n – Administrative and General expenses of the Distribution Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFA_{n-1} – Gross Fixed Asset of the Distribution Licensee for the n-1th Year;

X_n is an efficiency factor for nth Year. Value of X_n shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

Provided that in case the Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, the O&M Expenses shall be determined on a case-to-case basis.

61.5 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies. Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

61.6 For the purpose of estimation, the same value of factors – CPI_{inflation} and WPI_{inflation} shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI_{inflation} and WPI_{inflation} during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.

Provided that at the time of truing up, the variation in the normative and actual O&M expenses shall be dealt in accordance with Regulation 15.”

3.10.1 Employee Expenses

Petitioner's Submission

The following table provides the employee expenses as submitted by the Petitioner:

Table 3-12: Employee expenses for FY 2023-24 (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Actuals (FY 2023-24)
1	Salary	85.87	148.96
2	Wages		0.93
3	Stipend		0.00
4	Overtime Payment		0.00
5	Less: Departmental Charges		1.20
6	Less: Salary Costs Capitalized		15.27
7	Total Employee Expenses		149.89
8	Net Employee Expenses for PED		133.42

Commission's analysis

In accordance with the JERC MYT Regulations, 2021, the Commission has determined the Employee expenses for the FY 2023-24. Regulation 6 of the JERC MYT Regulations, 2021 stipulates the following:

“6. Values for Base Year

“6.1 Provided further that the Commission may change the values for Base Year and consequently the trajectory of parameters for Control Period, considering the actual figures from audited accounts....”

The Commission has considered the approved figure of closing balance of employee expenses for FY 2022-23 as a base figure to determine the normative employee expenses for FY 2023-24. The Base Year expenses have been escalated by Growth Rate determined based on the actual manpower for FY 2023-24 submitted by the Petitioner and CPI Inflation of FY 2023-24 to arrive upon the normative employee expenses of FY 2023-24 in accordance with Regulation 42 of JERC MYT Regulations, 2021.

Table 3-13 CPI Inflation Index

FY	Average of (April - March)	Increase in CPI Index
FY 2022-23	377.62	
FY 2023-24	397.20	5.19%

Table 3-14 Growth Rate of Employee

FY	Employees	(Increase/Decrease) in employees
FY 2022-23	1710	
FY 2023-24	1604	-6.20%

Table 3-15 Computation of employee expenses (Rs. Cr.)

S. No	Particulars	(Base Year)	Approved
		Trued up FY 2022-23	FY 2023-24
	Normative approved expenses for FY 22- 23		90.17
1	Gn (Growth factor)		-6.20%
2	CPI (Average of 3 Previous Years)		5.19%
3	Expenses with inflation and growth	90.17	88.97
4	Impact of 7th Pay Commission	9.19	
5	Total Employee Expenses	99.36	88.97

Table 3-16 Employee expenses approved by Commission for FY 2023-24 (Rs. Cr.)

Particulars	Approved in APR Order	Petitioner's Submission	True-up by the Commission
Employee Expenses	85.87	133.42	88.97
Impact of 7th Pay Commission			
Total Employee Expenses	85.87	133.42	88.97

The Commission approves employee expenses of Rs. 88.97 Cr in the true-up of the FY 2023-24.

3.10.2 Repair and Maintenance Expenses

Petitioner's Submission

The Petitioner has claimed R&M expense of Rs 12.00 Crore as per expenses actually incurred during FY 2023- 24, against R&M expense of Rs. 10.21

Crore approved by the Commission. The Petitioner further submitted that R&M expenses are necessary for maintenance of infrastructure and for ensuring proper Standard of Performance of the utility. The following table provides the R&M expense as submitted by the Petitioner:

Table 3-17 R&M Expenses for FY 2023-24 submitted by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in APR Order	Actuals (as per Audited Accounts of FY 2023-24)
1	R&M Expenses	10.21	12.00

Commission's analysis

The Commission has considered the K factor of 0.91% as approved in the 3rd MYT Tariff Order dated 31.03.2022 and the same has been multiplied with the closing GFA approved for the (n-1)th year. The resultant amount is then escalated by WPI Inflation for FY 2023-24 to arrive upon the normative R&M Expenses for the FY 2023-24. The WPI Inflation has been computed as follows:

Table 3-18 Computation of WPI Index (%)

S. No	FY	Average of (Apr-Mar)	Yearly increase
1	2022-23	152.53	
2	2023-24	151.42	-0.73%

The Commission has computed the R&M Expenses as given in the following table:

Table 3-19 Computation of R&M Expenses worked out by the Commission (Rs. Cr.)

S. No	Particulars	FY 2023-24
1	Opening GFA (GFAn-1)	1,039.83
2	K factor approved (K) (%)	0.91%
3	WPI Inflation (Actuals for FY 2023-24) (%)	-0.73%
4	R&M Expenses = $K \times (GFA\ n-1) \times (1+WPIinflation)$	9.39

The R&M expenses approved by the Commission for FY 2023-24 have been provided in the following table:

Table 3-20 R&M Expenses approved by the Commission for FY 2023-24 (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Petitioner's Submission	Trued Up by Commission

1	Repair & Maintenance Expenses (R&M)	10.21	12.00	9.39
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The Commission approves the Repair & Maintenance (R&M) expenses of Rs. 9.39 Cr in the true- up of FY 2023-24.

3.10.3 Administrative and General (A&G) Expenses

Petitioner's Submission

The Petitioner has incurred A&G expenses of Rs. 16.05 Crore against the approved expenses of Rs. 15.70 Crore, as submitted by the Petitioner. The following table provides the R&M expense as submitted by the Petitioner.

Table 3-21 A&G Expenses for FY 2023-24 submitted by the Petitioner

S. No.	Particulars	Approved in APR Order	Actuals (as per Audited Accounts of FY 2023-24)
1	A & G Expenses	15.70	16.05

Commission's analysis

The Commission has considered the approved figure of FY 2022-23 (as approved during true up order dated 12.06.2024) as a base figure to determine the normative A&G expenses for FY 2023-24. The Base Year expenses have been escalated by CPI Inflation for FY 2023-24 to arrive upon the normative A&G expenses of FY 2023-24.

Table 3-22 Computation of A&G expenses (Rs. Cr.)

S. No	Particulars	Trued Up
		FY 2023-24
	Approved A&G expenses of FY 2022-23 (base value)	14.89
1	CPI (in %)	5.19%
2	A&G Expenses	15.66

Table 3-23 A&G Expenses approved by Commission for FY 2023-24 (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Petitioner's Submission	Trued Up by Commission
1	A&G Expenses	15.70	16.05	15.66

The Commission approves the Administrative & General (A&G) expenses of Rs. 15.66 Cr. in the True-up of FY 2023-24.

3.11 Total Operation and Maintenance (O&M) Expenses

The Following table provides the O&M expenses, approved by the Commission, Petitioner's submission and O&M expenses now trued up by the Commission.

**Table 3-24 O&M Expenses approved by the Commission for FY 2023-24
(Rs. Cr.)**

Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2023-24	Petitioner's Submission (actual)	Trued up by the Commission
Employee Cost	85.87	133.42	88.97
R&M Expenses	10.21	12.00	9.39
A&G Costs	15.70	16.05	15.66
Total O&M Expenses for the purpose of sharing of Gains/Losses	111.78	161.47	114.02

The Commission approves the Operation & Maintenance (O&M) expenses, before sharing of gain and loss, of Rs. 114.02 Crore in the true-up of FY 2023-24. Sharing Gain/ loss is described in the upcoming section.

3.12 Capitalisation

Petitioner's Submission

The Petitioner has submitted the capitalization of Rs. 22.53 Cr. for FY 2023-24 against the approved capitalization of Rs. 87.82 Cr. in APR Order dated 12.06.2024.

Table 3-25 Capitalisation for FY 2023-24 (Rs. Cr.)

S. No.	Particulars	Approved in APR Order	Actuals (FY 2023-24)
1	Capitalisation	87.82	22.53

Commission's analysis:

The Commission has considered the audited account submitted by the Petitioner and approves the Capitalization as provided below:

Table 3-26 Capitalisation approved by the Commission (Rs. Cr.) for FY 2023-24

S. No	Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
1	Capitalisation	87.82	22.53	22.53

The Commission approves the Capitalisation of Rs. 22.53 Cr in the True-up of FY 2023-24.

3.13 Capital Structure

Petitioner's Submission

The Petitioner has submitted that the majority of capital assets are created out of the equity contribution from Government of Puducherry. Further, Petitioner submitted that, for the purpose of ARR, GFA, ROE, Interest on Loan and Depreciation calculation, the consumer contribution/grant has not been considered.

Commission's analysis

The Commission noted that Regulation 27 of the JERC MYT Regulations, 2021 specifies the following:

"27. Debt to Equity Ratio

27.1 In case of Existing Projects, debt to equity ratio allowed by the Commission for determination of tariff for the period ending March 31, 2018 shall be considered:

Provided that in case of retirement or replacement or De-capitalization of the assets, the equity capital approved as mentioned above, shall be reduced to the extent of 30% (or actual equity component based on documentary evidence, if it is lower than 30%) of the original cost of such assets:

Provided further that in case of retirement or replacement or De-capitalization of the assets, the debt capital approved as mentioned above, shall be reduced to the extent of outstanding debt component based on documentary evidence, or the normative loan component, as the case may be, of the original cost of such assets.

27.2 For New Projects, the debt-equity ratio as on the Date of Commercial Operation shall be 70:30 of the amount of capital cost approved by the Commission under Regulation 23, after prudence check for determination of tariff:

Provided that where equity actually deployed is less than 30% of the capital cost of the capitalised asset, the actual equity shall be considered for determination of tariff:

Provided also that if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as a normative loan for the Licensee for determination of tariff:

Provided also that the Licensee shall submit documentary evidence for the actual deployment of equity and explain the source of funds for the equity:

Provided also that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:

Provided further that the premium, if any, raised by the Licensee while issuing share capital and investment of internal resources created out of its free reserves, for the funding of the scheme, shall be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilized for meeting the capital expenditure of the transmission system or the distribution system, and are within the ceiling of 30% of capital cost approved by the Commission.

27.3 Any expenditure incurred or projected to be incurred on or after April 1, 2019, as may be admitted by the Commission, as additional capital expenditure for determination of tariff, and renovation and modernization expenditure for life extension shall be serviced in the manner specified in this Regulation.”

As submitted by the Petitioner, the capitalisation has been 100% funded through equity. However, the Commission has observed that amount of Rs 2.71 Crores under the head of consumer contribution in the audited accounts. In accordance with the JERC MYT Regulations, 2021, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as a normative loan for the Licensee for determination of tariff. Hence, the Commission approves 70:30 ratio as normative loan: equity after reducing the grants/consumer contributions. Hence, the Commission has determined the Capital Structure for FY 2023-24 as follows:

Table 3-27 GFA addition approved by Commission (Rs. Cr.)

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Opening Gross Fixed Assets	1,039.85	1,039.83	1,039.83
Addition During the FY	87.82	22.53	22.53
Adjustment/Retirement During the FY	-	-	-
Closing Gross Fixed Assets	1,074.97	1,062.36	1,062.36

Table 3-28 Capital Structure approved by Commission (Rs. Cr.) for FY 2023-24

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Gross Fixed Assets addition during the year (Additional Capitalisation approved, Less: Grant provided by GoI)	35.13	22.53	22.53
Less Consumer Contribution	-	-	2.71
Less Grant provided by GoI	-	-	-
Net Gross Fixed Asset Addition	-	-	19.82
Normative loan addition During the FY @70% of GFA addition during year	24.59	15.77	13.87

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Equity addition on account of new Capitalisation @30% of GFA addition during the year	10.54	6.76	5.95

3.14 Depreciation

Petitioner's Submission

The Petitioner has submitted and claimed the depreciation of assets as per Regulation 31 of the JERC MYT Regulations, 2021 for FY 2023-24. The depreciation as claimed by the Petitioner has been tabulated below:

Table 3-29 Depreciation rate submitted by Petitioner (%)

Description of Assets	Rate of Depreciation
Land & Land Rights	0.00%
Buildings	1.80%
Plant & Machinery	3.60%
Transformer	3.60%
Lines & Cables (HT & LT)	3.60%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Office Equipment	6.00%
IT Equipment	6.00%
Testing & Measuring Equipment	6.00%
SCADA P&M	6.00%

Based on the aforementioned class-wise depreciation rates and Regulation 31 of the JERC MYT Regulations, 2021, the Petitioner has arrived at 2.47% of the weighted average depreciation rate on the average GFA for FY 2023-24.

The Petitioner has requested the Commission to approve Rs. 26.00 Cr of depreciation has shown in the table following:

Table 3-30 Depreciation for FY 2023-24 submitted by the Petitioner (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Petitioner's Submission
1	Opening Gross Fixed Assets	1,039.85	1039.83
2	Addition During the FY	87.82	22.53
3	Less: Grant Provided by GoI	52.69	0.00
4	Closing Gross Fixed Assets	1,074.98	1062.36
5	Average Gross Fixed Assets	1,057.42	1051.09
6	Weighted Average Rate of Depreciation (%)	3.70%	2.47%
7	Depreciation	39.16	26.00

Commission's Analysis

Regulation 31 of the JERC MYT Regulations, 2021 stipulates the following with respect to depreciation:

“31. Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets.

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2019, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2018, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

31.7 The depreciation for a Distribution Licensee shall be calculated annually, based on the Straight Line Method, over the Useful Life of the asset at rates specified in Appendix I of the Regulations.

31.8 In addition to allowable depreciation, the Distribution Licensee shall be entitled to advance against depreciation (AAD), computed in the manner given hereunder:

AAD = Loan (raised for capital expenditure) repayment amount based on loan repayment tenure, subject to a ceiling of 1/10th of loan amount minus depreciation as calculated on the basis of these Regulations:

Provided that advance against depreciation shall be permitted only if the cumulative repayment upto a particular Year exceeds the cumulative depreciation upto that Year:

Provided further that advance against depreciation in a Year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation upto that Year.

31.9 The Distribution Licensee shall provide the list of assets added during each Year of Control Period and list of assets completing 90% of depreciation in the Year along with Petition for annual performance review, true-up and tariff determination for ensuing Year.

31.10 The remaining depreciable value for a Distribution Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan.”

The Commission considered the effective weighted average rate of depreciation of 2.47% (Rs. 26 Crore/Average GFA (Rs 1051.09 Crore)) as per Audit Accounts of FY 2023-24. The Commission has observed that Petitioner has considered the opening depreciable gross fixed assets including the consumer contribution. However, in accordance with Regulation 31.1 of JERC MYT Regulations, 2021, it is observed that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant. Hence, the Commission has considered the average of the depreciable GFA excluding consumer contribution which was equivalent to Rs 58.44 Crores at the closing of FY 2022-23. Further, consumer contribution equivalent to Rs 2.71 Crores was received during FY 2023-24. The Commission has computed the depreciation on consumer contribution separately. Further, the Commission has reduced the depreciation on the consumer contribution provided from the depreciation on the average of a depreciable GFA.

The net depreciation worked by the Commission for the FY 2023-24 is as detailed here under in table below:

Table 3-31 Depreciation Approved by the Commission for the FY 2023-24 (Rs. Cr.)

Particulars	True-up by the Commission
Opening depreciable asset	1,039.83
Net Additions during the year	22.53

Particulars	True-up by the Commission
Closing depreciable assets	1,062.36
Average depreciable assets	1,051.09
Weighted average rate of depreciation	2.47%
Depreciation	26.00
Opening Consumer Contribution	58.44
Consumer Contribution during the Year	2.71
Closing Consumer Contribution for depreciable assets	61.15
Average Grants for Depreciable Assets	59.79
Weighted average rate of depreciation	2.47%
Depreciation on assets created out of grants	1.48
Net Depreciation	24.52

3.15 Interest and Finance Charges

Petitioner's Submission

The Petitioner has referred the Regulation 29, which deals with Interest and Finance Charges on loans. PED stated that most of the assets are funded by Puducherry Government through equity. The Petitioner submitted that it has been claiming interest charges based on normative loan calculation. The Interest and Finance Charges that have arrived are based on normative loan considered to the extent of capitalization during the year. The following table compares Interest and Finance Charges for FY 2023-24 with the Commission's approved amounts given in tariff order dated 12.06.2024:

Table 3-32 Interest & Finance Charges for FY 2023-24 (Rs. Cr.)

S. No.	Particulars	Approved in APR Order	Actuals
1	Opening Normative Loan	176.79	176.78
2	Add: Normative Loan during the Year	24.59	15.77
3	Less: Normative Repayment	39.16	26.00
4	Closing Normative Loan	162.21	166.55
5	Average Normative Loan	169.50	171.66
6	Rate of Interest	9.50%	9.50%
7	Interest on Normative Loan	16.10	16.31
8	Other Finance Charges	-	1.82
9	Total Interest and Finance Charges	16.10	18.13

The Petitioner has considered an addition of Rs. 22.53 Cr in the Gross Fixed Asset for the FY 2023-24. Further, the Petitioner has considered the 70% of balance asset addition through normative debt. The Petitioner has also

submitted that PED has requested the Commission to approve the Interest & Finance Charges of Rs. 18.13 Cr. for FY 2023-24.

Commission's analysis

Regulation 29 of the JERC MYT Regulations, 2021 stipulates the following:

"29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalization or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the de-capitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2019, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2018, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalization approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

29.8 The finance charges incurred for obtaining loans from financial institutions for any Year shall be allowed by the Commission at the time of Truing-up, subject to prudence check.

29.9 The excess interest during construction on account of time and/or cost overrun as compared to the approved completion schedule and capital cost or on account of excess drawal of the debt funds disproportionate to the actual requirement based on Scheme completion status, shall be allowed or disallowed partly or fully on a case-to-case basis, after prudence check by the Commission:

Provided that where the excess interest during construction is on account of delay attributable to an agency or contractor or supplier engaged by the Transmission Licensee, any liquidated damages recovered from such agency or contractor or supplier shall be taken into account for computation of capital cost:

Provided further that the extent of liquidated damages to be considered shall depend on the amount of excess interest during construction that has been allowed by the Commission.

29.10 The Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the equally between the beneficiaries and the Transmission Licensee or the Distribution Licensee and the Consumers of Distribution Licensee.

29.11 Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission.”

The Commission has approved the normative loan and equity amount for FY 2023-24 in the earlier section of this chapter and the same amount is considered here. Further, the loan portion of consumer contribution at the closing of FY 2022-23 (discussed under section 3.14) i.e. Rs 40.91 Crores has been reduced from opening loan of FY 2022-23. The Commission has considered the SBI 1 Year MCLR rate i.e. rate applicable as on 01.04.2023 (8.50%) plus 100 basis points as Rate of Interest, in accordance with the JERC MYT Regulations, 2021. The Commission has also considered the finance charges of Rs. 1.82 Cr. as claimed by the Petitioner from its Audited Account.

The following table provides the Interest on Loan approved by the Commission:

Table 3-33 Interest and Finance charges approved by Commission (Rs. Cr.) for FY 2023-24

Particulars	Approved in APR Order	Petitioner's Submission	True-up by the Commission
Opening Normative Loan	176.79	176.78	176.78
Less Opening Consumer contribution loan portion	-	-	40.91
Net Opening Loan	-	-	135.87
Add: Normative Loan During the year	24.59	15.77	13.87
Less: Normative Repayment = Depreciation	39.16	26.00	24.52
Closing Normative Loan	162.21	166.55	125.22
Average Normative Loan	169.50	171.66	130.55
Rate of Interest (%)	9.50%	9.50%	9.50%
Interest on Loan	16.10	16.31	12.40
Finance Charges	-	1.82	1.82
Total Interest on Loans	16.10	18.13	14.22

The Commission approves the Interest and Finance Charges of Rs. 14.22 Cr in the True-up of the FY 2023-24.

3.16 Income Tax

Petitioner's Submission

The Petitioner has not submitted any income tax in the true-up.

Commission's analysis

The Petitioner has no actual income tax in the Audited Accounts nor claimed any in the Truing-up. Accordingly, The Commission approves nil income tax in the True-up of the FY 2023-24.

3.17 Return on Equity (RoE)

Petitioner's Submission

The Petitioner submitted that Return on Equity (RoE) was computed in accordance with the JERC MYT Regulations 2021.

RoE is computed on 30% of the capital base. Accordingly, RoE has been calculated on normative basis on the average of opening and closing of equity during the year at the rate of 16% (on post-tax basis) for retail business and at the rate of 15.50% (on post-tax basis) for wires business with an opening equity considered for FY 2023-24 as equivalent to the closing equity of FY 2022-23 as approved in the True-up. Further, the Petitioner has submitted that it has consider an equity addition in FY 2023-24 equal to 30% of asset capitalized in FY 2023-24. The Petitioner has calculated the Return on Equity as outlined in the following table for FY 2023-24:

Table 3-34 Return on Equity for FY 2023-24 (Rs. Cr.)

S. No.	Particulars	Approved in APR Order	Actuals
1	Opening Equity Amount	311.95	311.95
2	Equity Addition during year (30% of Capitalization)	10.54	6.76
3	Closing Equity Amount	322.49	318.71
4	Average Equity Amount	317.22	315.33
5	Average Equity-Wires Business	285.50	283.80
6	Average Equity (Retail Supply Business)	31.72	31.53
7	Return on Equity for Wires Business (%)	15.50%	15.50%
8	Return on Equity for Retail Supply Business (%)	16.00%	16.00%
9	Return on Equity for Wires Business	44.25	43.99
10	Return on Equity for Retail Supply Business	5.08	5.05
	Total Return on Equity	49.33	49.03

In view of above, the Petitioner requested the Commission to allow the above Return on Equity of Rs.49.03 Cr for FY 2023-24.

Commission's analysis:

The Regulations 28.2 and 28.3 of the JERC MYT Regulations, 2021 stipulate the following:

“28.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the

assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

28.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum.”

The equity portion of consumer contribution at the closing of FY 2022-23 (discussed under section 3.14) i.e. Rs 17.53 Crores has been reduced from opening equity of FY 2022-23. RoE has been calculated on normative basis on the average of opening and closing of equity during the year at the rate of 16.00% and 15.50%, as applicable, (on post-tax basis) with an opening equity considered equivalent to the closing equity of FY 2022-23 as approved in the True-up of FY 2022-23.

The following table provides the RoE approved in the Tariff Order, the Petitioner's Submission and RoE now approved by the Commission:

Table 3-35 RoE approved by Commission (Rs. Cr.)

Particulars	FY 2023-24		
	Approved in APR Order	Claimed by the Petitioner	Trued-up by the Commission
Opening Equity	311.95	311.95	311.95
Less: CC Equity portion	-	-	17.53
Net Opening	-	-	294.42
Equity Addition during year (30% of Capitalization)	10.54	6.76	5.95
Closing Equity	322.49	318.71	300.36
Average Equity	317.22	315.33	297.39
Average Equity-Wires Business	285.50	283.80	267.65
Average Equity (Retail Supply Business)	31.72	31.53	29.74
Return on Equity for Wires Business (%)	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%
Return on Equity for Wires Business	44.25	43.99	41.49
Return on Equity for Retail Supply Business (%)	5.08	5.05	4.76
Return on Equity	49.33	49.03	46.24

The Commission approves a Return on Equity of Rs. 46.24 Cr in the True-up of FY 2023-24.

3.18 Interest on Security Deposits

Petitioner's Submission

The Petitioner submitted that Interest on Security Deposits has been calculated as per JERC MYT Regulations, 2021 based on the average of opening and closing consumer security deposits during the year. The Petitioner has considered the opening deposit of FY 2023-24 based on closing deposit in the True-up of FY 2022-23. The Petitioner has considered rate of

interest (6.75%) equivalent to the prevailing RBI Bank rate. The table below provides the calculation of interest on consumer security deposits submitted by the Petitioner for the year:

Table 3-36 Interest on Security Deposit for FY 2023-24 (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Petitioner's Submission
1	Opening Security Deposit	247.65	247.65
2	Add: Deposits During the year	17.00	18.07
3	Less: Deposits refunded		1.17
4	Closing Security Deposit	264.25	264.55
5	Average Security Deposit	255.15	256.10
6	Rate of Interest (%)	6.75%	6.75%
7	Interest on Security Deposit on normative basis	17.29	17.29

The Interest on Security Deposit for FY 2023-24 is Rs. 17.29 Cr and is requested to approve the same.

Commission's analysis:

The Interest on Security Deposits has been calculated in accordance with the JERC MYT Regulations, 2021 based on the average of opening and closing consumer security deposits during the year. Regulation 29.11 of the JERC MYT Regulations, 2021 stipulates the following about security deposit:

"Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission."

The opening security deposit for FY 2023-24 has been considered based on the closing security deposit as approved in the True-up of FY 2022-23. The addition during the year has been considered as per the audited account of Petitioner. The rate of interest has been considered at 6.75%, equivalent to the prevailing RBI Bank rate as on 1.4.2023.

The Commission sought clarification regarding the deposit addition during the year and deposit refunded considered for FY 2023-24. The Commission has observed that Petitioner has considered the addition during the year and deposit refunded for FY 2023-24 as per the audited accounts in the replies to 1st deficiency note raised by the Commission. The table below provides the calculation of interest on consumer security deposits for the year:

Table 3-37 Interest on Consumer Security Deposits approved by Commission (Rs. Cr.)

Particulars	FY 2023-24		
	Approved in APR Order	Claimed by the Petitioner	Trued-up by the Commission
Opening Security Deposit	247.65	247.65	247.65
Add: Deposits During the year	17.00	18.07	18.07
Less: Deposits refunded	-	1.17	1.17
Closing Security Deposit	264.25	264.55	264.55
Average Security Deposit	255.15	256.10	256.10
Rate of Interest (%)	6.75%	6.75%	6.75%
Interest on Security Deposit on normative basis	17.29	17.29	17.29
Interest on Security Deposit paid to consumers		10.04	10.04

As actual interest paid on security deposit is lesser than normative value, hence, the Commission approves interest on security deposit as Rs. 10.04 Cr in the True up of FY 2023-24.

3.19 Interest on Working Capital

Petitioner's Submission

The Interest on Working Capital has been calculated by the Petitioner based on the normative principles outlined in the JERC MYT Regulations, 2021. The Petitioner has computed the Interest on Working Capital at rate of 10.50% and is claimed as under:

Table 3-38 Interest on Working Capital submitted by Petitioner (Rs. Cr.)

S. No	Particulars	Approved in APR Order	Petitioner's Submission
1	O&M Expenses for 1 month	9.31	13.46
2	Maintenance spares at 40% of R&M	0.34	4.80
3	Receivables of two months of billing	321.02	354.41
4	Total Working Capital Requirement	330.68	372.66
5	Less: Security Deposit excluding BG/FDR	256.15	264.55
6	Less: Power Purchase cost for one (1) month	141.49	154.98
7	Net Working Capital	-66.73	-46.88
8	Rate of Interest (%)	10.50%	10.50%
9	Interest on Working Capital	0	0.00

Commission's analysis:

The Commission observed that Regulation 53 of the JERC MYT Regulations, 2021 stipulates the following regarding norms of interest on working capital:

“53. Norms of Working Capital for Distribution Wires Business

53.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

- (a) O&M Expenses for one (1) month; plus
- (b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- (c) Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;

Less:

- (d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.”

Further, Regulation 64 of the JERC MYT Regulation, 2021 stipulates the following:

“64.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Retail Supply Business for the Financial Year, computed as follows:

- (a) O&M Expenses for one (1) month; plus
- (b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- (c) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;

Less

- (d) Power Purchase cost for one (1) month; plus
- (e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.”

Further, Regulation 32.3 of the JERC MYT Regulation, 2021 stipulates the following:

“32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”

The Commission has considered the O&M Expense for 1 month, maintenance spares at 40% of R&M expenses for one (1) month and Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff based on the previous sections of this same Chapter.

The Commission has considered the SBI Base rate as on 1st April 2023 for calculation of interest plus 200 basis points i.e. 10.50% (8.50% + 200) basis points), as stipulated in the MYT Regulations, 2021.

Accordingly, the Interest on Working Capital has been determined by the Commission, as shown in the table below:

Table 3-39 Interest on Working Capital approved by Commission (Rs Cr.) for FY 2023-24

S. No	Particulars	FY 2023-24		
		Approved in APR Order	Claimed by the Petitioner	Trued-up by the Commission
1	O&M Expense for 1 month	9.31	13.46	9.50
2	Maintenance spares at 40% of R&M expenses for one (1) month	0.34	4.80	0.31
3	Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff	321.02	354.41	337.76
4	Total Working Capital Requirement	330.68	372.66	347.58
5	Less: Amount held as security deposits (average)	256.15	264.55	256.10
6	Less: Power Purchase cost for one (1) month	141.49	154.98	154.98
7	Net Working Capital	-66.73	-46.87	-63.51
8	Rate of Interest (%)	10.50%	10.50%	10.50%
9	Interest on Working Capital	-	-	-

Accordingly, the Commission approves the NIL Interest on Working Capital in the True-up of FY 2023-24, since there is negative working capital requirement.

3.20 Provision for Bad & Doubtful Debts

Petitioner's Submission

The Petitioner has not claimed any amount towards bad and doubtful debts for FY 2023-24.

Commission's analysis:

As per Regulation 63 of the JERC MYT Regulations, 2021:

63.1 “The Commission may allow bad debts written off as a pass through in the Aggregate Revenue Requirement, based on the trend of write off of bad debts in the previous years, subject to prudence check:

Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check:

Provided also that the provision for bad and doubtful debts shall be limited to 1% of the annual Revenue Requirement of the Distribution Licensee:

Provided further that if subsequent to the write off of a particular bad debt, revenue is realised from such bad-debt, the same shall be included as an uncontrollable item under the Non-Tariff Income of the year in which such revenue is realised.”

It is observed that as per the audited accounts, the licensee has not written off any amount in FY 2023-24. Therefore, the Commission approved NIL provision for bad and doubtful debts in the True-up of FY 2023-24.

3.21 Non-Tariff Income (NTI)

Petitioner’s Submission

The Petitioner has claimed the Non-Tariff Income in FY 2023-24 excluding UI sales and miscellaneous income, amounting to Rs. 5.27 Cr. Therefore, the Petitioner as requested to approve the Non-Tariff Income of Rs. 5.27 Cr. for FY 2023-24.

Commission’s analysis:

Regulation 44 of JERC MYT Regulation, 2021 states the following about non-tariff income:

“44. Non-Tariff Income

44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:

Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.

44.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent on land or buildings;*
- b) Income from sale of scrap;*

- c) Income from statutory investments;
- d) Interest on advances to suppliers/contractors;
- e) Rental from staff quarters;
- f) Rental from contractors;
- g) Income from hire charges from contractors and others;
- h) Income from advertisements, etc.;
- i) Miscellaneous receipts like parallel operation charges;
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;
- k) Excess found on physical verification;
- l) Interest on investments, fixed and call deposits and bank balances;
- m) Prior period income, etc.:

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”

The Commission has considered the submission of the Petitioner from the audited accounts and accordingly, approved NTI as shown in the following table:

Table 3-40 Non- Tariff Income approved by Commission (Rs. Cr.) for FY 2023-24

Particulars	Approved in MYT Order	Petitioner's Submission	Trued up by the Commission
Income from Trading of materials			
Interest Income on Margin Money Deposit with Bank	26.71	5.27	5.27
Other Receipts			
Rebate availed on payment of power purchase			
Total Non-Tariff Income	26.71	5.27	5.27

The Commission approves Non-Tariff Income of Rs. 5.27 Cr. in the True-up of FY 2023-24.

3.22 Incentive/Disincentive towards over/under-achievement of norms

3.21.1 Incentive/Disincentive towards over/under-achievement of norms for T&D Loss

Petitioner's Submission:

No submission has been made in this regard.

Commission's analysis:

In the APR Order for FY 2023-24 dated 12.06.2024, the Commission approved the T&D loss level of 10.75% for the FY 2023-24. As discussed earlier in approval of T&D loss, the Petitioner has been able to achieve an Intra-State T&D Loss of 10.67%. Thus, there is an over achievement of the loss target. In accordance with the JERC MYT Regulations, 2021, the Commission has determined the sharing of gains/losses on account of controllable factors. Regulation 15 of the JERC MYT Regulations, 2021 stipulates the following:

"15 Mechanism for sharing of gains or losses on account of controllable factors

15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

15.2 Approved aggregate loss, if any to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be on account of the Licensee and shall not be passed to the Consumers."

The incentive has been derived by calculating the saving in cost of power procured due to over-achievement of the stipulated Intra-State T&D loss target of 10.75% by the Petitioner, at the Average Power Purchase cost (APPC). The APPC has been derived as follows:

Table 3-41 Average Power Purchase Cost (APPC) for the FY 2023-24

Particulars		Amount
Total Power Purchase Cost (Rs Cr)	A	1,859.80
Less: Transmission charges and Power Purchase cost from renewable energy sources (Rs Cr)	B	488.33
Net Power Purchase Cost (Rs Cr)	C=A-B	1,371.47
Quantum of Ex-bus Power Purchase (MUs)	D	3,597.97
Quantum of energy at UT Periphery excluding renewable energy sources (MUs)	E	2,883.61
APPC (Rs /kWh)	F=C/E*10	4.76

Table 3-42 Approved incentive towards overachievement of Intra-State distribution loss (Rs. Cr.) for FY 2023-24

Particulars		Normative	Actual
Retail Sales (MUs)	A	3,104.11	3,104.11
T&D Loss	B	10.75%	10.67%
Energy purchase at Periphery (MUs)	C=A-B	3,477.99	3,474.88
Gain/(Loss) (MUs)	D	-	3.11
APPC (Rs. Per unit)	E	-	4.76
Gain/(Loss) (Rs. Cr)	F=D*E/10	-	1.48
Sharing (50% to PED in case of gain and 100% in case of loss) (Rs. Cr)		-	0.74

The Commission approves Rs. 0.74 Cr. as an incentive for over-achieving the Intra-State Distribution Loss target in the True-up of FY 2023-24.

3.21.2 Incentive/Disincentive towards over/under-achievement of norms for O&M Expenses

In accordance with the JERC MYT Regulations, 2021, the Commission has determined the sharing of gains/losses on account of controllable factors. The Regulation 15 of the JERC MYT Regulations, 2021 stipulates the following:

“15 Mechanism for sharing of gains or losses on account of controllable factors

15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

15.2 Approved aggregate loss, if any to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be on account of the Licensee, and shall not be passed to the Consumers.”

Considering the above provisions, the Commission has carried out the gain and loss of O&M expenses, which are controllable parameters. The details are provided below:

Table 3-43 Sharing Gain/(Loss) approved by the Commission for FY 2023-24 (Rs. Cr.)

Particulars	Normative O&M cost	Actual O&M cost	Gain/(Loss)	Sharing of 50% Gain/ 100% Loss to PED
Employee Expenses	88.97	133.42	(44.45)	(44.45)
7th Pay Commission Expenses	-	-	-	-
Administration & General Expenses (A&G)	15.66	16.05	(0.39)	(0.39)
Repair & Maintenance Expenses (R&M)	9.39	12.00	(2.61)	(2.61)
Total	114.02	161.47	(47.45)	(47.45)

Thus, loss of Rs 47.45 Crores on account of over spending of O&M cost from the normative shall be on the account of PED.

3.23 Aggregate Revenue Requirement (ARR)

Petitioner's Submission

The Aggregate Revenue Requirement for FY 2023-24 as approved by the Commission was Rs. 1904.78 Cr. in the APR order dated 12.06.2024 against which the ARR for FY 2023-24, as submitted by the Petitioner, on basis of actuals is Rs. 2126.44 Cr. Further, the Commission has sought in data deficiency for the consideration of the Revenue from Penal charges from consumers of Rs 4.55 Crore. The Petitioner has clarified that the Petitioner

has considered Rs. 4.55 Crore towards the Delayed Payment Charges under the Revenue and not under NTI for FY 2023-24 in accordance with Regulation 35(2) of the JERC MYT Regulations, 2021. The submission of the Petitioner for Aggregate Revenue Requirement on the basis of actuals for FY 2023-24 is shown below:

Table 3-44 Calculation of ARR for FY 2023-24 (Rs. Cr.)

S. No.	Particulars	Approved in APR Order	Petitioner's Submission
1	Cost of Power Purchase	1697.83	1859.80
2	Employee Cost	85.87	133.42
3	Administration and General Expenses	15.7	16.05
4	R&M expenses	10.21	12.00
5	Depreciation	39.16	26.00
6	Interest & Finance Charges	16.1	18.13
7	Interest on Consumer Security Deposit	17.29	17.29
8	Interest on Working Capital	0	0
9	Return on Equity	49.33	49.03
10	Provision for Bad Debt	0	0
11	Total Revenue Requirement	1931.49	2131.71
12	Less: Non- Tariff Income	26.71	5.27
13	Net Aggregate Revenue Requirement	1904.78	2126.44

Commission's analysis

The Commission has noted that the Petitioner has made a comparison notes of financial value of all-component wise submission as compared to APR order dated 12.06.2024. The Commission on the basis of the detailed analysis of the cost parameters of the ARR discussed in the previous sections has considered and approved the revenue requirement in the True-up of FY 2023-24 as given in the following table:

Table 3-45 Aggregate Revenue Requirement approved by Commission for FY 2023-24 (Rs. Cr.)

Particulars	Approved in APR Order	Claimed by the Petitioner	Claimed in True-up
Cost of power purchase	1768.76	1859.80	1859.8
Employee Costs	128.64	133.42	88.97
Administration and General Expenses	15.34	16.05	15.66
R&M expenses	10.22	12.00	9.39
Depreciation	26.25	26.00	24.52
Interest & Finance Charges	14.08	18.13	14.22
Interest on CSD	6.25	17.29	10.04
Interest on Working Capital	10.89	0.00	0.00
Return on Equity	49.33	49.03	46.24
Provision for Bad Debt	0.00	0.00	0.00
On account of sharing of gain / (loss)	0.00	0.00	0.74
Total Revenue Requirement	2029.76	2131.72	2069.59
Less: Non- Tariff Income	9.73	5.27	5.27
Net Revenue Requirement	2020.01	2126.45	2064.33

The Commission approves Net Aggregate Revenue Requirement of Rs. 2064.33 Cr. in the True-up of the FY 2023-24.

3.24 Revenue at existing Retail Tariff

Petitioner's Submission

The Petitioner submitted the actual revenue earned from tariffs for FY 2023-24, which is shown in the table below:

Table 3-46 Revenue from Tariff for FY 2023-24 (Rs. Cr.)

Category of Consumers	Approved in APR Order			Petitioner's Submission		
	Fixed Charge	Energy Charge	Total Revenue	Fixed Charge	Energy Charge	Total Revenue
Domestic & Cottage	24.45	276.70	301.15	57.03	323.14	380.17
OHOB	0.03	0.23	0.26	0.03	0.23	0.26
Commercial	14.32	159.43	173.75	27.75	171.86	199.61
Agriculture	3.86		3.86	5.07	0.00	5.07
Public Lighting	0.85	12.94	13.79	4.73	14.91	19.64
LT-Industrial & Water Tank	8.27	101.13	109.40	4.68	117.96	122.64
Temporary Supply (LT&HT)		3.42	3.42			3.62
HT 1 (Industrial & Commercial)	125.17	575.74	700.91	139.46	579.14	718.60
HT 2 - Others	14.19	40.80	54.99	13.63	31.47	45.10
HT 3- EHT	25.83	399.51	425.34	71.21	400.16	471.37
Revenue from Sale of Power at existing tariff (1)	216.97	1569.90	1786.87	323.59	1638.87	1966.08
Add: Revenue from Regulatory surcharge (8%)						126.09
Add: Revenue from Penal Charges to consumer						4.55
Add: Un-billed Revenue difference						2.77
Sub-Total (2)	0.00	0.00	0.00	0.00	0.00	133.42
Revenue from Sale of Power (BPSC) (3)						53.18
Less: Revenue from Regulatory surcharge (at the rate of 8%) (4)						126.09
Net Revenue = (1) + (2) + (3) - (4)	216.97	1569.90	1786.87	323.59	1638.87	2026.58

The Petitioner has requested the Commission to approve Rs. 2026.58 as the revenue recovered at the existing tariff by the Petitioner for the FY 2023-24.

Commission's analysis

The Commission has considered the submission of the Petitioner for the FY 2023-24 and approved the revenue excluding regulatory surcharge. Accordingly, the revenue now Trued-up by the Commission is shown in the following table:

**Table 3-47 Revenue at existing tariff approved by Commission for FY 2023-24
(Rs. Cr.)**

Particulars	Claimed by the Petitioner		Trued Up by the Commission	
	Sales (MUs)	Revenue (Rs. Crore)	Sales (MUs)	Revenue (Rs. Crore)
Total Revenue	3,104.11	2,026.58	3,104.11	2,026.58

The Commission approves the revenue from the sale of power without regulatory surcharge as Rs. 2,026.58 Cr. as per the Audited Accounts in the True-up of the FY 2023-24.

3.25 Standalone Revenue Gap/ (Surplus)

Petitioner's Submission

The Petitioner has submitted that the Commission approved a revenue gap of Rs. 117.89 Cr. for FY 2023-24 in the APR order dated 12.06.2024 for FY 2023-24. PED requested the Commission for the approval of net revenue gap of Rs. 99.86 Cr in True-up of FY 2023-24. The table below provides the revenue at existing tariff as submitted by the Petitioner:

Table 3-48 Revenue at existing tariff submitted by the Petitioner for FY 2023-24 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2023-24	Actuals
1	Aggregate Revenue Requirement	1904.78	2126.44
2	Revenue from Sale of Power	1786.89	2026.58
3	Revenue Gap/ (Surplus) excluding Regulatory Surcharge	117.89	99.86

Commission's analysis

The Commission has considered the submission made by the Petitioner and approved Revenue Gap/(Surplus) as follows:

Table 3-49 Standalone Revenue Gap/ (Surplus) for FY 2023-24 (Rs. Cr.)

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Net Revenue Requirement	1,904.78	2,126.44	2,064.33
Total Revenue	1,786.89	2,026.58	2,026.58
Net Gap / (Surplus)	117.89	99.86	37.75

The Commission, in the True-up of FY 2023-24 approves a standalone gap of Rs 37.75 Cr.

Further, considering the cumulative gap approved by the Commission after true-up of FY 2022-23 of Rs 611.77 Crore, taking into account the previous gap, the Commission determines the standalone and consolidated revenue gap/ surplus at existing tariff at the end of FY 2023-24 as shown below:

Table 3-50 Cumulative Gap/ (surplus) approved for FY 2023-24 (Rs. Cr.)

Particulars	Approved in MYT Order	Petitioner's Submission	Trued-up by Commission
Net Revenue Requirement	1,904.78	2,126.44	2,064.33
Total Revenue	1,786.89	2,026.58	2,026.58
Net Gap / (Surplus)	117.89	99.86	37.75
Recovery from Regulatory Surcharge (As per Audited Accounts for FY 2023-24)			126.09
Previous Year Gap			611.77
Cumulative gap/ (surplus)			523.43

The treatment of the cumulative gap has been discussed in the Chapter of Tariff Principles and Design.

4 Annual Performance Review of FY 2024-25

4.1. Background

This Chapter covers the Annual Performance Review (APR) of the FY 2024-25 vis-à-vis the cost parameters approved by the Commission in the Tariff Order for FY 2024-25 in its order dated 12th June, 2024 and Review Order dated 6th January, 2025. The Annual Performance Review for FY 2024-25 is to be carried out as per the provisions of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021. (hereinafter referred to as the JERC MYT Regulations, 2021).

4.1 Approach for the Review for the FY 2024-25

The review of the Aggregate Revenue Requirement for FY 2024-25 requires assessment of the quantum of energy sales, energy loss as well as the various cost elements like Power Purchase Cost, O&M Expenses, interest on long-term loans, interest on working capital loans, depreciation etc. The Annual Performance Review for FY 2024-25 has been done based on the 6 months' actual data as provided by the Petitioner for FY 2024-25 of the Power Purchase Quantum and the Cost, Energy Sales, Capitalisation, etc. Based on such data, the estimates for the remaining months of the financial year have been made. The various cost elements constituting the Aggregate Revenue Requirement have been approved based on the actual information submitted by the Petitioner, in accordance with the JERC MYT Regulations, 2021. The following sections discuss individual parameters of Annual Performance Review for FY 2024-25.

4.2 Energy Sales

Petitioner's Submission

The Petitioner has submitted the category-wise approved energy sales in the Tariff Order dated 12th June 2024 (P.No.116/2023) vis-à-vis the revised estimate of energy.

Category-wise sales for FY 2024-25, are given in the following table:

Table 4-1 Energy Sales (MUs) for FY 2024-25

Consumer category	Petitioner's Submission
Domestic	977.58
OHOB	4.42
Commercial	257.01
Agriculture	61.20
Public Lighting	26.15
LT Industrial + water tank	176.47
Temporary	3.78
Total LT -Category	1,507.76
HT-1 (HT Industrial/Commercial)	1,043.01

Consumer category	Petitioner's Submission
HT-2 (Others)	48.50
HT-3 (Industrial EHT)	714.34
Total HT -Category	1,805.86
Total (LT+ HT)	3,313.62

The Petitioner has requested to approve the revised energy sales as provided in the table above.

Commission's analysis

The Commission has observed that the Petitioner has estimated the energy sales for the FY 2024-25 by considering the provisional information for the H1 of FY 2024-25. The Commission opinions that the assumption made by the Petitioner is appropriate. Hence, the Commission approves the same. The following table provides the energy sales approved by the Commission in the Tariff Order, the Petitioner's submission and as now approved by the Commission.

Table 4-2 Energy Sales (MUs) approved by the Commission for APR of FY 2024-25

Consumer category	Approved in Tariff Order	Petitioner's Submission	Approved in APR
Domestic	804.49	977.58	977.58
OHOB	1.59	4.42	4.42
Commercial	206.65	257.01	257.01
Agriculture	60.32	61.20	61.20
Public Lighting	18.22	26.15	26.15
LT Industrial + water tank	168.75	176.47	176.47
Temporary	3.85	3.78	3.78
Total LT -Category	1,263.87	1,507.76	1,507.76
HT-1 (HT Industrial/Commercial)	998.90	1,043.01	1,043.01
HT-2 (Others)	62.67	48.50	48.50
HT-3 (Industrial EHT)	820.11	714.34	714.34
Total HT -Category	1,881.68	1,805.86	1,805.86
Total (LT+ HT)	3,145.55	3,313.62	3,313.62

The Commission approves 3,313.62 MUs as energy sales in the APR of the FY 2024-25.

4.3 Connected Load

Petitioner's Submission

The Petitioner has submitted the category-wise approved connected load in the Tariff Order dated 12th June 2024 (P.No.116/2023) vis-à-vis the revised estimate of connected load. Category-wise sales for FY 2024-25, are given in the following table:

Table 4-3 Connected Load (kW/kVA) for FY 2024-25

Consumer Category	Approved in Review Order dt. 06.01.2025	Revised Estimates
Domestic & Cottage	710,329.10	1,592,546
OHOB /Life Line Services	2,843.00	2,843
Commercial	167,657.47	238,294
Agriculture	66,447.31	63,430
Public Lighting	6,511.91	7,228
LT Industrial + Water Tank	140,309.62	139,153
Cottage Industries / Horticulture		684
HT-1 Industrial and commercial	238,424.00	317,991
HT-2 Government	23,646.00	23,109
HT 3 - EHT Industries	113,414.00	128,775
Grand Total	1,469,582.41	2,514,053

Commission's analysis

In line with Sales the Commission approves the connected load as claimed by the Petitioner.

Table 4-4 Connected Load (kW/kVA) for FY 2024-25

Consumer Category	Approved in Review Order dt. 06.01.2025	Petitioner Submission	Approved in APR
Domestic & Cottage	710,329.10	1,592,546	1,592,546
OHOB /Life Line Services	2,843.00	2,843	2,843
Commercial	167,657.47	238,294	238,294
Agriculture	66,447.31	63,430	63,430
Public Lighting	6,511.91	7,228	7,228
LT Industrial + Water Tank	140,309.62	139,153	139,153
Cottage Industries / Horticulture		684	684
HT-1 Industrial and commercial	238,424.00	317,991	317,991
HT-2 Government	23,646.00	23,109	23,109
HT 3 - EHT Industries	113,414.00	128,775	128,775
Grand Total	1,469,582.41	2,514,053	2,514,053

4.4 Number of consumers

Petitioner's Submission

The Petitioner has submitted the category-wise approved number of consumers in the Tariff Order dated 12th June 2024 (P.No.116/2023) vis-à-vis the revised estimate of energy. Category-wise number of consumers for FY 2024-25, are given in the following table:

Table 4-5 No. of Consumers submitted by the Petitioner for FY 2024-25

Consumer Category	Approved in Review Order dt. 06.01.2025	Revised Estimates
Domestic & Cottage	402,746	394,738
OHOB /Life Line Services	2,528	3,019
Commercial	61,152	62,203
Agriculture	7,177	7,420
Public Lighting*	52,419	59,006
LT Industrial + Water Tank	5,649	4,514
HT-1 Industrial and commercial	442	444
HT-2 Government	89	76
HT 3 - EHT Industries	11	10
Temporary Supply LT & HT	0	0
Grand Total	5,32,213	5,31,430

Commission's analysis

In line with Sales the Commission approves the no. of consumers as claimed by the Petitioner.

Table 4-6 No. of Consumers submitted by the Petitioner for FY 2024-25

Consumer Category	Approved in Review Order dt. 06.01.2025	Petitioner Submission	Approved in APR
Domestic & Cottage	402,746	394,738	394,738
OHOB /Life Line Services	2,528	3,019	3,019
Commercial	61,152	62,203	62,203
Agriculture	7,177	7,420	7,420
Public Lighting*	52,419	59,006	59,006
LT Industrial + Water Tank	5,649	4,514	4,514

Consumer Category	Approved in Review Order dt. 06.01.2025	Petitioner Submission	Approved in APR
HT-1 Industrial and commercial	442	444	444
HT-2 Government	89	76	76
HT 3 - EHT Industries	11	10	10
Temporary Supply LT & HT	0	0	0
Grand Total	5,32,213	5,31,430	5,31,430

4.5 Open Access Sales and Purchase

Petitioner's Submission

The Petitioner has not projected or scheduled any energy sales/purchase under Open Access in the FY 2024-25.

Commission's analysis

The Commission in this regard considers the Petitioner's submission and approves NIL Open Access Sale and Purchase accordingly. The Commission now approves NIL open access sales and purchase in the APR of FY 2024-25.

4.6 Inter-State Transmission Loss

Petitioner's Submission

The Petitioner has submitted the Inter-State Transmission Loss of 3.50% in its petition for FY 2024-25.

Commission's analysis

The Commission has gone through the 52 week all India ISTS losses for FY 2024-25 and has found the Inter-State Transmission Loss at 3.53% which is very close to the Petitioner's submission. Hence, the Commission allows the Inter-State Transmission Loss considered by the Petitioner of 3.50%. The table below provides the Inter-state Transmission Losses submitted by the Petitioner and now approved by the Commission.

Table 4-7 Approved Inter-State Transmission Loss (%) for FY 2024-25

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2024-25	Petitioner's Submission	Approved in APR
1	Inter-State Transmission Losses	2.50%	3.50%	3.50%

The Commission approves the Inter-State Transmission Loss as 3.50% in the APR of FY 2024-25.

4.7 Intra-State Transmission and Distribution (T&D) loss

Petitioner's Submission

The Commission had approved T&D loss of 10.50% for FY 2024-25 in the Business Plan for the 3rd MYT control period FY 2022-23 to FY 2024-25 and subsequently in Tariff order dated 12th June 2024. PED has considered the T&D loss of 10.50% for FY 2024-25. Further, the Petitioner has also submitted that the Petitioner has been achieving significant reduction in T&D losses and is having one of the lower T&D losses in India. Further, the Petitioner has also submitted that it will continue efforts and reduction will be further enhanced. The Petitioner has also submitted that the loss reduction is a slow process after reaching at certain level and can happen after deployment of latest technological and advanced infrastructure developments are put in place.

Commission's analysis

The Commission finds that the submission by the Petitioner is in line with the T&D loss approved in the Business Plan for the 3rd MYT control period FY 2022-23 to FY 2024-25 and subsequently in Tariff order dated 12th June 2024 and hence approves the T&D loss of 10.50% for APR of FY 2024-25. The table below provides the T&D Losses submitted by the Petitioner and now approved by the Commission.

Table 4-8 Approved Intra-State transmission & distribution loss (%) for FY 2024-25

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2024-25	Petitioner's Submission	Approved in APR
1	Intra-State distribution loss	10.50%	10.50%	10.50%

The Commission approves Intra-State T&D loss of 10.50% in the APR of FY 2024-25.

4.8 Energy Balance

Petitioner's Submission

The Petitioner has submitted the energy balance as shown in the table below:

Table 4-9 Energy Balance (MUs) submitted by Petitioner for FY 2024-25

Sr. No.	Particulars	FY 2024-25
Energy Requirement		
1	Retail Sales to consumers (MU)	3,313.52
2	T&D Losses (%)	10.50%
3	T&D Losses (MU)	388.74
4	Total Energy Requirement at Puducherry periphery (MUs)	3702.25
Energy Availability		
5	Total Power Scheduled/ Purchased	

Sr. No.	Particulars	FY 2024-25
	Total Schedule Billed Drawal from firm sources	3,187.44
	Add: Over-drawal	0
	Add: Power purchase from other sources	0
	Less: Under-drawal	0
	Less: Power diverted to Exchange	0
	Total	3,187.44
6	ISTS Loss	
	PGCIL Losses - %	3.50%
	PGCIL Losses (MUs)	111.56
7	Power Purchased from Renewable Sources	
	Solar	275.94
	Non-Solar	504.63
	Wind	42.15
	Total	822.72
8	Total Power Purchased within Puducherry	
	PPCL	234.01
	Total	234.01
9	Total Power Purchased through IEX	
	IEX Sale	474.94
	IEX Purchase	44.58
	Total	-430.35
10	Total Power Purchase availability after PGCIL Losses	3,702.25
11	Energy Deficit/(Surplus)	-

Commission's analysis

The Commission has determined the Energy Balance based on the revised estimates of energy sales and losses approved in earlier sections. The following table provides the Energy Balance as approved by the Commission for the FY 2024-25.

Table 4-10 Energy Balance (MUs) approved by the Commission for FY 2024-25

Particulars	FY 2024-25
Energy requirement	
Sales Within Territory	3,313.62
Total Sales	3,313.62
Transmission and Distribution losses (%)	10.50%
Energy Requirement @ State periphery (MUs)	3,702.37
Less: Own state Generation	234.01
Energy Required at State Periphery from inter-state sources	3,468.36
PGCIL Losses (%)	3.50%
PGCIL Losses (MUs)	125.80
Total Ex bus requirement	3,828.17
Total Availability	4,455.44
Gap/(Surplus)	-627.27

The Commission has approved energy requirements at state periphery of 3,702.37 MUs and at ex-bus of 3,828.17 MUs for FY 2024-25.

4.9 Power Purchase Quantum & Cost

Petitioner's Submission

The Petitioner has considered the inter-state transmission losses for FY 2024-25 as 3.50% and requests the Commission to approve the same. The revised estimated power purchase for FY 2024-25 is 3,813.81 MUs.

Table 4-11 Power Purchase Quantum and cost submitted by the Petitioner

Sr. No.	Source	Approved for FY 2024-25 in Tariff Order dt. 12.06.2024		Revised Estimates for FY 2024-25	
		PP @Ex Bus (MUs)	Total Power Purchase Cost (Rs. Crore)	PP @Ex Bus (MUs)	Total Power Purchase Cost (Rs. Crore)
A	Central Sector Power Stations				
I	NTPC	936.62	490.45	1,286.71	607.61
	RSTPS Stage I & II	361.31	189.81	472.06	234.46
	RSTPS Stage -III	90.27	48.66	122.50	90.39
	Talcher Stage- II	309.89	95.01	441.78	112.77
	Simhadri Stage- II	68.80	40.30	96.45	52.31
	Kudgi STPS Stage-I	106.35	116.67	124.61	98.40
	Telangana STPP (Unit-1)			29.30	19.26
II	NLC	972.93	480.31	987.54	469.22
	NLC TPS II Stage I	347.7	146.23	314.99	142.01
	NLC TPS II Stage II	124.04	50.87	108.46	48.76
	NLC TPS I (Expn)	102.98	44.50	132.23	50.79
	NLC TPS II (Expn)	122.62	65.99	84.89	58.15
	New NLC TS-I (NNTPS)	275.59	172.72	346.97	169.51
III	NPCIL	953.41	341.22	702.58	297.45
	MAPS	33.04	8.17	21.48	5.70
	KAPS	491.59	176.71	223.60	83.38
	Kudankulam U1	285.32	104.03	246.73	112.35
	Kudankulam U2	143.46	52.31	210.77	96.03
IV	Others	186.77	118.96	210.61	137.13
	Vallur Thermal Project (NTECL)	102.84	68.10	98.22	62.06
	NTPL (Tuticorin)	83.93	50.86	112.39	75.07
V	Open Market	(423.86)	(205.57)	(430.35)	(187.20)
	IEX Purchase			44.58	19.39
	IEX Sale	423.86	205.57	(474.94)	(206.60)
	Traders				
VI	Open Access				
VII	Renewable Sources	737.56	205.39	822.72	231.07
	Solar	261.69	68.82	275.94	73.92
	SECI Solar Tranche II -50 MW		0.00	30.66	7.70
	NTPC Solar 100 MW	261.69	68.82	245.28	66.23
	Non-Solar	475.87	136.57	504.63	144.89

Sr. No.	Source	Approved for FY 2024-25 in Tariff Order dt. 12.06.2024		Revised Estimates for FY 2024-25	
		PP @Ex Bus (MUs)	Total Power Purchase Cost (Rs. Crore)	PP @Ex Bus (MUs)	Total Power Purchase Cost (Rs. Crore)
	SECI Wind Tranche V 100 MW	475.87	136.57	280.32	79.61
	SECI Wind Tranche VIII 80.02MW			224.31	65.27
	Wind				
	SECI Wind Tranche V 60.14 MW			42.15	12.26
B	RPO: Cost towards REC purchase				20.00
C	Within State Generations	227.39	216.42	234.01	216.92
	PPCL	227.39	216.42	234.01	216.92
D	Other Charges		177.91		279.12
	PGCIL (POC + Non POC)		177.91		279.12
E	Sub-Total	3,590.82	1,825.09	3,813.81	2,071.31
F	Less: Revenue from other services related to sale of power				22.85
G	Total	3,590.82	1,825.09	3,813.81	2,048.46

The Petitioner requested the Commission to approve the revised estimate of power purchase cost of Rs 2,048.46 Cr. for FY 2024-25 as submitted above.

Commission's analysis:

The Commission has approved 4455 MUs of power purchase for FY 2024-25 in the Business Plan Order for the 4th Control Period. Hence, the Commission found that the Petitioner has surplus power. Therefore, the Commission has adhered to MOD principle while approving the power purchase quantum and cost.

The Commission has considered the nuclear plants as must run and has not subjected them to merit order dispatch. Also, Renewable power plants have been considered as must run and not subject to merit order principles. For determining the power purchase cost, merit order dispatch principles have been applied. The must-run stations have been assumed at the top of the merit order and variable cost incurred for meeting the energy requirement within the UT has been calculated from the plants at the top of the merit order. Fixed Charges from all the generating stations (irrespective of the merit order) have been considered for arriving at the power purchase cost.

Variable Charges

The Variable Cost for existing plants has been computed based upon the average variable cost for the first six months of the FY 2024-25 as submitted by the Petitioner.

Fixed Charges

The fixed costs have been considered based on the tariff Orders issued by the CERC for respective Central Generating Stations. For PPCL, based on PPCL MYT order for the 4th Control Period. The Fixed cost has been apportioned on the basis of Petitioner's share in each power station and Normative Annual Plant Availability approved by CERC/JERC.

Other Charges

The Commission has not considered Other Charges for H1 of FY 2024-25. The same will be considered in the True-up for FY 2024-25.

Transmission Charges

The Commission has estimated the transmission charges payable to PGCIL for FY 2024-25 based on the submission of the Petitioner.

Merit Order Dispatch (MOD)

It has been observed from Energy Balance for FY 2024-25 and Business Plan Order for the 4th Control Period that the Petitioner is in surplus of power Purchase quantum for FY 2024-25. Hence, the Commission has run the MOD for the Petitioners Generating stations as under based on variable rates:

Table 4-12 Power Purchase Quantum and cost approved by the Commission for FY 2024-25

Sr. No.	Details of the stations	Must Run (0=Must Run, 1=others)	FY2024-25	
			Variable Rate (Rs/Unit)	Quantum (MU)
1	MAPS	0	2.65	22.39
2	KAPS Stage I (Unit 1&2)	0	3.73	123.42
3	KAPS Stage II (Unit 3&4)	0	3.73	112.06
4	Kudankulam U1	0	4.55	251.98
5	Kudankulam U2	0	4.56	210.77
6	SECI Solar Tranche II -50 MW	0	2.51	30.66
7	NTPC Solar 100 MW	0	2.70	245.28
8	SECI Wind Tranche V 100 MW	0	2.84	280.32
9	SECI Wind Tranche VIII 80.5MW	0	2.91	224.31
10	SECI Wind Tranche V 60.14 MW	0	2.91	42.15
11	PPCL	0	7.46	234.01
12	Talcher Stage- II	1	1.75	454.17
13	New NLC TS-I (NNTPS)	1	2.64	372.49
14	NLC TPS I (Expn)	1	2.83	139.21
15	NLC TPS II (Expn)	1	3.14	89.23
16	NLC TPS II Stage II	1	3.20	121.73

Sr. No.	Details of the stations	Must Run (0=Must Run, 1=others)	FY2024-25	
			Variable Rate (Rs/Unit)	Quantum (MU)
17	NLC TPS II Stage I	1	3.22	347.71
18	Simhadri Stage- II	1	3.62	103.20
19	Telangana STPP (Unit-1)	1	3.74	32.14
20	Vallur Thermal Project (NTECL)	1	3.97	108.71
21	RSTPS Stage -III	1	3.99	128.77
22	RSTPS Stage I & II	1	4.06	503.83
23	NTPL (Tuticorin)	1	4.21	122.96
24	Kudgi STPS Stage-I	1	4.92	153.93
Total				4,455.44

Table 4-13 Power Purchase Quantum and cost approved by the Commission as per MOD and Energy Requirement for FY 2024-25

Details of the stations	Energy quantum (MUs)	VC (Rs Per Unit)	VC (Rs Crore)	FC (Rs Crore)	Total (Rs Crore)
MAPS	22.39	2.65	5.94	0.00	5.94
KAPS Stage I (Unit 1&2)	123.42	3.73	46.02	0.00	46.02
KAPS Stage II (Unit 3&4)	112.06	3.73	41.79	0.00	41.79
Kudankulam U1	251.98	4.55	114.73	0.00	114.73
Kudankulam U2	210.77	4.56	96.03	0.00	96.03
SECI Solar Tranche II -50 MW	30.66	2.51	7.70	0.00	7.70
NTPC Solar 100 MW	245.28	2.70	66.23	0.00	66.23
Solar 50MW Part 1	0.00	2.70	0.00	0.00	0.00
Solar 50MW Part 2	0.00	2.70	0.00	0.00	0.00
SECI Wind Tranche V 100 MW	280.32	2.84	79.61	0.00	79.61
SECI Wind Tranche VIII 80.5MW	224.31	2.91	65.27	0.00	65.27
SECI Wind Tranche V 60.14 MW	42.15	2.91	12.26	0.00	12.26
PPCL	234.01	7.46	174.45	39.23	213.68
Talcher Stage- II	454.17	1.75	79.48	37.55	117.03
New NLC TS-I (NNTPS)	372.49	2.64	98.38	86.11	184.49
NLC TALABIRA	0.00	2.64	0.00	0.00	0.00
NLC TPS I (Expn)	139.21	2.83	39.43	14.46	53.89
NLC TPS II (Expn)	89.23	3.14	28.06	34.05	62.11
NLC TPS II Stage II	121.73	3.20	38.98	16.21	55.19
NLC TPS II Stage I	347.71	3.22	111.94	46.18	158.11
Simhadri Stage- II	103.20	3.62	37.39	18.93	56.33
Telangana STPP (Unit-1)	32.14	3.74	12.03	9.00	21.04
Telangana STPP (Unit-2) (New NTPC plant proposed)	0.00	3.74	0.00	0.00	0.00

Details of the stations	Energy quantum (MUs)	VC (Rs Per Unit)	VC (Rs Crore)	FC (Rs Crore)	Total (Rs Crore)
Vallur Thermal Project (NTECL)	108.71	3.97	43.13	26.18	69.32
RSTPS Stage -III	128.77	3.99	51.42	44.91	96.33
RSTPS Stage I & II	153.45	4.06	62.37	46.82	109.19
NTPL (Tuticorin)	0.00	4.21	0.00	31.29	31.29
Kudgi STPS Stage-I	0.00	4.92	0.00	46.75	46.75
Power Purchase excluding the PGCIL charges	3,828.17	0.00	1,312.67	497.66	1,810.33
PGCIL (POC + Non POC) Charges	0.00	0.00	0.00	0.00	279.12
Total	3,828.17		1,312.67	497.66	2,089.45

The Commission approves the revised quantum of power purchase as 3,828.17 MUs at ex-bus with total cost of Rs. 2089.45 Cr. in the APR of FY 2024-25.

4.10 Renewable Purchase Obligations (RPO)

Petitioner's Submission:

The Petitioner has referred to the Regulation 3(1) of the JERC (Procurement of Renewable Energy) Regulations, 2010 and its amendments thereof, which states that:

“Each distribution licensee shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of the total consumption of all the consumers in its area during a year.”

Further, the Petitioner submitted the Commission notified the JERC (Procurement of Renewable Energy), (Fifth Amendment) Regulations, 2024 on 06.06.2024 and revised the RPO targets as under:

Table 4-14 Minimum Quantum of Renewable Purchase Obligation (RPO) as per JERC (Procurement of Renewable Energy), (Fifth Amendment) Regulations, 2024

Financial Year	Wind renewable energy (Wind RPO)	Hydro renewable energy (HPO)	Distributed renewable energy RPO	Other renewable energy (Other RPO)	Total RPO (%)
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

Accordingly, the Petitioner has proposed to comply with the above specified RPO targets for FY 2024-25 as under:

Table 4-15 RPO Compliance for FY 2024-25

S. No.	Particulars	Revised Estimates
1	Sales Within UT	3,313.52
2	Wind RPO Target	0.67%
3	HPO Target	0.38%
4	Distributed Renewable Energy Target	1.50%
5	Other RPO Target	27.35%
6	Total Target (%)	29.91%
7	RPO Target	
8	Wind RPO Target	22.20
9	HPO Target	12.59
10	Distributed Renewable Energy Target	49.70
11	Other RPO Target	906.25
12	Total RPO Target (MUs)	990.74
13	RPO Compliance (Actual Purchase)	
14	Wind RPO Target	42.15
15	HPO Target	
16	Distributed Renewable Energy Target	110.85
17	Other RPO Target	825.15
18	Total RPO Compliance (Actual Purchase)	978.15
19	RPO Compliance (REC Certificate Purchase)	
20	Wind RPO Target	
21	HPO Target	12.59
22	Distributed Renewable Energy Target	
23	Other RPO Target	929.04
24	Total RPO Compliance (REC Certificate)	941.63
25	RPO Compliance (REC+ Actual)	
26	Wind RPO Target	42.15
27	HPO Target	12.59
28	Distributed Renewable Energy Target	110.85
29	Other RPO Target	1,754.20
30	Total RPO Compliance	1,919.78
31	Cumulative Requirement for current year	
32	Wind RPO Target	22.20
33	HPO Target	12.59
34	Distributed Renewable Energy Target	49.70
35	Other RPO Target	4,100.35
36	Total	4,184.84
37	Cumulative Compliance till current year	
38	Wind RPO Target	42.15

S. No.	Particulars	Revised Estimates
39	HPO Target	12.59
40	Distributed Renewable Energy Target	110.85
41	Other RPO Target	3,518.16
42	Total	3,683.74
43	Net Shortfall in RPO Compliance till current year	
44	Wind RPO Target	0.00
45	HPO Target	0.00
46	Distributed Renewable Energy Target	0.00
47	Other RPO Target	582.19
48	Total	582.19

Commission Analysis:

As per Regulation 3, Sub-regulation (1) of the JERC (Procurement of Renewable Energy) Regulations, 2010:

“Each distribution licensee shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of the total consumption of all the consumers in its area during a year.”

The Commission notified the JERC (Procurement of Renewable Energy), (Fifth Amendment) Regulations, 2024 on 6th June 2024 and revised the RPO targets, according to which for FY 2024-25, the Petitioner is obligated to purchase power from renewable sources at minimum percentage of 29.91% of its total annual consumption.

Table below provides the Renewable Purchase Obligation for the FY 2024-25 as determined by the Commission based on the revised estimate of energy sales:

Table 4-16 Renewable Purchase Obligation (RPO) (MUs) approved by the Commission for FY 2024-25

Particulars	Claimed by the Petitioner	Approved by the Commission
Sales Within UT	3,313.52	3,313.52
Wind RPO Target	0.67%	0.67%
HPO Target	0.38%	0.38%
Distributed Renewable Energy Target	1.50%	1.50%
Other RPO Target	27.35%	27.35%
Total Target (%)	29.91%	29.91%
RPO Target	-	-
Wind RPO Target	22.20	22.20
HPO Target	12.59	12.59
Distributed Renewable Energy Target	49.70	49.70

Particulars	Claimed by the Petitioner	Approved by the Commission
Other RPO Target	906.25	906.25
Total RPO Target (MUs)	990.74	990.74

4.11 Operation & Maintenance Expenses

As per Regulation 61 of JERC MYT Regulations, 2021, the Commission shall stipulate separate trajectory of norms for each component of O&M expenses.

“61 Operation and Maintenance (O&M) expenses for Retail Supply Business

61.1 The Operation and Maintenance Expenses for the Retail Supply Business shall be computed in accordance with this Regulation.

61.2 O&M Expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;
- b) Administrative and General expenses including insurance charges if any; and
- c) Repairs and Maintenance expenses.

61.3 The Licensee shall submit the required O&M expenses for the Control Period as a part of Multi-Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the Distribution Licensee, estimates of the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission.

61.4 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + E\&P_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GFA_{n-1} \times (1 + WPI\text{inflation})$$

$$E\&P_n = (E\&P_{n-1}) \times (1 + G_n) \times (1 + CPI\text{inflation})$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPI\text{inflation})$$

‘K’ is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMPN – Employee expenses of the Distribution Licensee for the nth Year;

A&Gn – Administrative and General expenses of the Distribution Licensee for the nth Year;

R&Mn – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFAn-1 – Gross Fixed Asset of the Distribution Licensee for the n-1th Year;

Xn is an efficiency factor for nth Year. Value of Xn shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

Gn is a growth factor for the nth Year. Value of Gn shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

Provided that in case the Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, the O&M Expenses shall be determined on a case to case basis.

61.5 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies. Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

61.6 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.

Provided that at the time of truing up, the variation in the normative and actual O&M expenses shall be dealt in accordance with Regulation 15.”

Accordingly, the Commission has dealt with the components of O&M expenses separately in the following sections.

4.12 Employee Expenses

Petitioner's Submission

The Petitioner has computed the employee expenses for FY 2024-25 as per the JERC MYT Regulations, 2021. Further, the Petitioner has considered the normative employee expense of FY 2023-24 (Rs 122.88 Cr.) as base year figure. The Base Year expenses have been escalated by Growth Factor computed based on the manpower plan as computed in following table, and the average CPI Inflation of the last 3 years to arrive upon the employee expenses of FY 2024-25.

Table 4-17 Computation of Employee Expenses for FY 2024-25 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2024-25	Revised Estimates
1	Growth factor (Gn)	-34.17 %	-15.52%
2	Avg. CPI Inflation (%)	5.40 %	5.46%
3	Normative employee expenses of previous FY (EMPN-1)	85.87	122.88
4	Employee Expenses = (EMPN-1) x (1+Gn) x (1+CPI inflation)	59.58	109.47

Commission's analysis

In accordance with the JERC MYT Regulations, 2021, the Commission has determined the Employee expenses for the FY 2024-25. Regulation 6 of the JERC MYT Regulations, 2021 stipulates the following:

“6. Values for Base Year

6.1 The values for the Base Year of the Control Period shall be determined on the basis of the audited accounts or provisional accounts of last three (3) Years, and other factors considered relevant by the Commission:

Provided that, in absence of availability of audited accounts or provisional accounts of last three (3) Years, the Commission may benchmark the parameters with other similar utilities to establish the values for Base Year:

Provided further that the Commission may change the values for Base Year and consequently the trajectory of parameters for Control Period, considering the actual figures from audited accounts.”

The Commission has considered the Closing balance of True-up figure of FY 2023-24 as a base figure to determine the employee expenses for FY 2024-25. The Base year expense has been escalated by the Growth Rate determined based on the manpower plan as submitted by the Petitioner and CPI inflation for FY 2024-25 to arrive upon the employee expenses of FY 2024-25.

Table 4-18 CPI inflation index

FY	Average of (April – March)	Increase in CPI Index
FY 2023-24	397.20	
FY 2024-25	410.64	3.38%

Table 4-19 Computation of employee expenses for FY 2024-25 (Rs. Cr.)

Particulars	Approved
	FY 2024-25
Base Employee Expenses	88.97
Gn (Growth factor)	-15.52%*
CPI (%)	3.38%
Total Employee Expenses	77.70

*Employee Number for FY 2023-24 is 1604 and for the FY 2024-25 is 1355

Table 4-20 Approved Employee expenses for FY 2024-25 (Rs. Cr.)

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in the APR
Employee Expenses	59.58	109.47	77.70
Total Employee Expenses	59.58	109.47	77.70

The Commission approves Employee Expenses Rs. 77.70 Cr. for APR of FY 2024-25.

4.12.1 Repair and Maintenance Expenses (R&M)

Petitioner's Submission

The Petitioner has estimated the normative R&M expenses as Rs. 10.37 Cr., which is calculated using an average K factor of 0.91% and an average WPI of 7.23% in last three years. Further, the Computation of the R&M expenses for FY 2024-25 as submitted by the Petitioner is given in the following table:

Table 4-21 R&M expenses for FY 2024-25 (Rs. Cr.) as submitted by the Petitioner

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
1	Opening GFA (closing GFA of previous FY i.e., GFAn-1)	1074.97	1062.36
2	K Factor approved by the Commission (%)	0.91%	0.91%
3	Avg. WPI Inflation (%)	7.89%	7.23%
4	R&M Expenses = K x GFAn-1 x (1+WPI inflation)	10.55	10.37

Commission's analysis

The Commission had considered the K factor of 0.91 % as approved in the MYT Tariff Order dated 31.03.2022. The same 'K' factor has been considered and multiplied with the closing GFA approved for the (n-1)th year (i.e. for

FY 2023-24 under true-up) which opening GFA for the FY 2024-25. The resultant amount is then escalated by WPI Inflation for FY 2024-25 to arrive upon the R&M Expenses for FY 2024-25. The WPI inflation has been computed as follows:

Table 4-22 Computation of WPI inflation

FY	Average of (Apr-Mar)	Increase in CPI Index
FY 2023-24	151.42	
FY 2024-25	154.86	2.27%

The R&M expense approved by the Commission for the FY 2024-25 have been provided in the following table:

Table 4-23 Computation of R&M expense

Particulars	Values
Opening GFA (GFAn-1)	1,062.36
K factor approved (K) (%)	0.91%
WPI Inflation (Actuals for FY 2024-25) (%)	2.27%
R&M Expenses = K x (GFA n-1) x (1+WPIinflation)	9.89

Table 4-24 R&M Expense approved by the Commission for FY 2024-25 (Rs. Cr)

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Repair & Maintenance Expenses (R&M)	10.55	10.37	9.89

The Commission approves the Repair & Maintenance (R&M) expenses of Rs. 9.89 Cr. in the APR of FY 2024-25.

4.12.2 Administrative and General (A&G) Expenses

Petitioner's Submission

The Petitioner has considered the normative A&G expense of FY 2023-24 (Rs.19.40 Cr.) as base year figure. The Petitioner escalated has Base Year expenses with the average CPI Inflation of the last three years i.e., 5.46% (as computed in 4.8.3.4) to arrive upon the A&G expenses of FY 2024-25:

Table 4-25 A&G Expenses for FY 2024-25 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2024-25	Revised Estimates
1	Avg. CPI Inflation (%)	5.40%	5.46%
2	Normative A&G Expenses of previous FY i.e., (A&Gn-1)	15.70	20.58

3	A&G Expenses for FY 2024-25 (A&Gn) = (A&Gn-1) x (1+CPI inflation)	16.55	20.46
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Commission's analysis

The Commission has considered the approved figure of FY 2023-24 as a base figure to determine the A&G expenses for FY 2024-25. The Base Year expenses have been escalated by CPI factor to determine A&G expenses of FY 2024-25. The computation of A&G expenses and value approved in APR are given in following tables:

Table 4-26 Computation of A&G expenses (Rs. Cr.)

S. No	Particulars	Approved
1	Base A&G Expenses	15.66
2	CPI (in %)	3.38%
3	A&G Expenses	16.19

Table 4-27 A&G Expenses approved by Commission (Rs. Cr) for FY 2024-25

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
A&G Expenses	16.55	20.46	16.19

The Commission approves the Administrative & General (A&G) expenses of Rs. 16.19 Cr. in the APR of FY 2024-25.

4.12.3 Total Operation and Maintenance Expenses (O&M)

The following table provides the O&M expenses approved in the APR of FY 2024-25, Petitioner's Submission and now approved by the Commission.

Table 4-28 Total O&M Expenses approved by the Commission for FY 2024-25 (Rs. Cr.)

Particular	Approved in MYT Order	Petitioner's Submission	Approved in APR
Employee Expenses	59.58	109.47	77.70
R&M Expenses	10.55	10.37	9.89
A&G Expenses	16.55	20.46	16.19
Total O&M Expenses	86.68	140.30	103.78

The Commission approves the Operation & Maintenance (O&M) Expenses of Rs. 103.78 Cr. in APR of FY 2024-25.

4.13 Capital Expenditure and Capitalization

Petitioner's Submission

The Petitioner has estimated the net additional capitalisation of Rs. 24.78 Cr. during FY 2024-25 against a net capitalization of Rs. 56.77 Cr. as approved by the Commission in Tariff Order dated 12.06.2024. The Petitioner requests

the Commission to approve the net additions to GFA for FY 2024-25 of Rs.24.78 Cr. as provided in the table below:

Table 4-29 Capitalization estimates for FY 2024-25 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Claimed by the Petitioner
A	Additions during FY 2024-25	141.92	24.78
B	Less: Grant Provided by GOI	85.15	0.00
C	Net capitalisation (C=A-B)	56.77	24.78

Commission's analysis:

In accordance with the submission of the Petitioner and Capitalization approved in the Tariff Order, the Commission approves the capitalization for the year as shown in the following table:

Table 4-30 Capitalization approved by the Commission (Rs. Cr.) for FY 2024-25

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission	Approved in APR
1	Net Capitalization	56.77	24.78	24.78

The Commission approves capitalization of Rs. 24.78 Cr. for the APR of FY 2024-25.

4.14 GFA and Capital Structure

Petitioner's Submission

The Petitioner submitted that the majority of capital assets shall be created out of equity contribution from the Government of Puducherry. The Petitioner has submitted that in accordance with JERC MYT Regulations, 2021, if the equity deployed is more than 30% of the capital cost, then equity in excess of 30% is considered as normative loan.

Commission's analysis

Regulation 27 of the JERC MYT Regulations, 2021 specifies the following:

"27. Debt to Equity Ratio

27.1 In case of Existing Projects, debt to equity ratio allowed by the Commission for determination of tariff for the period ending March 31, 2018 shall be considered:

Provided that in case of retirement or replacement or De-capitalization of the assets, the equity capital approved as mentioned above, shall be reduced to the extent of 30% (or actual equity component based on documentary evidence, if it is lower than 30%) of the original cost of such assets:

Provided further that in case of retirement or replacement or De-capitalization of the assets, the debt capital approved as mentioned above, shall be reduced

to the extent of outstanding debt component based on documentary evidence, or the normative loan component, as the case may be, of the original cost of such assets.

27.2 For New Projects, the debt-equity ratio as on the Date of Commercial Operation shall be 70:30 of the amount of capital cost approved by the Commission under Regulation 23, after prudence check for determination of tariff:

Provided that where equity actually deployed is less than 30% of the capital cost of the capitalised asset, the actual equity shall be considered for determination of tariff:

Provided also that if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as a normative loan for the Licensee for determination of tariff:

Provided also that the Licensee shall submit documentary evidence for the actual deployment of equity and explain the source of funds for the equity:

Provided also that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:

Provided further that the premium, if any, raised by the Licensee while issuing share capital and investment of internal resources created out of its free reserves, for the funding of the scheme, shall be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilized for meeting the capital expenditure of the transmission system or the distribution system, and are within the ceiling of 30% of capital cost approved by the Commission.

27.3 Any expenditure incurred or projected to be incurred on or after April 1, 2019, as may be admitted by the Commission, as additional capital expenditure for determination of tariff, and renovation and modernization expenditure for life extension shall be serviced in the manner specified in this Regulation.”

In accordance with the JERC MYT Regulations, 2021, the Commission has determined the Capital Structure for FY 2024-25 as follows:

Table 4-31 GFA addition approved by the Commission (Rs. Cr.)

Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission	Approved by the Commission in APR
Additions during FY 2024-25	141.92	24.78	24.78
Less: Grant Provided by GOI	85.15	0	0
Net Addition (Net of Grant)	56.77	24.78	24.78

Table 4-32 Capital Structure approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission	Approved by the Commission APR
Gross Fixed Assets addition during the year (net of grant)	56.77	24.78	24.78
Normative loan addition During the FY @70% of GFA addition during year	39.74	17.35	17.35
Equity addition on account of new Capitalisation @30% of GFA addition during the year	17.03	7.43	7.43

4.15 Depreciation

The Petitioner has considered the rate of depreciation of 2.47%, as considered in True-up for FY 2023-24 i.e. 2.47%. The estimated depreciation for FY 2024-25 is as follows:

Table 4-33 Depreciation on Assets submitted by the Petitioner for the FY 2024-25

S. No .	Particulars	Approved in Tariff Order dt. 12.06.2024 for FY 2024-25	Revised Estimates
1	Opening Gross Fixed Assets	1074.98	1062.36
2	Addition During the FY	141.92	24.78
3	Closing Gross Fixed Assets	1216.90	1087.14
4	Less: Grant Provided by GoI	85.15	0.00
5	Closing Gross Fixed Assets excl. Grant	1131.75	1087.14
6	Average Gross Fixed Assets	1103.36	1074.75
7	Weighted Average Rate of Depreciation (%)	3.70%	2.47%
8	Depreciation	40.84	26.59

Commission's Analysis

Regulation 31 of the JERC MYT Regulations, 2021 stipulates the following:

“31. Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets.

Provided also that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2019, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2018, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

31.7 The depreciation for a Distribution Licensee shall be calculated annually, based on the Straight Line Method, over the Useful Life of the asset at rates specified in Appendix I of the Regulations.

31.8 In addition to allowable depreciation, the Distribution Licensee shall be entitled to advance against depreciation (AAD), computed in the manner given hereunder:

AAD = Loan (raised for capital expenditure) repayment amount based on loan repayment tenure, subject to a ceiling of 1/10th of loan amount minus depreciation as calculated on the basis of these Regulations:

Provided that advance against depreciation shall be permitted only if the cumulative repayment upto a particular Year exceeds the cumulative depreciation upto that Year:

Provided further that advance against depreciation in a Year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation upto that Year.

31.9 The Distribution Licensee shall provide the list of assets added during each Year of Control Period and list of assets completing 90% of depreciation in the Year along with Petition for annual performance review, true- up and tariff determination for ensuing Year.

31.10 The remaining depreciable value for a Distribution Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan.”

The Commission has derived the weighted average rate of depreciation based on the asset wise depreciation rate specified in JERC MYT Regulations, 2021, as provided in the following table:

Table 4-34 Weighted average rate of depreciation on Assets Considered by the Commission for the FY 2024-25

Particulars (1)	GFA Opening (2)	Add. (3)	GFA closing (4 = 2+3)	GFA average (5 = (2+4)/2)	Dep rate (%) (6)	Depreciation (7 = 4*6)
Land and Land right	10.37	-	10.37	10.37	0.00	-
Building	24.53	-	24.53	24.53	1.80	0.44
Plant & Machinery	627.04	23.54	650.58	638.81	3.60	23.00
Line and Cables	344.35	-	344.35	344.35	3.60	12.40
Vehicle	2.67	-	2.67	2.67	18.00	0.48
Furniture and Fixtures	0.25	0.04	0.30	0.28	6.00	0.02
Office Equipment's	1.51	0.24	1.75	1.63	6.00	0.10
IT equipment	3.89	1.14	5.02	4.46	15.00	0.67
Testing & Measuring	4.68	-	4.68	4.68	6.00	0.28
SCADA Centre	43.09	(0.18)	42.90	43.00	6.00	2.58
Total	1,062.35	24.78	1087.13	1,074.74	3.72	39.96
Weighted average rate of depreciation	3.72%					

The Commission has observed that Petitioner has considered the opening depreciable gross fixed assets including the consumer contribution for FY 2023-24 as discussed in previous section. Further, the Petitioner has considered closing GFA for the FY 2023-24 as opening GFA for the FY 2024-25. However, in accordance with Regulation 31.1 of JERC MYT Regulations, 2021, it is observed that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant. Hence, the Commission has considered the opening of a depreciable GFA excluding Consumer contribution. The Commission has computed the depreciation on the average of a depreciable GFA excluding the Consumer contribution and grant provided by the government of India separately. Further, the Commission has computed the depreciation on the average grant provided by the government of India and Consumer contribution for the FY 2024-25. The Commission has reduced the depreciation on the grant provided by the Government of India and consumer contribution from the depreciation on the average of a depreciable GFA. The Rate of depreciation has been worked-out to 3.72% based on JERC MYT Regulations 2021, subjected to Truing-up.

The net depreciation worked by the Commission for the FY 2024-25 is as detailed here under in table below:

Table 4-35 Depreciation approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in APR by the Commission
Opening depreciable asset	1,062.36
Net Additions during the year	24.78
Closing depreciable assets	1,087.14
Average depreciable assets	1,074.75
Weighted average rate of depreciation	3.72%
Depreciation	39.96
Opening Grants	61.15
Grants during the Year	-
Closing Grants for depreciable assets	61.15
Average Grants for Depreciable Assets	61.15
Depreciation on assets created out of grants	2.27
Net Depreciation	37.69

The Commission approves depreciation of Rs. 37.69 Cr. in the APR of the FY 2024-25.

4.16 Interest and Finance Charges

Petitioner's Submission

The Petitioner states that as per the JERC MYT Regulations, 2021, if the equity deployed is more than 30% of the capital cost, then equity in excess of 30% is considered as normative loan. Thus, the Interest and Finance Charges arrived is based on normative loan considered to the extent of capitalization during the year. The Petitioner has considered interest on loan as the SBI 1 Year MCLR rate plus 100 basis points as Rate of Interest, in accordance with the JERC MYT Regulations, 2021. The summary of Interest and Finance Charges as approved by the Commission for FY 2024-25 along with revised estimates submitted by the Petitioner is tabulated below:

Table 4-36 Interest & Finance Charges for FY 2024-25, submitted by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
1	Opening Normative Loan	162.21	166.55
2	Add: Normative Loan during the Year	39.74	17.35
3	Less: Normative Repayment	40.84	26.59
4	Closing Normative Loan	161.11	157.31
5	Average Normative Loan	161.66	161.93
6	Rate of Interest (@SBI 1 Year MCLR rate+100 Basis Points)	9.50 %	9.65%

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
	Interest on Normative Loan	15.36	15.63

Commission's analysis

Regulation 29 of the JERC MYT Regulations, 2021 stipulates the following:

"29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalization or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the de-capitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2019, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2018, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalization approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

29.8 The finance charges incurred for obtaining loans from financial institutions for any Year shall be allowed by the Commission at the time of Truing-up, subject to prudence check.

29.9 The excess interest during construction on account of time and/or cost overrun as compared to the approved completion schedule and capital cost or on account of excess drawal of the debt funds disproportionate to the actual requirement based on Scheme completion status, shall be allowed or disallowed partly or fully on a case-to-case basis, after prudence check by the Commission:

Provided that where the excess interest during construction is on account of delay attributable to an agency or contractor or supplier engaged by the Transmission Licensee, any liquidated damages recovered from such agency or contractor or supplier shall be taken into account for computation of capital cost:

Provided further that the extent of liquidated damages to be considered shall depend on the amount of excess interest during construction that has been allowed by the Commission.

29.10 The Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such refinancing shall be borne by the beneficiaries and the net savings shall be shared between the equally between the beneficiaries and the Transmission Licensee or the Distribution Licensee and the Consumers of Distribution Licensee.

29.11 Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission.”

Accordingly, the Commission has considered the SBI 1 Year MCLR rate i.e. rate applicable as on 01.04.2024 (8.65%) plus 100 basis points which comes to 9.65%. The following table provides the Interest on Loan approved by the Commission:

Table 4-37 Interest and Finance charges approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Opening Normative Loan	162.21	166.55	125.22
Add: Normative Loan During the year	39.74	17.35	17.35
Less: Normative Repayment= Depreciation	40.84	26.59	37.69
Closing Normative Loan	161.11	157.31	104.88
Average Normative Loan	161.66	161.93	115.05
Rate of Interest (%)	9.50%	9.65%	9.65%
Interest on Loan	15.36	15.63	11.10
Financing Charges	-	-	-
Interest and Finance Charges	15.36	15.63	11.10

The Commission approves Interest and Finance Charges of Rs. 11.10 Cr. in the APR of the FY 2024-25.

4.17 Interest on Working Capital

Petitioner's Submission

The Petitioner has estimated the interest on working capital (IOWC) for FY 2024-25 as per JERC MYT Regulations, 2021. The Petitioner has considered the interest rate as 10.65% (SBI 1-year MCLR applicable as on 1st April 2024 i.e. 8.65% + 200 basis points). The computation of interest on working capital is shown in the following table:

Table 4-38 Interest on Working Capital for FY 2024-25 computed by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission
1	O&M Expenses for 1 month	7.22	11.69
2	Maintenance spares at 40% of R&M	0.35	4.15
3	Receivables of two months of billing	334.58	381.34
4	Total Working Capital Requirement	342.15	397.18
5	Less: Security Deposit excluding BG/FDR	273.69	282.99

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission
6	Less: Power Purchase cost for one (1) month	152.09	147.51
7	Net Working Capital	(83.63)	(56.35)
8	Rate of Interest (%)	10.50%	10.65%
9	Interest on Working Capital	0.00	0.00

Commission's analysis:

The Regulation 53 of the JERC MYT Regulations, 2021 stipulates the following:

“53. Norms of Working Capital for Distribution Wires Business

53.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

- (a) *O&M Expenses for one (1) month; plus*
- (b) *Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus*
- (c) *Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;*

Less:

- (d) *Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees:*

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.”

Further, Regulation 64 of the JERC MYT Regulation, 2021 stipulates the following:

“64.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Retail Supply Business for the Financial Year, computed as follows:

- (a) *O&M Expenses for one (1) month; plus*
- (b) *Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus*
- (c) *Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;*

Less

(d) Power Purchase cost for one (1) month; plus

(e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.”

Further, Regulation 32.3 of the JERC MYT Regulation, 2021 stipulates the following:

“32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”

The Commission has considered the SBI MCLR rate as on 1st April 2024 for calculation of interest plus 200 basis points i.e. 8.65% + 200 basis points, as stipulated in the MYT Regulations, 2021. The Interest on Working Capital computed by the Commission, is as given in the following table:

Table 4-39 Interest on Working Capital approved by Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
O&M Expense for 1 month	7.22	11.69	8.65
Maintenance spares at 40% of R&M expenses for one (1) month	0.35	4.15	0.33
Receivables equivalent to two (2) months of the expected revenue at prevailing tariff	334.58	381.67	381.86
Total Working Capital Requirement	342.15	397.51	390.83
Less: Amount held as security deposits	273.69	282.99	273.77
Less: Power Purchase Cost for one (1) month	152.09	170.71	174.12
Net Working Capital	-83.63	-56.18	-57.06
Rate of Interest (%)	10.50%	10.65%	10.65%
Interest on Working Capital	-	-	-

Accordingly, the Commission approves the NIL Interest on Working Capital in the APR of FY 2024-25, as the working capital requirement is negative.

4.18 Interest on Security Deposit

Petitioner's Submission

The Petitioner has calculated the interest on the security deposit the JERC MYT Regulations, 2021 based on the average of opening and closing consumer security deposits during the year. The Petitioner has considered the closing security deposit of FY 2023-24 as the opening security deposit for FY 2024-25.

The Petitioner has considered the rate for the interest on the security deposit as notified by Reserve Bank of India with effect from 1st April 2023 for estimating the normative interest on Security Deposits for FY 2024-25. The submission of the Petitioner is given below.

Table 4-40 Interest on Security Deposit for FY 2024-25, submitted by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
1	Opening Security Deposit	264.20	264.55
2	Add: Deposits During the year	18.10	18.44
3	Less: Deposits refunded	0.00	0.00
4	Closing Security Deposit	288.74	282.99
5	Average Security Deposit	273.69	273.77
6	Rate of Interest (%)	6.75%	6.50%
7	Interest on Security Deposit on normative basis	18.47	17.80

The Petitioner has requested to allow the Interest on Security Deposit for FY 2024-25 is Rs.17.80 Cr.

Commission's analysis:

Interest on Security Deposits has been calculated in accordance with the JERC MYT Regulations, 2021. Regulation 29.11 of the JERC MYT Regulations, 2021 stipulates the following:

"Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission."

The opening security deposit has been derived based on the closing security deposit as approved in True-up of FY 2023-24. The addition during the year has been considered as submitted by the Petitioner for FY 2024-25. The rate

of interest has been considered equivalent to the prevailing RBI Bank rate (6.50%) as on 01.04.2024. The table below provides the calculation of interest on consumer security deposits approved for APR of FY 2024-25:

Table 4-41 Interest on Security Deposits approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Opening Security Deposit	264.20	264.55	264.55
Add: Deposits During the year	18.10	18.44	18.44
Less: Deposits refunded	-	-	-
Closing Security Deposit	288.74	282.99	282.99
Average Security Deposit	273.69	273.77	273.77
Rate of Interest (%)	6.75%	6.50%	6.50%
Interest on Security Deposit on normative basis	18.47	17.80	17.80

The Commission approves Interest on Security Deposit as Rs. 17.80 Cr. in the APR of the FY 2024-25.

4.19 Income Tax

Petitioner's Submission

The Petitioner has not claimed any income tax in the APR.

Commission's analysis:

As the Petitioner has claimed nil income tax, the Commission has approved the nil income tax.

The Commission approves nil income tax in the APR of the FY 2024-25.

4.20 Return on Equity (RoE)

Petitioner's Submission

The Petitioner has submitted that the Petitioner has calculated the RoE as per the JERC MYT Regulations, 2021. The Petitioner has calculated RoE on normative basis on the average of opening and closing of equity during the year at the rate of 16% (on post-tax basis) for retail business and at the rate of 15.50% (on post-tax basis) for wires business with an opening equity considered for FY 2024-25 as equivalent to the closing equity of FY 2023-24 as mentioned in the True-up.

Further, an equity addition in FY 2024-25 equal to 30% of asset capitalized in FY 2024-25 has been considered. The RoE as approved by the Commission in the Tariff Order dated 12th June 2024 vis-à-vis RoE claimed by the Petitioner is as given in the following table:

Table 4-42 Return on Equity for FY 2024-25, submitted by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
1	Opening Equity	322.49	318.71
2	Equity Addition during year (30% of Capitalization)	17.03	7.43
3	Closing Equity	339.52	326.14
4	Average Equity	331.01	322.43
5	Average Equity-Wires Business (90%)	297.90	290.18
6	Average Equity-Retail Supply Business (10%)	33.10	32.24
7	Return on Equity for Wires Business (%)	15.50%	15.50%
8	Return on Equity for Retail Supply Business (%)	16.00%	16.00%
9	Return on Equity for Wires Business	46.18	44.98
10	Return on Equity for Retail Supply Business	5.30	5.16
11	Return on Equity	51.47	50.14

Commission's analysis:

The Regulations 28.2 and 28.3 of the JERC MYT Regulations, 2021 stipulate the following:

“28.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

28.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum.”

The Commission has calculated RoE on normative basis on the average of opening and closing of equity during the year at the rate of 15.5% for wires business and 16% on retail supply business (on post-tax basis) with an opening equity considered equivalent to the closing equity of FY 2023-24 as approved in the True-up section of this Order. The following table provides the RoE approved in the Tariff Order, the Petitioner's Submission and RoE now approved by the Commission for FY 2024-25.

Table 4-43 ROE approved by the Commission for FY 2024-25 (Rs. Cr.)

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Opening Equity Amount	322.49	318.71	300.36
Equity Addition during year	17.03	7.43	7.43
Closing Equity Amount	339.52	326.14	307.80
Average Equity Amount	331.01	322.43	304.08

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Average Equity-Wires Business	297.91	290.18	273.67
Average Equity (Retail Supply Business)	33.10	32.24	30.41
Return on Equity for Wires Business (%)	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%
Return on Equity for Wires Business	46.18	44.98	42.42
Return on Equity for Retail Supply Business	5.30	5.16	4.87
Total Return on Equity	51.47	50.14	47.28

The Commission approves the Return on Equity of Rs. 47.28 Cr. in the APR of the FY 2024-25.

4.21 Provisional for Bad & Doubtful Debts

Petitioner's Submission

The Petitioner has not claimed any amount towards bad and doubtful debts for FY 2024-25.

Commission's analysis:

As per Regulation 63 of the JERC MYT Regulations, 2021:

63.1 "The Commission may allow bad debts written off as a pass through in the Aggregate Revenue Requirement, based on the trend of write off of bad debts in the previous years, subject to prudence check:

Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check:

Provided also that the provision for bad and doubtful debts shall be limited to 1% of the annual Revenue Requirement of the Distribution Licensee:

Provided further that if subsequent to the write off of a particular bad debt, revenue is realised from such bad-debt, the same shall be included as an uncontrollable item under the Non-Tariff Income of the year in which such revenue is realised."

Accordingly, the Commission has not considered any provision towards bad and doubtful debts for APR of FY 2024-25. The same shall be subjected to the True-up of FY 2024-25.

4.22 Non-Tariff Income (NTI)

Petitioner's Submission

The Petitioner has claimed the Non-Tariff Income in FY 2024-25 as Rs. 8.89 Cr., subject to True-up.

Commission's analysis:

Regulation 44 of JERC MYT Regulation, 2021 states the following:

"44. Non-Tariff Income

44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:

Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.

44.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent on land or buildings;*
- b) Income from sale of scrap;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/ contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contractors and others;*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income."

The Commission approves the Non-Tariff Income for FY 2024-25 as claimed by the Petitioner for FY 2024-25 as under:

Table 4-44 Non-Tariff Income approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	Approved in MYT Order	Petitioner's Submission	Approved in APR
Misc/Other Receipts			
Normative Rebate of Power Purchase	28.46	8.89	8.89
Non-Tariff Income			
Total	28.46	8.89	8.89

The Commission approves Non-Tariff Income of Rs. 8.89 Cr. in APR of FY 2024-25.

4.23 Aggregate Revenue Requirement (ARR)

Petitioner's Submission

The Aggregate Revenue Requirement for FY 2024-25 approved by the Commission in the Tariff order for FY 2024-25 in Tariff Order dt. 12.06.2024 vis-à-vis calculation for Aggregate Revenue Requirement on the basis of revised estimates for FY 2024-25 submitted by the Petitioner is as given in the following table:

Table 4-45 ARR submitted by the Petitioner for FY 2024-25 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates
1	Cost of Power Purchase	1825.12	2048.46
2	Employee Cost	59.58	109.47
3	Administration and General Expenses	16.55	20.46
4	R&M expenses	10.55	10.37
5	Depreciation	40.84	26.59
6	Interest & Finance Charges	15.36	15.63
7	Interest on Consumer Security Deposit	18.47	17.8
8	Interest on Working Capital	0	0
9	Return on Equity	51.47	50.14
10	Provision for Bad Debt	0	0
11	Total Revenue Requirement	2037.94	2298.91
12	Less: Non- Tariff Income	28.46	8.89
13	Net Aggregate Revenue Requirement	2009.48	2290.02

Commission's analysis

The Commission on the basis of the detailed analysis of the cost parameters of the ARR has considered and approved the revenue requirement in the APR of FY 2024-25 as given in the following table:

Table 4-46 Approved by the Commission in APR of FY 2024-25 (Rs. Cr.)

Particulars	Approved in Tariff Order dt. 12.06.2024	Revised Estimates	Approved by the Commission
Cost of Power Purchase	1825.12	2,048.46	2,089.45
Employee Cost	59.58	133.42	77.70
Administration and General Expenses	16.55	20.46	16.19
R&M expenses	10.55	10.37	9.88
Depreciation	40.84	26.59	37.69
Interest & Finance Charges	15.36	15.63	11.10
Interest on Consumer Security Deposit	18.47	17.80	17.80
Interest on Working Capital	-	-	-
Return on Equity	51.47	50.14	47.28
Provision for Bad Debt	-	-	-
Total Revenue Requirement	2037.94	2,298.91	2,307.08
Less: Non- Tariff Income	28.46	8.89	8.89
Net Aggregate Revenue Requirement	2009.48	2,290.02	2,298.20

The Commission approves net Aggregate Revenue Requirement of Rs. 2,298.20 Cr. in the APR of FY 2024-25.

4.24 Revenue at existing Retail Tariff

Petitioner's Submission

The Petitioner has provided the category-wise revenue for FY 2024-25 as given in the following table:

Table 4-47 Revenue at existing tariff as submitted by the Petitioner for FY 2024-25

Category of Consumers	Approved in Review Order dt. 06.01.2025	Revised Estimates
Domestic & Cottage	346.74	484.29
OHOB	0.33	0.93
Commercial	194.42	225.64
Agriculture	5.18	7.74
Public Lighting	19.86	24.76
LT-Industrial & Water Tank	123.38	135.17
Temporary Supply (LT&HT)	4.34	3.81
HT 1 (Industrial & Commercial)	727.84	768.40
HT 2 - Others	54.16	43.28
HT 3- EHT	575.36	508.71
Revenue from Sale of Power (1)	2051.61	2202.75
Revenue recovered from previous year payment surcharge (2)		59.87
Total Revenue = (1) + (2)		2262.61

Commission's Analysis

Based upon the number of consumers, connected load, sales and applicable power factor, the category wise/ sub-category wise and slab-wise revenue at existing retail tariff is calculated as per the applicable tariff rates. The revenue from demand charges and the energy charges have been projected for each category/ sub-category and slab-wise. The Commission has not considered the revenue from Regulatory Surcharge along with revenue from Retail Tariff. The total revenue from existing tariff as computed by the Commission for the FY 2024-25 has been shown in the following table:

Table 4-48 Revenue at existing tariff computed by the Commission for FY 2024-25

Category	Sales (MUs)	Revenue from Energy Charges (Rs Cr.)	Revenue from Fixed charges (Rs Cr.)	Total (Rs. Cr)	ABR (Rs. /Unit)
Domestic & Cottage	977.58	66.89	433.88	500.77	5.12
OHOB	4.42	0.03	0.86	0.90	2.03
Commercial	257.01	57.19	184.52	241.71	9.40
Agriculture	61.20	-	-	-	-
Public Lighting	26.15	8.01	18.56	26.57	10.16
LT INDUSTRIAL & WATER WORKS	176.47	-	124.55	124.55	7.06
Cottage Ind. / Horticulture	125.00	1.16	0.02	0.67	0.05
EV charging station	-	-	-	-	-
Hoardings	-	-	-	-	-
Temporary Supply-LT & HT	3.78	-	-	-	-
LT Total	1,507.76	-	763.05	763.05	5.06
HT 1 industrial	923.79	149.34	554.27	703.61	7.62
HT 1 Commercial	119.22	22.38	71.53	93.91	7.88
HT 2 - Others	48.50	13.87	30.32	44.18	9.11
HT 3- EHT	714.34	77.27	453.61	530.87	7.43
HT Total	1,805.86	-	1,109.73	1,109.73	6.15
Total	3,313.62	418.36	1,872.78	2,291.14	6.91

The Commission has determined revenue from sale of power (excluding Regulatory Surcharge) at existing tariff as Rs. 2,291.14 Cr. in the FY 2024-25.

4.25 Revenue gap/ (surplus) at existing Retail Tariff

Petitioner's Submission

The Petitioner has requested the Commission to approve the revenue gap of Rs. 27.41 Cr for FY 2024-25.

Table 4-49 Revenue Gap/(Surplus) for FY 2024-25, submitted by the Petitioner (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Claimed by the Petitioner
1	Aggregate Revenue Requirement	2009.48	2290.02
2	Revenue from Sale of Power (Excluding Regulatory Surcharge)	1902.38	2262.61
3	Revenue Gap/ (Surplus)	107.10	27.41

Commission's Analysis

The Commission observed that the Petitioner has inadvertently considered the revenue from Sale of Power (Excluding Regulatory Surcharge) as Rs. 2262.61 Cr. The Commission observed that revenue of Rs 2,262.61 Cr. is inclusive of regulatory surcharge of Rs 59.87 Cr. Hence, the Commission has considered the Rs. 2,202.75 Cr. (Rs. 2262.61 Cr. - Rs. 59.87 Cr) as Petitioner's submission against revenue from Sale of Power (excluding regulatory surcharge). The Commission has derived Revenue Gap/Surplus based on the approved ARR and existing retail tariff (excluding Regulatory Surcharge) as given in table given following:

Table 4-50 Standalone gap/ (surplus) approved by the Commission for FY 2024-25 (Rs. Cr.)

S. No.	Particulars	Approved in Tariff Order dt. 12.06.2024	Petitioner's Submission	Approved in APR
1	Aggregate Revenue Requirement	2,009.48	2,290.02	2,298.21
2	Revenue from Sale of Power (Excluding Regulatory Surcharge)	1,862.23	2,202.75	2,291.14
3	Revenue Gap/ (Surplus)	147.25	87.27	7.07

The Commission, in the APR of FY 2024-25 approves standalone gap of Rs. 7.07 Cr.

5 Determination of Aggregate Revenue Requirement for FY 2025-26 to FY 2029-30

5.1 Background

The Commission has determined the Aggregate Revenue Requirement for the FY 2025-26 to FY 2029-30 in this chapter. The present chapter provides details of expenditure estimates for PED and Revenue Gap/(Surplus) for FY 2024-25.

5.2 Approach for determination of ARR for the MYT Control Period

This chapter provides an overview of the Aggregate Revenue Requirement (ARR) for FY 2025-26 to FY 2029-30, based on figures and norms approved by the Commission in its Business Plan Order for the 4th Control Period dated 18th August 2025. The ARR components are determined for each financial year of the MYT Control Period. The Annual Revenue Requirement for MYT Control Period is projected in accordance with JERC for the State of Goa and Union Territories MYT Regulation 2024.

5.3 Projection of Number of Consumer, Connected Load and Energy Sales for the FY 2025-26 to FY 2029-30

Petitioner's Submission

The Petitioner has considered the same number of consumers, connected load and energy sales as proposed by the Petitioner in the Business plan:

Table 5-1 Number of consumers proposed by the Petitioner for MYT Control Period

Number of Consumers					
New Category of Consumers	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LTDS-I (Lifeline services)	3,019	3,019	3,019	3,019	3,019
LTDS-II (Domestic) incl. NDS-V (Worship places)					
0-100					
101-200					
201-300					
301-400					
Above 400					
Total	403,418	415.509	427,959	440,785	453,993
LTDS-III (Common service)					
0-100					
101-200					
201-300					
301-400					
Above 400					

Number of Consumers					
New Category of Consumers	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total	3,018	3,108	3,202	3,297	3,396
NDS-I (Commercial)					
0-100					
101-200					
Above 200					
Total	63,937	65,718	67,550	69,432	71,367
NDS-II (Hotels & farmhouse)					
0-100					
101-200					
Above 200					
Total	-	-	-	-	-
NDS-III (Hoardings)	-	-	-	-	-
NDS-IV (Govt. Institutions)					
0-100					
101-200					
Above 200					
Total	-	-	-	-	-
LTAS - I (small Farmers)					
LTAS - I (other Farmers)					
Total	7,514	7,610	7,706	7,804	7,903
LTAS - III (Cottage Ind.)	125	125	125	125	125
LTIS-I (Industries)					
0-500					
501-1000					
Above 1000					
Total	3,613	3,644	3,675	3,707	3,738
LTPS - I (Water works)	940	948	956	964	973
LTPS - II (Street lights)*	60,660	62,360	64,108	65,905	67,752
LTPS - III (Traction)	-	-	-	-	-
LTEV-I (EV charging station)	-	-	-	-	-
Temporary Supply-LT & HT	-	-	-	-	-
LT Total	546,244	562,041	578,300	595,038	612,266
HTS-I (Domestic)	-	-	-	-	-
HTS- II (commercial)	119	120	121	122	124
HTS - III - (Irrigation & Agriculture)	-	-	-	-	-
HTS-IV (Industries)	330	333	337	340	343
HTS- V (Railways & other Public utility services)	78	79	81	82	84
HTS- VI (EV charging station)	-	-	-	-	-

Number of Consumers					
New Category of Consumers	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHTS-I (Non domestic)	-	-	-	-	-
EHTS-II (Industries)	9	10	11	11	12
EHTS-III (PU services)	2	2	2	3	3
HT/EHT Total	538	544	552	558	566
Total	546,782	562,585	578,852	595,596	612,832

Table 5-2 Connected Load proposed by the Petitioner for MYT Control Period (kW/kVA)

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
LTDS-I(Lifeline services)	3,018	3,018	3,018	3,018	3,018
LTDS-II(Domestic)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	15,86,802	16,34,102	16,83,075	17,33,517	17,85,470
LTDS-III(Common service)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	11,986	12,344	12,714	13,095	13,487
NDS-I (Commercial)					
0-100					
101-200					
> 200					
Total	2,58,159	2,65,289	2,72,650	2,80,213	2,87,980
NDS-II (Hotels & farm house)					
0-100	5	5	10	15	15
101-200	5	10	10	15	20
> 200	5	10	15	15	20
Total	15	25	35	45	55
NDS-III (Hoardings)	10	25	35	45	55
NDS-IV (Govt. Institutions)					
0-100	10	20	30	30	40
101-200	10	20	30	40	50
> 200	10	30	30	40	50
Total	30	70	90	110	140

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
NDS-V (Worship places)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	15,430	15,890	16,366	16,856	17,362
LTAS - I (small Farmers)	6,268	6,348	6,428	6,510	6,592
LTAS - II (other Farmers)	58,102	58,844	59,587	60,344	61,110
Total	64,370	65,192	66,015	66,854	67,702
LTAS - III (Cottage Ind.)	650	650	550	450	350
LTIS-I (Industries)					
0-500					
501-1000					
> 1000					
Total	1,15,349	1,16,337	1,17,325	1,18,338	1,19,352
LTPS - I (Water works)	28,837	29,084	29,331	29,585	29,838
LTPS - II (Street lights)	7,330	7,535	7,747	7,964	8,187
LTPS - III (Traction)	80	80	80	80	80
LTEV-I(EV charging station)	100	100	200	300	400
Temporary Supply-LT & HT					
LT Total	20,92,166	21,49,741	22,09,230	22,70,470	23,33,475
HTS-I (Domestic)	120	120	120	240	240
HTS- II (commercial)	42,320	20,882	21,114	21,180	21,412
HTS - III - (Irrigation & Agriculture)	105	105	210	210	210
HTS-IV (Industries)	2,91,346	3,47,967	3,51,704	3,54,777	3,58,619
HTS- V (Railways & other Public utility services)	23,571	23,873	24,478	24,780	25,384
HTS- VI (EV charging station)	120	120	120	120	240
EHTS-I (Non domestic)	3,200	3,200	3,200	3,200	3,200
EHTS-II (Industries)	1,23,494	1,34,732	1,45,969	1,57,207	1,68,325
EHTS-III (PU services)	8,400	9,455	10,509	11,564	12,618
HT/EHT Total	4,92,676	5,40,454	5,57,424	5,73,277	5,90,248
Total	25,84,842	26,90,194	27,66,654	28,43,747	29,23,723

Table 5-3 Energy sales proposed by the Petitioner for MYT control period (MUs)

Energy Sales (MUs)					
New Category of Consumers	FY2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LTDS-I (Lifeline services)	4.42	4.42	4.42	4.42	4.42
LTDS-II (Domestic) incl. NDS-V (Worship places)					
0-100	494.75	518.21	541.84	566.54	592.38
101-200	263.32	275.31	287.86	300.99	314.71
201-300	129.71	135.61	141.80	148.26	155.02
301-400	60.48	63.13	66.01	69.02	72.16
Above 400	70.61	73.80	77.16	80.68	84.36
Total	1018.87	1066.06	1114.66	1165.49	1218.64
NDS-III (Common service)					
0-100	1.55	1.62	1.69	1.77	1.85
101-200	0.44	0.46	0.48	0.51	0.53
201-300	0.18	0.18	0.19	0.20	0.21
301-400	0.02	0.02	0.02	0.03	0.03
Above 400	0.02	0.02	0.02	0.03	0.03
Total	2.21	2.31	2.42	2.53	2.64
NDS-I (Commercial)					
0-100	62.63	65.77	69.05	72.51	76.13
101-200	72.84	76.48	80.30	84.31	88.53
Above 200	134.34	141.05	148.11	155.51	163.28
Total	269.81	283.29	297.46	312.33	327.94
NDS-II (Hotels & farmhouse)					
0-100					
101-200					
Above 200					
Total	-	-	-	-	-
NDS-III (Hoardings)	-	-	-	-	-
NDS-IV (Govt. Institutions)					
0-100					
101-200					

Energy Sales (MUs)					
New Category of Consumers	FY2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Above 200					
Total	-	-	-	-	-
LTAS - I (Small Farmers)					
LTAS - I (Other Farmers)					
Total	63.72	65.12	66.56	68.02	69.53
LTAS - III (Cottage Ind.)	0.75	0.75	0.75	0.75	0.75
LTIS-I (Industries)					
0-500	40.98	41.98	42.99	44.03	45.10
501-1000	45.08	46.17	47.29	48.44	49.61
Above 1000	50.55	51.77	53.02	54.31	55.62
Total	136.61	139.92	143.31	146.78	150.33
LTPS - I (Water works)	44.13	45.20	46.29	47.41	48.56
LTPS - II (Street lights)	26.14	26.14	26.14	26.14	26.14
LTPS - III (Traction)	-	-	-	-	-
LTEV-I (EV charging station)	-	-	-	-	-
Temporary Supply-LT & HT	3.26	3.26	3.26	3.26	3.26
LT Total	1569.91	1636.47	1705.27	1777.13	1852.21
HTS-I (Domestic)	-	-	-	-	-
HTS- II (Commercial)	120.00	126.58	133.51	140.83	148.55
HTS - III - (Irrigation & Agriculture)	-	-	-	-	-
HTS-IV (Industries)	980.20	1033.92	1090.59	1150.36	1213.40
HTS- V (Railways & other Public Utility services)	49.51	50.50	51.51	52.54	53.59
HTS- VI (EV charging station)	-	-	-	-	-

Energy Sales (MUs)					
New Category of Consumers	FY2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHTS-I (Non-domestic)	-	-	-	-	-
EHTS-II (Industries)	731.54	770.33	811.16	854.16	899.44
EHTS-III (PU services)	20.67	21.76	22.92	24.13	25.41
HT/EHT Total	1901.92	2003.09	2109.69	2222.02	2340.39
Total	3471.83	3639.56	3814.96	3999.15	4192.60

Commission's analysis

The Commission has approved the number of consumers, connected load and category-wise sales for the 4th Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same in this chapter as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the below tables:

Table 5-4 Number of Consumer approved by the Commission for MYT Control Period

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
LTDS-I(Lifeline services)	3019	3,019	3,019	3,019	3,019
LTDS-II(Domestic)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	399533	411507	423838	436540	449621
LTDS-III(Common service)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	3018	3108	3202	3297	3396
NDS-I (Commercial)					
0-100					
101-200					
> 200					

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
Total	63928	65700	67526	69402	71330
NDS-II (Hotels & farm house)					
0-100	1	1	2	3	3
101-200	1	2	2	3	4
> 200	1	2	3	3	4
Total	3	5	7	9	11
NDS-III (Hoardings)	2	5	7	9	11
NDS-IV (Govt. Institutions)					
0-100	1	2	3	3	4
101-200	1	2	3	4	5
> 200	1	3	3	4	5
Total	3	7	9	11	14
NDS-V (Worship places)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	3885	4001	4121	4245	4372
LTAS - I (small Farmers)					
LTAS - II (other Farmers)					
Total	7514	7610	7706	7804	7903
LTAS - III (Cottage Ind.)	123	123	121	119	117
LTIS-I (Industries)					
0-500					
501-1000					
> 1000					
Total	3613	3644	3675	3707	3738
LTPS - I (Water works)	940	948	956	964	973
LTPS - II (Street lights)	60660	62,360	64,108	65,905	67,752
LTPS - III (PU Services)	1	1	1	1	1
LTEV-I(EV charging station)	2	2	4	6	8
Temporary Supply-LT & HT	0	0	0	0	0
LT Total	5,46,244	5,62,041	5,78,300	5,95,038	6,12,266
HTS-I (Domestic)	1	1	1	2	2
HTS- II (commercial)	118	119	120	120	122
HTS - III - (Irrigation & Agriculture)	1	1	2	2	2
HTS-IV (Industries)	329	332	335	338	341
HTS- V (Railways & other Public utility services)	78	79	81	82	84
HTS- VI (EV charging station)	1	1	1	1	2
EHTS-I (Non domestic)	1	1	1	1	1
EHTS-II (Industries)	8	9	10	10	10

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
EHTS-III (PU services)	1	1	1	2	2
HT/EHT Total	538	544	552	558	566
Total	5,46,782	5,62,585	5,78,852	5,95,596	6,12,832

Table 5-5 Connected load approved by the Commission for MYT Control Period (kW/kVA)

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
LTDS-I(Lifeline services)	3,018	3,018	3,018	3,018	3,018
LTDS-II(Domestic)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	15,86,802	16,34,102	16,83,075	17,33,517	17,85,470
LTDS-III(Common service)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	11,986	12,344	12,714	13,095	13,487
NDS-I (Commercial)					
0-100					
101-200					
> 200					
Total	2,58,159	2,65,289	2,72,650	2,80,213	2,87,980
NDS-II (Hotels & farm house)					
0-100	5	5	10	15	15
101-200	5	10	10	15	20
> 200	5	10	15	15	20
Total	15	25	35	45	55
NDS-III (Hoardings)	10	25	35	45	55
NDS-IV (Govt. Institutions)					
0-100	10	20	30	30	40
101-200	10	20	30	40	50
> 200	10	30	30	40	50
Total	30	70	90	110	140

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
NDS-V (Worship places)					
0-100					
101-200					
201-300					
301-400					
> 400					
Total	15,430	15,890	16,366	16,856	17,362
LTAS - I (small Farmers)	6,268	6,348	6,428	6,510	6,592
LTAS - II (other Farmers)	58,102	58,844	59,587	60,344	61,110
Total	64,370	65,192	66,015	66,854	67,702
LTAS - III (Cottage Ind.)	650	650	550	450	350
LTIS-I (Industries)					
0-500					
501-1000					
> 1000					
Total	1,15,349	1,16,337	1,17,325	1,18,338	1,19,352
LTPS - I (Water works)	28,837	29,084	29,331	29,585	29,838
LTPS - II (Street lights)	7,330	7,535	7,747	7,964	8,187
LTPS - III (PU Services)	80	80	80	80	80
LTEV-I(EV charging station)	100	100	200	300	400
Temporary Supply-LT & HT					
LT Total	20,92,166	21,49,741	22,09,230	22,70,470	23,33,475
HTS-I (Domestic)	120	120	120	240	240
HTS- II (commercial)	42,320	20,882	21,114	21,180	21,412
HTS - III - (Irrigation & Agriculture)	105	105	210	210	210
HTS-IV (Industries)	2,91,346	3,47,967	3,51,704	3,54,777	3,58,619
HTS- V (Railways & other Public utility services)	23,571	23,873	24,478	24,780	25,384
HTS- VI (EV charging station)	120	120	120	120	240
EHTS-I (Non domestic)	3,200	3,200	3,200	3,200	3,200
EHTS-II (Industries)	1,23,494	1,34,732	1,45,969	1,57,207	1,68,325
EHTS-III (PU services)	8,400	9,455	10,509	11,564	12,618
HT/EHT Total	4,92,676	5,40,454	5,57,424	5,73,277	5,90,248
Total	25,84,842	26,90,194	27,66,654	28,43,747	29,23,723

Table 5-6 Energy sales as approved by the Commission for MYT control period (MUs)

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
LTDS-I(Lifeline services)	4.42	4.42	4.42	4.42	4.42
LTDS-II(Domestic)					
0-100	490.00	513.25	536.65	561.12	586.70
101-200	260.80	272.67	285.10	298.11	311.70
201-300	128.47	134.32	140.44	146.84	153.54
301-400	59.90	62.52	65.38	68.36	71.47
> 400	69.93	73.09	76.42	79.91	83.55
Total	1,009.10	1,055.85	1,103.99	1,154.33	1,206.96
LTDS-III(Common service)					
0-100	1.55	1.62	1.69	1.77	1.85
101-200	0.44	0.46	0.48	0.51	0.53
201-300	0.18	0.18	0.19	0.20	0.21
301-400	0.02	0.02	0.02	0.03	0.03
> 400	0.02	0.02	0.02	0.03	0.03
Total	2.21	2.31	2.42	2.53	2.64
NDS-I (Commercial)					
0-100	62.63	65.77	69.05	72.51	76.13
101-200	72.84	76.48	80.30	84.31	88.53
> 200	134.34	141.05	148.11	155.51	163.28
Total	269.67	283.09	297.22	312.05	327.62
NDS-II (Hotels & farm house)					
0-100	0.00	0.00	0.01	0.01	0.01
101-200	0.00	0.01	0.01	0.01	0.02
> 200	0.00	0.01	0.01	0.01	0.02
Total	0.01	0.02	0.03	0.04	0.05
NDS-III (Hoardings)	0.01	0.02	0.03	0.04	0.05
NDS-IV (Govt. Institutions)					
0-100	0.01	0.02	0.03	0.03	0.04
101-200	0.01	0.02	0.03	0.04	0.05
> 200	0.01	0.03	0.03	0.04	0.05
Total	0.03	0.07	0.09	0.11	0.14
NDS-V (Worship places)					
0-100	4.75	4.96	5.19	5.43	5.67
101-200	2.52	2.64	2.76	2.88	3.01
201-300	1.24	1.30	1.36	1.42	1.49
301-400	0.58	0.60	0.63	0.66	0.69
> 400	0.68	0.71	0.74	0.77	0.81
Total	9.77	10.21	10.68	11.16	11.67
LTAS - I (small Farmers)					
LTAS - II (other Farmers)					
Total	63.72	65.12	66.56	68.02	69.53

Consumer Category	Projection by the Petitioner				
	FY	FY	FY	FY	FY
	2025-26	2026-27	2027-28	2028-29	2029-30
LTAS - III (Cottage Ind.)	0.58	0.58	0.41	0.24	0.07
LTIS-I (Industries)					
0-500	40.98	41.98	42.99	44.03	45.10
501-1000	45.08	46.17	47.29	48.44	49.61
> 1000	50.55	51.77	53.02	54.31	55.62
Total	136.61	139.92	143.31	146.78	150.33
LTPS - I (Water works)	44.13	45.20	46.29	47.41	48.56
LTPS - II (Street lights)	26.14	26.14	26.14	26.14	26.14
LTPS - III (PU Services)	0.08	0.08	0.08	0.08	0.08
LTEV-I(EV charging station)	0.17	0.17	0.34	0.51	0.68
Temporary Supply-LT & HT	3.26	3.26	3.26	3.26	3.26
LT Total	1,569.91	1,636.47	1,705.27	1,777.13	1,852.21
HTS-I (Domestic)	0.39	0.39	0.39	0.79	0.79
HTS- II (commercial)	119.61	126.18	133.12	140.04	147.76
HTS - III - (Irrigation & Agriculture)	0.34	0.34	0.69	0.69	0.69
HTS-IV (Industries)	979.86	1,033.58	1,089.90	1,149.67	1,212.71
HTS- V (Railways & other Public utility services)	49.51	50.50	51.51	52.54	53.59
HTS- VI (EV charging station)	0.59	0.59	0.59	0.59	1.18
EHTS-I (Non-domestic)	15.77	15.77	15.77	15.77	15.77
EHTS-II (Industries)	730.95	769.74	810.57	853.57	898.26
EHTS-III (PU services)	4.90	6.00	7.15	8.37	9.65
HT/EHT Total	1,901.92	2,003.09	2,109.69	2,222.02	2,340.39
Total	3,471.83	3,639.56	3,814.96	3,999.15	4,192.60

5.4 Inter- State Transmission Loss

Petitioner's Submission

The Petitioner has proposed the ISTS/PGCIL loss for the MYT control period FY 2025-26 to FY 2029-30 as 3.50% in line with the actual loss of FY 2023-24.

Commission's analysis

The Commission has approved Inter-State Transmission Loss trajectory for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the below tables:

Table 5-7 Approved Inter-State Transmission Loss (%) for MYT Control Period

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Inter-State transmission loss	3.50%	3.50%	3.50%	3.50%	3.50%

The Commission approves the Inter-State Transmission Loss as 3.50% in the ARR of MYT Control Period.

5.5 Transmission & Distribution (T&D) Loss

Petitioner's Submission

The Petitioner submitted that efforts are being taken to reduce the T&D losses, and implementation of Revamped Distribution Sector Schemes (RDSS) is anticipated to significantly reduce the T&D losses. Accordingly, the T&D loss reduction trajectory proposed by the Petitioner for the MYT control period is provided below:

Table 5-8: T&D Loss (%) Trajectory for MYT Control Period

Particular	Projections				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
T&D Loss (%)	10.20%	9.90%	9.60%	9.35%	9.10%

Commission's analysis

The Commission has approved Transmission and Distribution Loss trajectory for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the below tables:

Table 5-9 Intra-State T&D loss (%) approved by the Commission for the MYT Control Period

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Intra-State T&D loss	10.00%	9.50%	9.00%	8.50%	8.00%

5.6 Energy Balance

Petitioner's Submission

The Petitioner has submitted the energy balance as shown in the table below:

Table 5-10 Energy Balance submitted by the Petitioner for MYT Control Period

Sr. No.	Particulars	Projections				
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Energy Requirement						
a)	Retail Sales to consumers (MUs)	3,472.58	3,639.61	3,815.01	3,999.21	4,192.67
b)	T&D Losses (%)	10.20%	9.90%	9.60%	9.35%	9.10%
c)	T&D Losses (MUs)	394.44	399.91	405.13	412.49	419.73
d)	Total Energy Requirement at Puducherry periphery (MUs)	3867.02	4039.52	4220.15	4411.71	4612.39
Energy Availability						
e)	Total Power Scheduled/ Purchased					
	Total Schedule Billed Drawal from firm sources (MUs)	3,187.44	3,187.44	3,290.36	3,969.59	4,051.28
	Add: Overdrawal (MUs)	0	0	0	0	0
	Add: Power purchase from other sources (MUs)	0	0	0	0	0
	Less: Underdrawal (MUs)	0	0	0	0	0
	Less: Power diverted to Exchange (MUs)	0	0	0	0	0
	Total	3,187.44	3,187.44	3,290.36	3,969.59	4,051.28
f)	PGCIL Losses - %	3.50%	3.50%	3.50%	3.50%	3.50%
	PGCIL Losses - MUs	111.56	111.56	115.16	138.94	141.79
g)	Power Purchased from Renewable Sources					
	Solar (MUs)	490.56	490.56	613.20	613.20	613.20
	Non-Solar (MUs)	504.63	504.63	504.63	504.63	504.63
	Wind (MUs)	168.58	168.58	168.58	168.58	168.58
	Total	1163.78	1163.78	1286.42	1286.42	1286.42
h)	Total Power Purchased within Puducherry					
	PPCL (MUs)	229.90	229.90	229.90	229.90	229.90
	Total	229.90	229.90	229.90	229.90	229.90
i)	Total Power Purchased through IEX					
	IEX Sale (MUs)	669.09	524.54	560.60	1,141.17	1,121.92
	IEX Purchase (MUs)	66.56	94.51	89.24	205.91	308.51
	Total	-602.54	-430.03	-471.37	-935.27	-813.41

Sr. No.	Particulars	Projections				
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
j)	Total Power Purchase availability after PGCIL Losses (MUs)	3,867.02	4,039.52	4,220.15	4,411.71	4,612.39
k)	Energy Deficit/(Surplus) (MUs)	-	-	-	-	-

Commission's analysis

The Commission has approved Energy Balance for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the below tables:

Table 5-11 Energy Balance Approved by the Commission for MYT Control Period

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Energy requirement					
Sales Within Territory	3,471.83	3,639.56	3,814.96	3,999.15	4,192.60
Total Sales	3,471.83	3,639.56	3,814.96	3,999.15	4,192.60
Transmission and Distribution losses (%)	10.00%	9.50%	9.00%	8.50%	8.00%
Energy Requirement @ State periphery (MU)	3,857.59	4,021.62	4,192.26	4,370.65	4,557.18
Less: Own state Generation	234.01	234.01	234.01	234.01	234.01
Energy Required at State Periphery from inter-state sources	3,623.58	3,787.61	3,958.26	4,136.64	4,323.17
PGCIL Losses (%)	3.50%	3.50%	3.50%	3.50%	3.50%
PGCIL Losses (MUs)	131.43	137.37	143.56	150.03	156.80
Total Ex bus requirement	3,989.02	4,158.99	4,335.83	4,520.69	4,713.98
Total Availability	4,796.50	4,796.50	5,078.33	5,811.58	5,811.58
Gap/(Surplus)	-807.48	-637.51	-742.50	-1,290.89	-1,097.60

The Petitioner should back down their costly generating stations as per merit order in order to avoid the energy surplus scenario instead of selling the surplus power to market/ traders.

5.7 Power Purchase Quantum & Cost

Petitioner's Submission

The Petitioner submits that the union territory of Puducherry would meet its power requirement for the MYT control period from the following sources:

- Central Generating Stations (CGS)
- Puducherry Power Corporation Ltd. (PPCL)
- Renewable Energy Tie-ups

The Petitioner has considered following assumptions for projecting the quantum of power purchase as mentioned in its Business Plan Petition for the MYT control period for FY 2025-26 to FY 2029-30.

Share Allocation:

The Petitioner has considered the firm allocation and allocation from the unallocated quota for NTPC, NLC and Other Stations (NTECL & NTPL) as per the notification of the Southern Region Power Committee (SRPC) vide SRPC Notification No. SRPC/SE-(C)/(REA)/2025/ dated 02.01.2025. The same has been considered for the entire MYT control period without any variations. Further, for NPCIL Stations, the firm allocation and allocation from the unallocated quota has been considered as per the notification of SRPC Order No: SRPC/SE(O)/54/2024-25/6525-6586 dated 27.12.2024. The same has been taken for the entire MYT control period without any variations.

Power Purchase from New Stations

The Petitioner envisages power supply from NTPC's Telangana STPP (Unit-2) with an allocation of 50 MW. This 50 MW may be available for procurement from FY 2028-29. PED further envisages power supply from NLC Talabira with an allocation of 100 MW. This 100 MW capacity may be available for procurement from the last quarter of FY 2027-28.

The Petitioner submitted that in order to comply with the RPO targets as specified by the Commission, the Petitioner to procure additional 50 MW Solar power from FY 2025-26. From FY 2027-28 onwards, the Petitioner proposes to procure an additional 50 MW Solar power.

The Petitioner proposed to procure Wind power from the remaining 60.14 MW capacity of SECI Wind Tranche V. This wind power may be available from the last quarter of FY 2024-25 and shall be counted towards the Wind RPO as per the JERC (Procurement of Renewable Energy) (Fifth Amendment) Regulation, 2024.

Power Purchase from Renewable Energy Power Plant:

The Petitioner has started receiving supply from 150 MW of solar power and 240 MW from wind power sources. The Petitioner submitted that it has already executed a Power Sale Agreement (PSA) on 24th October 2019 with SECI for Procurement of 50 MW Solar Power (Tranche II) for 25 years at a fixed tariff for Rs. 2.44/kWh plus trading margin of Rs. 0.07/kWh for fulfilment of Solar RPO. Accordingly, the Petitioner has filed a petition before the Commission for approval of purchase of solar Power capacity of 50 MW and adoption of tariff. The Commission vide its order dated 9th September 2021 accorded its approval for adoption of said PSA.

Further, the Petitioner has executed a PSA on 05th February 2019 with SECI for Procurement of 100 MW Wind Power (Tranche V) for 25 years at a fixed tariff for Rs. 2.77/kWh plus trading margin of Rs. 0.07/kWh for fulfilment of

Non-Solar RPO. Accordingly, the Petitioner had filed a petition before the Commission for approval of purchase of wind Power capacity of 100 MW and adoption of tariff. The Commission vide its order dated 9th September 2021 has accorded its approval for adoption of said PSA.

The Petitioner executed a PSA on 21st May 2019 with SECI for Procurement of 140.64 MW Wind Power (Tranche VIII) for 25 years at a fixed tariff for Rs. 2.84/kWh plus trading margin of Rs. 0.07/kWh for fulfilment of Non-Solar RPO. Accordingly, the Petitioner had filed a petition before the Commission for approval of purchase of wind Power capacity of 140.64 MW and adoption of tariff. The Commission vide its order dated 9th September 2021 accorded its approval for adoption of said PSA.

Further Petitioner also executed a PSA on 5th January 2021 with NTPC for Procurement of 100 MW Solar Power for 25 years at a fixed tariff for Rs. 2.63/kWh plus trading margin of Rs. 0.007/kWh for fulfilment of Non-Solar RPO. Accordingly, the Petitioner filed a petition before the Commission for approval of purchase of solar power capacity of 100 MW and adoption of tariff. The Commission vide its order dated 31st March 2022 accorded its approval for adoption of said PSA.

Plant Availability Factor for Stations

The Petitioner has considered the normative Plant Availability Factor (PAF) for the NTPC, NLC, NTPL & NTECL as per the notification of the Southern Region Power Committee vide SRPC notification No. SRPC/SE-(C)/(REA)/2025/ dated 02.01.2025. For NPCIL stations, the Petitioner has assumed the PAF of 90%. Further, for SECI & NTPC solar power plants, a CUF of 28% has been considered. For SECI wind power plants, a CUF of 32% has been considered. Furthermore, the Petitioner has considered the normative PAF of 85% for PPCL as per the Commission's Tariff Order dated 10.06.2024 in the matter of P.No.114/2023. The same PAF as mentioned above for the respective stations has been considered for the entire MYT control period.

Plant Load Factor for Stations

PED has considered the historical PLF trends for last 3 year for all Plants as per the data available on the National Power Portal except for PPCL. For PPCL, the Petitioner has considered the historical PLF trends for last 3 year as per the MYT petition filed by PPCL before the Commission for FY 2025-26 to FY 2029-30.

PED has assumed the PLF of 50% & 70% in FY 2028-29 & FY 2029-30 respectively for NTPC Telangana (Unit-2). Further, for NLC Talabira, PED has assumed the PLF of 50% in FY 2027-28. From FY 2028-29 onwards, a PLF of 70% has been assumed for NLC Talabira.

Auxiliary Consumption of Stations:

The Petitioner has considered the normative auxiliary consumption for NTPC, NLC, NTECL & NTPL as per the CERC (Terms and Conditions of Tariff) Regulations, 2024, and notification of the Southern Region Power Committee vide SRPC notification No. SRPC/SE-(C)/(REA)/2025/ dated 02.01.2025. For NPCIL stations, the Petitioner has assumed the auxiliary consumption of 10%. Further, for PPCL, PED has considered the auxiliary consumption of 3.30% as per the Commission's Tariff Order dated 10.06.2024 in the mater of P.No.114/2023. For NTPC's Telangana STPP (Unit-2), the auxiliary consumption of 6.75% has been assumed (same as Telangana STPP (Unit-1)). For NLC Talabira, auxiliary consumption of 5.75% has been assumed (same as New NLC TS-I (NNTPS)). The same auxiliary consumption as mentioned above for the respective stations has been considered for the entire MYT control period.

Principles of MoD:

The Petitioner has considered the nuclear power plants as must run and has not subjected them to merit order despatch. Also, PPCL and renewable power plants have been considered as must run and not subject to merit order principles.

UI Over-drawal/ Under-drawal:

As per the merit order despatch (MOD) principles adopted for estimating the energy requirement for the MYT control period, sale of surplus power as well as the purchase of power from power exchange viz., IEX / HPX / PXIL has been considered for the MYT control period and power purchase corresponding to meeting the requirement. The UI over-drawal/under-drawal has not been considered for projecting the power purchase quantum for the MYT control period, and it is submitted that the UI over-drawal/under-drawal quantum and amount would be furnished at the time of true-up based on the actual performance during the year based on the actual UI bills.

PGCIL losses:

The actual PGCIL loss in FY 2023-24 was 3.53%. In reference to the same, the PGCIL losses of 3.50% have been considered for FY 2024-25 and the entire MYT control period without any escalation. For PPCL and Renewable power, the external losses have been considered as NIL.

Power Purchase Cost for MYT Control Period:

The Petitioner has considered following assumptions for projecting the power purchase cost for the MYT control period FY 2025-26 to FY 2029-30:

Fixed Charges:

The CERC notified the (Terms and Conditions of Tariff) Regulations, 2024, dated 15th March 2024. However, the CERC has not issued any tariff orders

for the Central Generating Stations (CGS) for FY 2024-25 to FY 2028-29. Therefore, the PED has considered the allocation-wise fixed costs of CGS (except for NTPC's Telangana STPP Unit-1&2, and NLC Talabira) as per the Tariff Orders approved by the CERC for FY 2023-24. The said fixed cost has been kept same for each year of the MYT control period.

Further, the Petitioner has considered the allocation-wise fixed charges as proposed by Telangana STPP Unit-1 in its Tariff Petition before the CERC for FY 2024-25 to FY 2028-29. To arrive at the fixed charges of FY 2029-30, PED has computed the CAGR of fixed cost of the same plant from FY 2024-25 to FY 2028-29 based on the values proposed in its Tariff Petition. The CAGR thus arrived has been multiplied with the fixed charges of FY 2028-29. The allocation-wise fixed charges of Telangana STPP Unit-1 has been considered for Telangana STPP Unit-2. Similarly, the allocation-wise fixed charges as proposed by NLC NNTPS in its Tariff Petition for FY 2024-25 to FY 2028-29 were considered for arriving at the fixed charges of NLC Talabira.

The fixed charges of PPCL for the MYT control period have been considered same as proposed by PPCL in its MYT Petition before the JERC for FY 2025-26 to FY 2029-30.

The Petitioner has assumed the per unit charges of NTPC's Telangana STPP (Unit-2) same as that of NTPC's Telangana STPP (Unit-1), and the per unit charges of NLC Talabira same as that of New NLC TS-I (NNTPS). Further, the per unit charges of newly proposed solar power plants viz., Solar 50MW Part 1 & 2 are assumed to be same as the per unit charge of existing NTPC Solar 100 MW i.e., Rs.2.70/kWh.

Variable Charges:

The Petitioner has considered the actual per unit variable costs of first six months of FY 2024-25 i.e., (H1) and has calculated the revised projections of base year FY 2024-25 w.r.t to the projected power purchase quantum for the respective Central Generating Stations and PPCL. PED has further considered an escalation of 4% on the estimated variable costs of FY 2024-25 for each year of the MYT control period to meet the increase in variable charges in the upcoming years.

Sale/Purchase of Power through/from Power Exchange:

The Petitioner has assumed the rate of Rs.4.35/kWh for the power purchase/sale through exchange for FY 2025-26. From FY 2026-27 onwards, power purchase/sale through exchange has been assumed at the rate of Rs.4.00/kWh.

Transmission Charges:

The Petitioner has considered the actual inter-state transmission charges for FY 2023-24 and has accordingly calculated the per unit PGCIL/ISTS charges.

The same per unit charges has been escalated by 2% for arriving at the PGCIL charges for each year of the MYT control period.

Based on the above-mentioned assumptions, the power purchase quantum and cost projections for the MYT control period FY 2025-26 to FY 2029-30 is as under:

Table 5-12 Power Purchase cost submitted by the Petitioner

Sr. No.	Source	Projections of Power Purchase @ Ex Bus (in MUs)					Projections of Variable Cost (VC) (in Rs. Crore)					Projections of Fixed Cost (FC) (in Rs. Crore)					Projections of Total Power Purchase Cost (VC+FC) (in Rs. Crore)				
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
A	Central Sector Power Stations																				
I	NTPC	1,287	1,287	1,287	1,491	1,573	442	460	478	587	648	183	183	183	183	184	625	643	661	770	831
	RSTPS Stage I & II	472	472	472	472	472	200	208	216	224	233	43	43	43	43	43	242	250	258	267	276
	RSTPS Stage - III	123	123	123	123	123	51	53	55	57	60	41	41	41	41	41	92	94	97	99	101
	Talcher Stage- II	442	442	442	442	442	80	84	87	90	94	35	35	35	35	35	116	119	122	126	130
	Simhadri Stage- II	96	96	96	96	96	36	38	39	41	43	17	17	17	17	17	54	55	57	58	60
	Kudgi STPS Stage-I	125	125	125	125	125	64	66	69	72	75	37	37	37	37	37	101	103	106	109	112
	Telangana STPP (Unit-1)	29	29	29	29	29	11	12	12	13	13	9	9	9	9	9	20	21	21	22	22
	Telangana STPP (Unit-2) (New NTPC plant proposed)	-	-	-	204	286	-	-	-	89	130					0	1	-	-	90	131
II	NLC	988	988	1,090	1,565	1,565	304	316	359	520	541	177	177	235	235	235	481	493	594	755	776
	NLC TPS II Stage I	315	315	315	315	315	105	110	114	119	123	41	41	41	41	41	146	150	155	159	164
	NLC TPS II Stage II	108	108	108	108	108	36	38	39	41	42	14	14	14	14	14	50	52	53	55	56
	NLC TPS I (Expn)	132	132	132	132	132	39	41	42	44	46	13	13	13	13	13	52	54	55	57	59
	NLC TPS II (Expn)	85	85	85	85	85	28	29	30	31	32	31	31	31	31	31	59	60	61	63	64
	New NLC TS-I (NNTPS)	347	347	347	347	347	95	99	103	107	111	78	78	78	78	78	173	177	181	185	189

Sr. No.	Source	Projections of Power Purchase @ Ex Bus (in MUs)					Projections of Variable Cost (VC) (in Rs. Crore)					Projections of Fixed Cost (FC) (in Rs. Crore)					Projections of Total Power Purchase Cost (VC+FC) (in Rs. Crore)				
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	NLC TALABIRA	-	-	103	578	578		-	31	179	186			58	58	58	-	-	89	236	244
III	NPCIL	703	703	703	703	703	309	322	335	348	362	-	-	-	-	-	309	322	335	348	362
	MAPS	21	21	21	21	21	6	6	6	7	7						6	6	6	7	7
	KAPS	224	224	224	224	224	87	90	94	98	101	-	-	-	-	-	87	90	94	98	101
	Kudankulam U1	247	247	247	247	247	117	122	126	131	137						117	122	126	131	137
	Kudankulam U2	211	211	211	211	211	100	104	108	112	117						100	104	108	112	117
IV	Others	211	211	211	211	211	90	93	97	101	105	51	51	51	51	51	141	144	148	152	156
	Vallur Thermal Project (NTECL)	98	98	98	98	98	41	42	44	46	47	23	23	23	23	23	64	65	67	69	71
	NTPL (Tuticorin)	112	112	112	112	112	49	51	53	55	58	28	28	28	28	28	77	79	81	83	85
V	UI																				
	Over Drawl																				
	Under Drawl																				
VI	Open Market	(603)	(430)	(471)	(935)	(813)	(262)	(172)	(189)	(374)	(325)						(262)	(172)	(189)	(374)	(325)
	IEX Purchase	67	95	89	206	309	29	38	36	82	123						29	38	36	82	123
	IEX Sale	669	525	561	1,141	1,122	291	210	224	456	449						291	210	224	456	449
	Traders																				
VI	Open Access																				
VII	Renewable Sources	1,164	1,164	1,286	1,286	1,286						324	324	357	357	357	324	324	357	357	357
	Solar	491	491	613	613	613						130	130	163	163	163	130	130	163	163	163

Order on Approval of True-up for FY 2023-24, APR for FY 2024-25, ARR for 4th MYT Control Period from FY 2025-26 to FY 2029-30 and Determination of Retail Tariff, Electricity Department of Puducherry

Sr. No.	Source	Projections of Power Purchase @ Ex Bus (in MUs)					Projections of Variable Cost (VC) (in Rs. Crore)					Projections of Fixed Cost (FC) (in Rs. Crore)					Projections of Total Power Purchase Cost (VC+FC) (in Rs. Crore)					
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	
	SECI Solar Tranche II -50 MW	123	123	123	123	123						31	31	31	31	31	31	31	31	31	31	31
	NTPC Solar 100 MW	245	245	245	245	245						66	66	66	66	66	66	66	66	66	66	66
	Solar 50MW Part 1	123	123	123	123	123						33	33	33	33	33	33	33	33	33	33	33
	Solar 50MW Part 2			123	123	123						-	-	33	33	33	-	-	33	33	33	33
	Non-Solar	505	505	505	505	505						145	145	145	145	145	145	145	145	145	145	145
	SECI Wind Tranche V 100 MW	280	280	280	280	280						80	80	80	80	80	80	80	80	80	80	80
	SECI Wind Tranche VIII 80.02MW	224	224	224	224	224						65	65	65	65	65	65	65	65	65	65	65
	Wind																					
	SECI Wind Tranche V 60.14 MW	169	169	169	169	169						49	49	49	49	49	49	49	49	49	49	49
B	Within State Generations	230	230	230	230	230	182	189	196	204	212	39	40	42	44	46	221	229	238	248	258	
	PPCL	230	230	230	230	230	182	189	196	204	212	39	40	42	44	46	221	229	238	248	258	
C	Other Charges											297	316	337	361	384	297	316	337	361	384	
	PGCIL (POC + Non POC)											297	316	337	361	384	297	316	337	361	384	
D	Total	3,979	4,151	4,335	4,551	4,754	1,064	1,208	1,277	1,386	1,542	1,071	1,091	1,205	1,231	1,257	2,135	2,299	2,482	2,617	2,799	

Commission's analysis:

The Commission has approved the Power Purchase Quantum for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the table below:

Table 5-13 Power Purchase quantum to be procured considered by the Commission

Particular	Quantum (MUs)
FY 2025-26	4,796.50
FY 2026-27	4,796.50
FY 2027-28	5,078.33
FY 2028-29	5,811.58
FY 2029-30	5,811.58

Power Purchase Cost

The Commission has found that power availability to PED is more than its requirement for all the years of the control period FY 2025-26 to FY 2029-30. Hence, the Commission has allowed power purchase following MoD Principle. The Commission has considered the nuclear plants as must run and has not subjected them to merit order dispatch. Also, Renewable power plants have been considered as must run and not subject to merit order principles. The Commission has also considered Intra-state gas generating plant PPCL as must run. For determining the power purchase cost, merit order dispatch principles have been applied. The must-run stations have been assumed at the top of the merit order and variable cost incurred for meeting the energy requirement within the UT has been calculated from the plants at the top of the merit order. Fixed Charges from all the generating stations (irrespective of the merit order) have been considered for arriving at the power purchase cost.

Variable Charges

The Variable Cost for existing conventional plants has been computed based upon the average variable cost for the first six months of the FY 2024-25. The Commission has considered an escalation of 3% on the estimated variable costs of the FY 2024-25, for each year from FY 2024-25 to FY 2029-30.

Fixed Charges

The Fixed Cost for existing plants has been computed based on the latest available Tariff Orders issued by the CERC for respective Central Generating Stations. The fixed cost has been apportioned as per Petitioner share in each station and normative annual plant availability factor. The Commission has

considered an escalation of 3% on the estimated fixed costs of the FY 2024-25, for each year from FY 2024-25 to FY 2029-30.

Other Charges

Other charges have not been considered for the MYT Control Period considering it as a non-recurrent expense. The same shall be considered as per actuals during the true-up of the respective years of the MYT Control Period.

Transmission Charges

The Commission has considered the transmission charges for MYT control period based on the submission on the Petitioner.

Merit Order Dispatch (MOD)

It has been observed from Energy Balance for the 4th MYT Control Period and Business Plan Order for the 4th Control Period that the Petitioner is in surplus of power purchase quantum for the 4th MYT Control Period. Hence, the Commission has run the MOD for the Petitioner's Generating Station as under based on the variable rates:

Table 5-14 Power Purchase Quantum (MUs) approved by the Commission for the MYT Control Period

Source	Must Run (0=Must Run, 1=Others)	Variable rate (FY 2025-26)	Quantum of Power Available				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
		INR/Unit	MUs	MUs	MUs	Mus	MUs
MAPS	0	2.73	22.39	22.39	22.39	22.39	22.39
KAPS Stage I (Unit 1&2)	0	3.84	123.42	123.42	123.42	123.42	123.42
KAPS Stage II (Unit 3&4)	0	3.84	112.06	112.06	112.06	112.06	112.06
Kudankulam U1	0	4.69	251.98	251.98	251.98	251.98	251.98
Kudankulam U2	0	4.69	210.77	210.77	210.77	210.77	210.77
SECI Solar Tranche II -50 MW	0	2.51	122.64	122.64	122.64	122.64	122.64
NTPC Solar 100 MW	0	2.70	245.28	245.28	245.28	245.28	245.28
Solar 50MW Part 1	0	2.70	122.64	122.64	122.64	122.64	122.64
Solar 50MW Part 2	0	2.70	0.00	0.00	122.64	122.64	122.64
SECI Wind Tranche V 100 MW	0	2.84	280.32	280.32	280.32	280.32	280.32
SECI Wind Tranche VIII 80.5MW	0	2.91	224.31	224.31	224.31	224.31	224.31
SECI Wind Tranche V 60.14 MW	0	2.91	168.58	168.58	168.58	168.58	168.58
PPCL	0	7.41	234.01	234.01	234.01	234.01	234.01
Talcher Stage- II	1	1.80	454.17	454.17	454.17	454.17	454.17
New NLC TS-I (NNTPS)	1	2.72	372.49	372.49	372.49	372.49	372.49

Source	Must Run (0=Must Run, 1=Others)	Variable rate (FY 2025-26)	Quantum of Power Available				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
			INR/Unit	MUs	MUs	Mus	MUs
NLC TALABIRA	1	2.72	0.00	0.00	159.19	645.62	645.62
NLC TPS I (Expn)	1	2.92	139.21	139.21	139.21	139.21	139.21
NLC TPS II (Expn)	1	3.24	89.23	89.23	89.23	89.23	89.23
NLC TPS II Stage II	1	3.30	121.73	121.73	121.73	121.73	121.73
NLC TPS II Stage I	1	3.32	347.71	347.71	347.71	347.71	347.71
Simhadri Stage- II	1	3.73	103.20	103.20	103.20	103.20	103.20
Telangana STPP (Unit-1)	1	3.86	32.14	32.14	32.14	32.14	32.14
Telangana STPP (Unit-2) (New NTPC plant proposed)	1	3.86	0.00	0.00	0.00	246.82	246.82
Vallur Thermal Project (NTECL)	1	4.09	108.71	108.71	108.71	108.71	108.71
RSTPS Stage -III	1	4.11	128.77	128.77	128.77	128.77	128.77
RSTPS Stage I & II	1	4.19	503.83	503.83	503.83	503.83	503.83
NTPL (Tuticorin)	1	4.34	122.96	122.96	122.96	122.96	122.96
Kudgi STPS Stage-I	1	5.06	153.93	153.93	153.93	153.93	153.93
Total			4796.50	4796.50	5078.33	5811.58	5811.58

Power Purchase Quantum and cost for the Control Period

Based on MOD and Energy Requirement for the 4th Control Period, the Commission approves the following Power Purchase quantum and cost:

Table 5-15 Power Purchase Quantum (MU) and cost (INR Cr) approved by the Commission as per MOD and Energy Requirements for the 4th MYT Control Period

Details of Station	Energy quantum (MUs)					VC (Rs Per Unit)					VC (Rs Crore)					FC (Rs Crore)					Total (Rs Crore)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
MAPS	22.39	22.39	22.39	22.39	22.39	2.73	2.81	2.90	2.98	3.07	6.12	6.30	6.49	6.68	6.88	-	-	-	-	-	6.12	6.30	6.49	6.68	6.88
KAPS Stage I (Unit 1&2)	123.42	123.42	123.42	123.42	123.42	3.84	3.96	4.07	4.20	4.32	47.40	48.83	50.29	51.80	53.35	-	-	-	-	-	47.40	48.83	50.29	51.80	53.35
KAPS Stage II (Unit 3&4)	112.06	112.06	112.06	112.06	112.06	3.84	3.96	4.07	4.20	4.32	43.04	44.33	45.66	47.03	48.44	-	-	-	-	-	43.04	44.33	45.66	47.03	48.44
Kudankulam U1	251.98	251.98	251.98	251.98	251.98	4.69	4.83	4.98	5.12	5.28	118.18	121.72	125.37	129.13	133.01	-	-	-	-	-	118.18	121.72	125.37	129.13	133.01
Kudankulam U2	210.77	210.77	210.77	210.77	210.77	4.69	4.83	4.98	5.13	5.28	98.91	101.88	104.93	108.08	111.32	-	-	-	-	-	98.91	101.88	104.93	108.08	111.32
SECI Solar Tranche II -50 MW	122.64	122.64	122.64	122.64	122.64	2.51	2.51	2.51	2.51	30.78	30.78	30.78	30.78	30.78	-	-	-	-	-	30.78	30.78	30.78	30.78	30.78	
NTPC Solar 100 MW	245.28	245.28	245.28	245.28	245.28	2.70	2.70	2.70	2.70	2.70	66.23	66.23	66.23	66.23	66.23	-	-	-	-	-	66.23	66.23	66.23	66.23	66.23
Solar 50MW Part 1	122.64	122.64	122.64	122.64	122.64	2.70	2.70	2.70	2.70	33.11	33.11	33.11	33.11	33.11	-	-	-	-	-	33.11	33.11	33.11	33.11	33.11	
Solar 50MW Part 2	0.00	0.00	122.64	122.64	122.64	2.70	2.70	2.70	2.70	0.00	0.00	33.11	33.11	33.11	-	-	-	-	-	-	33.11	33.11	33.11	33.11	33.11
SECI Wind Tranche V 100 MW	280.32	280.32	280.32	280.32	280.32	2.84	2.84	2.84	2.84	2.84	79.61	79.61	79.61	79.61	79.61	-	-	-	-	-	79.61	79.61	79.61	79.61	79.61
SECI Wind Tranche VIII 80.5MW	224.31	224.31	224.31	224.31	224.31	2.91	2.91	2.91	2.91	2.91	65.27	65.27	65.27	65.27	65.27	-	-	-	-	-	65.27	65.27	65.27	65.27	65.27
SECI Wind Tranche V 60.14 MW	168.58	168.58	168.58	168.58	168.58	2.91	2.91	2.91	2.91	2.91	49.06	49.06	49.06	49.06	49.06	-	-	-	-	-	49.06	49.06	49.06	49.06	49.06
PPCL	234.01	234.01	234.01	234.01	234.01	7.41	7.41	7.41	7.41	173.44	173.44	173.44	173.44	173.44	31.32	32.24	33.20	34.21	35.28	204.76	205.68	206.64	207.65	208.72	
Talcher Stage- II	454.17	454.17	454.17	454.17	454.17	1.80	1.86	1.91	1.97	2.03	81.87	84.32	86.85	89.46	92.14	38.67	39.83	41.03	42.26	43.53	120.54	124.16	127.88	131.72	135.67
New NLC TS-I (NNTPS)	372.49	372.49	372.49	372.49	372.49	2.72	2.80	2.89	2.97	3.06	101.34	104.38	107.51	110.73	114.05	88.69	91.35	94.09	96.91	99.82	190.03	195.73	201.60	207.65	213.88
NLC TALABIRA	0.00	0.00	159.19	645.62	645.62	2.72	2.80	2.89	2.97	3.06	0.00	0.00	45.95	191.92	197.68	-	-	13.90	58.08	59.82	-	-	59.85	250.01	257.51
NLC TPS I (Expn)	139.21	139.21	139.21	139.21	139.21	2.92	3.00	3.10	3.19	3.28	40.61	41.83	43.08	44.38	45.71	14.89	15.34	15.80	16.27	16.76	55.50	57.17	58.88	60.65	62.47
NLC TPS II (Expn)	89.23	89.23	89.23	89.23	89.23	3.24	3.34	3.44	3.54	3.65	28.90	29.77	30.66	31.58	32.53	35.08	36.13	37.21	38.33	39.48	63.98	65.90	67.87	69.91	72.01
NLC TPS II Stage II	121.73	121.73	121.73	121.73	121.73	3.30	3.40	3.50	3.60	3.71	40.15	41.36	42.60	43.88	45.19	16.69	17.19	17.71	18.24	18.79	56.85	58.55	60.31	62.12	63.98
NLC TPS II Stage I	347.71	347.71	347.71	347.71	347.71	3.32	3.42	3.52	3.62	3.73	115.29	118.75	122.32	125.98	129.76	47.56	48.99	50.46	51.97	53.53	162.85	167.74	172.77	177.96	183.29
Simhadri Stage- II	103.20	103.20	103.20	103.20	103.20	3.73	3.84	3.96	4.08	4.20	38.51	39.67	40.86	42.08	43.35	19.50	20.09	20.69	21.31	21.95	58.02	59.76	61.55	63.40	65.30

Joint Electricity Regulatory Commission (JERC)

Details of Station	Energy quantum (MUs)					VC (Rs Per Unit)					VC (Rs Crore)					FC (Rs Crore)					Total (Rs Crore)				
	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30	FY 202 5-26	FY 202 6-27	FY 202 7-28	FY 202 8-29	FY 202 9-30	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30	FY 202 5- 26	FY 202 6- 27	FY 202 7- 28	FY 202 8- 29	FY 2029- 30	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Telangana STPP (Unit-1)	32.14	32.14	32.14	6.28	32.14	3.86	3.97	4.09	4.21	4.34	12.39	12.77	13.15	2.65	13.95	9.47	9.62	9.68	9.71	9.89	21.86	22.39	22.83	12.35	23.84
Telangana STPP (Unit-2) (New NTPC plant proposed)	0.00	0.00	0.00	0.00	167.42	3.86	3.97	4.09	4.21	4.34	0.00	0.00	0.00	0.00	72.66	-	-	-	49.70	50.65	-	-	-	49.70	123.31
Vallur Thermal Project (NTECL)	108.71	108.71	108.71	0.00	0.00	4.09	4.21	4.34	4.47	4.60	44.43	45.76	47.13	0.00	0.00	26.97	27.78	28.61	29.47	30.35	71.40	73.54	75.74	29.47	30.35
RSTPS Stage -III	102.02	128.77	128.77	0.00	0.00	4.11	4.24	4.36	4.49	4.63	41.96	54.55	56.19	0.00	0.00	46.25	47.64	49.07	50.54	52.06	88.21	102.20	105.26	50.54	52.06
RSTPS Stage I & II	0.00	143.22	38.22	0.00	0.00	4.19	4.31	4.44	4.57	4.71	0.00	61.76	16.98	0.00	0.00	48.22	49.67	51.16	52.69	54.27	48.22	111.43	68.13	52.69	54.27
NTPL (Tuticorin)	0.00	0.00	0.00	0.00	0.00	4.34	4.47	4.60	4.74	4.88	0.00	0.00	0.00	0.00	32.23	33.19	34.19	35.22	36.27	32.23	33.19	34.19	35.22	36.27	
Kudgi STPS Stage-I	0.00	0.00	0.00	0.00	0.00	5.06	5.22	5.37	5.53	5.70	0.00	0.00	0.00	0.00	48.15	49.60	51.08	52.62	54.19	48.15	49.60	51.08	52.62	54.19	
Power Purchase excluding the PGCIL charges	3,989	4,159	4,336	4,521	4,714	0.00	0.00	0.00	0.00	0.00	1,357	1,455	1,517	1,556	1,671	504	519	548	658	677	1,860	1,974	2,065	2,214	2,347
PGCIL (POC + Non POC) Charges																					297.00	316.08	336.71	360.50	384.16
Total																					2,157	2,290	2,401	2,574	2,731

5.8 Renewable Purchase Obligation (RPO)

Petitioner's Submission:

The Petitioner has submitted that proposed to comply with specified RPO target in accordance with Regulation 3(1) of the JERC (Procurement of Renewable Energy) Regulations, 2010 and the JERC (Procurement of Renewable Energy), (Fifth Amendment) Regulations, 2024 on 06.06.2024.

The Petitioner has proposed the RPO Compliance Projections for MYT Control Period as under:

Table 5-16 RPO Compliance Projections for MYT Control Period

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sales Within UT	3,472.58	3,639.61	3,815.01	3,999.21	4,192.67
Wind RPO Target	1.45%	1.97%	2.45%	2.95%	3.48%
HPO Target	1.22%	1.34%	1.42%	1.42%	1.33%
Distributed Renewable Energy Target	2.10%	2.70%	3.30%	3.90%	4.50%
Other RPO Target	28.24%	29.94%	31.64%	33.10%	34.02%
Total Target (%)	33.01%	35.95%	38.81%	41.36%	43.33%
RPO Target					
Wind RPO Target	50.35	71.70	93.47	117.98	145.90
HPO Target	42.37	48.77	54.17	56.79	55.76
Distributed Renewable Energy Target	72.92	98.27	125.90	155.97	188.67
Other RPO Target	980.66	1089.70	1207.07	1323.74	1426.35
Total RPO Target (MUs)	1146.30	1308.44	1480.61	1654.48	1816.68
RPO Compliance (Actual Purchase)					
Wind RPO Target	168.58	168.58	168.58	168.58	168.58
HPO Target					
Distributed Renewable Energy Target	110.85	110.85	125.90	155.97	188.67
Other RPO Target	1061.75	1089.70	1207.07	1323.74	1426.35
Total RPO Compliance (Actual Purchase)	1,341.18	1,369.13	1,501.55	1,648.29	1,783.60
RPO Compliance (REC Certificate Purchase)					
Wind RPO Target					
HPO Target	42.37	48.77	54.17	56.79	55.76
Distributed Renewable Energy Target					
Other RPO Target	1501.10				
Total RPO Compliance (REC Certificate)	1,543.46	48.77	54.17	56.79	55.76

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028- 29	FY 2029- 30
RPO Compliance (REC+ Actual)					
Wind RPO Target	168.58	168.58	168.58	168.58	168.58
HPO Target	42.37	48.77	54.17	56.79	55.76
Distributed Renewable Energy Target	110.85	110.85	125.90	155.97	188.67
Other RPO Target	2,562.85	1,089.70	1,207.07	1,323.74	1,426.35
Total RPO Compliance	2,884.65	1,417.90	1,555.72	1,705.08	1,839.36
Cumulative Requirement for current year					
Wind RPO Target	72.55	144.25	237.72	355.70	501.60
HPO Target	54.96	103.73	157.90	214.69	270.45
Distributed Renewable Energy Target	122.63	220.90	346.79	502.76	691.43
Other RPO Target	5,081.00	6,170.70	7,377.77	8,701.51	10,127.86
Total	5,331.14	6,639.58	8,120.18	9,774.66	11,591.34
Cumulative Compliance till current year					
Wind RPO Target	210.73	379.32	547.90	716.48	885.07
HPO Target	54.96	103.73	157.90	214.69	270.45
Distributed Renewable Energy Target	221.70	332.55	458.45	614.41	803.08
Other RPO Target	6,081.00	7,170.70	8,377.77	9,701.51	11,127.86
Total	6,568.39	7,986.29	9,542.02	11,247.10	13,086.46
Net Shortfall in RPO Compliance till current year					
Wind RPO Target	0.00	0.00	0.00	0.00	0.00
HPO Target	0.00	0.00	0.00	0.00	0.00
Distributed Renewable Energy Target	0.00	0.00	0.00	0.00	0.00
Other RPO Target	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Commission Analysis:

The Commission has approved RPO trajectory for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the below table:

Table 5-17 Renewable Purchase Obligation (RPO) (MUs) approved by the Commission for MYT Control Period

Particulars	Base Year Projection	Multi-Year Projections				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sales Within UT (MUs)		3,471.83	3,639.56	3,814.96	3,999.15	4,192.60
Wind RPO Target	0.67%	1.45%	1.97%	2.45%	2.95%	3.48%
HPO Target	0.38%	1.22%	1.34%	1.42%	1.42%	1.33%
Distributed Renewable Energy Target	1.50%	2.10%	2.70%	3.30%	3.90%	4.50%
Other RPO Target	27.35%	28.24%	29.94%	31.64%	33.10%	34.02%
Total Target (%)	29.91%	33.01%	35.95%	38.81%	41.36%	43.33%
RPO Target (MUs)						
Wind RPO Target (MUs)	0.36	50.34	71.70	93.47	117.97	145.90
HPO Target (MUs)	0.20	42.36	48.77	54.17	56.79	55.76
Distributed Renewable Energy Target (MUs)	0.81	72.91	98.27	125.89	155.97	188.67
Other RPO Target (MUs)	14.75	980.45	1089.69	1207.05	1323.72	1426.32
Total RPO Target (MUs)	16.13	1146.05	1308.42	1480.59	1654.45	1816.66
RPO Compliance (Actual Purchase)(Projected by Petitioner)						
Wind RPO Target (MUs)	78.66	168.58	168.58	168.58	168.58	168.58
HPO Target (MUs)	0.16		0.00	0.00	0.00	0.00
Distributed Renewable Energy Target (Gen. within territory) (RTS) (MUs)	77.94	110.85	110.85	125.90	155.97	188.67
Other RPO Target (SECI) (MUs)	1228.00	995.19	995.19	1117.83	1117.83	1117.83
Total RPO Compliance (Actual Purchase) (MUs)	1384.76	1274.63	1274.63	1412.32	1442.39	1475.09

Particulars	Base Year Projection	Multi-Year Projections				
	FY 2024- 25	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Cumulative Requirement for current year						
Wind RPO Target (MUs)	21.08	71.42	143.12	236.59	354.56	500.46
HPO Target (MUs)	11.95	54.31	103.08	157.25	214.04	269.80
Distributed Renewable Energy Target (MUs)	110.55	183.46	281.73	407.62	563.59	752.25
Other RPO Target (MUs)	2210.12	3190.57	4280.25	5487.30	6811.02	8237.35
Total (MUs)	2353.70	3499.75	4808.18	6288.76	7943.21	9759.86
Cumulative Compliance till current year						
Wind RPO Target (MUs)	78.66	247.24	415.83	584.41	753.00	921.58
HPO Target (MUs)	0.16	0.16	0.16	0.16	0.16	0.16
Distributed Renewable Energy Target (MUs)	77.94	188.79	299.64	425.54	581.51	770.18
Other RPO Target (MUs)	1228.00	2223.19	3218.38	4336.22	5454.05	6571.88
Total (MUs)	1384.76	2659.39	3934.01	5346.33	6788.72	8263.80
Net Shortfall in RPO Compliance till current year (MUs)		845.70	892.08	960.35	1172.42	1513.99
REC Purchase (MUs)	-	845.70	892.08	960.35	1172.42	1513.99

5.9 Operation & Maintenances Expenses

Regulation 72 of JERC MYT Regulations, 2024, stipulates as under:

“72.1 The Operation and Maintenance Expenses for the Retail Supply Business shall be computed in accordance with this Regulation.

72.2 O&M Expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*

c) Repairs and Maintenance expenses.

72.3 The Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the Distribution Licensee, estimates of the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission.

72.4 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GFAn-1 \times (1 + WPIinflation)$$

$$EMP_n = (EMP_{n-1}) \times (1 + Gn) \times (1 + CPIinflation)$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPIinflation)$$

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Distribution Licensee for the n th Year; A&G_n – Administrative and General expenses of the Distribution Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFAn-1 – Gross Fixed Asset of the Distribution Licensee for the n-1 th Year; Gn is a growth factor for the nth Year. Value of Gn shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate;

Provided that in case the Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, the O&M Expenses shall be determined on a case to case basis.

72.5 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as part of employee cost, as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies. Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

72.6 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of base O&M components from audited accounts and also actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation. Provided that at the time of truing up, the variation in the normative and actual O&M expenses shall be dealt in accordance with Regulation 15.”

5.9.1 Employee Expenses

Petitioner's Submission

The Petitioner has submitted that it has computed the employee expense in accordance with Regulation 72 and Regulation 6 of JERC MYT Regulations, 2024.

The Petitioner has considered the actual audited employee expenses from FY 2021-22 to FY 2023-24 to arrive at the Base Year estimates i.e. for FY 2024-25. The average of these three years i.e. FY 2021-22 to FY 2023-24 has been considered as employee expenses which has been escalated with the average CPI Inflation of the last three years to arrive at the employee expenses for the Base Year i.e. FY 2024-25. The Petitioner has submitted that the resultant employee expenses of the Base Year have been escalated by Growth Factor determined based on the manpower plan submitted by the Petitioner in its Business Plan Petition for the MYT control period FY 2025-26 to FY 2029-30 and the average CPI Inflation of the last three years to arrive upon the employee expenses of each year of the MYT Control Period.

The computation of average employee expense based on audited accounts is as under:

Table 5-18 Average Employee Expenses as per Audited Accounts (Rs. Cr.)

FY	As per Audited Accounts (Rs. Cr.)	Average of 3 Years
2021-22	140.58	136.28
2022-23	134.83	
2023-24	133.42	

The computation of CPI inflation, projection of Growth Factor and the employee expenses for the MYT control period is submitted by the Petitioner as under:

Table 5-19 CPI Inflation Index Submitted by the Petitioner

FY	Avg. of (April to March)	Increase in CPI Index	Avg. Increase in CPI Indices over 3 years
2021-22	356.06	5.13%	5.46%
2022-23	377.62	6.05%	
2023-24	397.20	5.19%	

Table 5-20 Growth Factor for the MYT Control Period Considered by the Petitioner

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Number of Employees	1355	1271	1442	1400	1373	1341
Gn	-15.52%	-6.20%	13.45%	-2.91%	-1.93%	-2.33%

Table 5-21 Base Year Employee Expense considered by the Petitioner

S. No	Particulars	Value
a	CPI Inflation of FY 2023-24 (%)	5.19%
b	Avg. CPI Inflation of FY 2023-24 (%)	5.46%
c	Avg. Employee Expenses based on audited accounts	136.28
d = c*(1+a)*(1+b)	Employee Expense of base year	151.16

Table 5-22 Employee Expenses proposed by the Petitioner for MYT Control Period (Rs. Cr.)

S. No	Particulars	(Base Year) FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Growth factor (Gn)	151.16	-6.20%	13.45%	-2.91%	-1.93%	-2.33%
2	Avg. CPI Inflation (%)		5.46%	5.46%	5.46%	5.46%	5.46%
4	Employee Expenses = (EMPn-1) x (1+Gn) x (1+CPI inflation)		149.53	178.90	183.17	189.44	195.12

The Petitioner has requested the Commission to approve the above proposed Employee expense for the MYT control period.

Commission's analysis

In accordance with the JERC MYT Regulations, 2024, the Commission has determined the Employee expenses for each year of the MYT Control Period. The Regulation 6 of the JERC MYT Regulations, 2024 stipulates the following:

“6. Values for Base Year

6.1 The values for the Base Year of the Control Period for the purpose of estimation, shall be determined on the basis of the audited accounts or provisional accounts of last three (3) Years, and/or other factors considered relevant by the Commission:

Provided that, in absence of availability of audited accounts or provisional accounts of last three (3) Years, the Commission may benchmark the parameters with other similar utilities to establish the values for Base Year:

Provided further that the Commission shall consider the values for Base Year, while truing up, considering the actual figures from audited accounts.”

The Commission has considered the actual audited employee expenses from FY 2021-22 to FY 2023-24 to arrive at the Base Year estimates i.e. for the FY 2024-25. The average of these three years i.e. FY 2020-21 to FY 2023-24 has been considered as employee expenses for the FY 2024-25. The resultant employee expenses of the Base Year have been escalated by Growth Rate determined based on the manpower plan approved in the Business Plan Order, dated 18th August 2025 and the average CPI Inflation of the last three years to arrive upon the employee expenses of each year of the MYT Control Period. The Base employee expense, Growth factor, CPI inflation and Employee Expense has been computed as follows:

Table 5-23 Base employee expense considered by the Commission

	FY 2021-22	FY 2022-23	FY 2023-24	Average
Actual Employee Expenses (Excluding impact of Pay commissions)	118.11	125.64	133.42	125.72

Table 5-24 Growth factor considered by the Commission

Particulars	FY	FY	FY	FY	FY	FY
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Number of Employees	1355	1271	1442	1400	1373	1341
Gn		-6.20%	13.45%	-2.91%	-1.93%	-2.33%

Table 5-25 CPI Inflation considered by the Commission

FY	Average of (April - March)	Increase in CPI Index	Average Increase in CPI indices over 3 year
FY 2021-22	356.06		4.87%
FY 2022-23	377.62	6.05%	
FY 2023-24	397.20	5.19%	
FY 2024-25	410.64	3.38%	

Accordingly, the employee expenses approved by the Commission in the MYT Control Period have been provided in the following table:

Table 5-26 Employee Expense approved by the Commission for MYT Control Period (Rs. Cr.)

Particular	Base Year	4th MYT Control Period				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Employee Cost for nth-1 year	125.72	125.72	123.68	147.16	149.83	154.11
Gn (Growth factor as per Petitioner Submission)		-6.20%	13.45%	-2.91%	-1.93%	-2.33%
CPI (3 Previous year avg.) (in %)		4.87%	4.87%	4.87%	4.87%	4.87%
Total Employee Expenses (Rs. Cr.)		123.68	147.16	149.83	154.11	157.85

5.9.2 Repair and Maintenance Expenses

Petitioner's Submission

The Petitioner Submitted that it has computed the Repair & Maintenance (R&M) expenses for the MYT control period as per the JERC MYT Regulations, 2024.

The Petitioner has computed the 'K' factor as the ratio of R&M to opening GFA for FY 2021-22, FY 2022-23 and FY 2023-24 (last three available audited accounts) and averaged for three years. The 'K' factor has been computed as follows:

Table 5-27: "K" factor computed by the Petitioner for MYT Control Period

S. No	Particulars	FY 2021-22	FY 2022-23	FY 2023-24
1	R&M Expenses	15.56	15.00	12.00
2	Opening GFA of FY (GFA _{n-1})	954.63	1029.53	1039.83
3	K factor (%)	1.63%	1.46%	1.15%
4	K factor considered for MYT (Avg. of three years)		1.41%	

The Petitioner has kept the 'K' factor computed for MYT period as constant for all years of the MYT control period and multiplied with the opening GFA estimated for the (n-1)th year. The resultant amount is then escalated by WPI Inflation to arrive upon the R&M Expenses for each year of the MYT control period. The WPI Inflation has been computed as follows:

Table 5-28: WPI Inflation Index

FY	Avg. of (April to March)	Increase in WPI Index	Avg. Increase in WPI Indices over 3 years
2021-22	139.4	13.00%	7.23%
2022-23	152.5	9.41%	
2023-24	151.4	-0.73%	

Based on the above parameters, the R&M Expenses projected by the Petitioner for the MYT control period is as under:

Table 5-29: R&M Expenses for MYT Control Period (Rs. Cr.)

S. No	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Opening GFA (closing GFA of (n-1) th year i.e., GFAn-1)	1087.14	1149.64	1249.89	1395.51	1639.44
2	K Factor proposed by the Petitioner (%)	1.41%	1.41%	1.41%	1.41%	1.41%
3	Avg. WPI Inflation (%)	7.23%	7.23%	7.23%	7.23%	7.23%
4	R&M Expenses = K x GFAn-1 x (1+WPI inflation)	16.48	17.42	18.94	21.15	24.85

Accordingly, the Petitioner requests the Commission to approve the above projected R&M expenses for the MYT control period.

Commission's Analysis

The 'K' factor has been determined as the ratio of approved R&M to opening GFA for the FY 2021-22, FY 2022-23 and FY 2023-24 (last three available audited accounts) and averaged for three years. The 'K' factor has been computed as follows:

Table 5-30 'K' computation by the Commission for MYT Control Period

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
R&M Expenses	12.73	10.11	9.88
Opening GFA of FY (GFAn-1)	954.63	1029.53	1039.83
K factor (%)	1.33%	0.98%	0.95%
K factor considered for MYT (Avg. of three years)	1.09%		

The 'K' factor is kept constant for all the years and multiplied with the opening GFA approved for the (n-1)th year. The resultant amount is then escalated by WPI Inflation to arrive upon the R&M Expenses for each year of the Control Period. The WPI Inflation has been computed as follows:

Table 5-31 : WPI inflation computed by the Commission for MYT Control Period (Rs. Cr.)

FY	Average of (April - March)	Yearly increase	Average Increase in WPI indices over 3 year
FY 2021-22	139.41		3.65%
FY 2022-23	152.53	9.41%	
FY 2023-24	151.42	-0.73%	
FY 2024-25	154.86	2.27%	

The Total R&M expenses approved by the Commission for each year of the MYT Control Period have been provided in the following table:

Table 5-32 R&M Expenses approved by the commission for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA (GFAn-1)	1087.1	1124.6	1173.2	1234.6	1312.6
K Factor (%)	1.09%	1.09%	1.09%	1.09%	1.09%
Avg. WPI Inflation (%)	3.65%	3.65%	3.65%	3.65%	3.65%
R&M Expenses = K x (GFA n-1) x (1+WPlinflation)	12.28	12.70	13.25	13.94	14.82

5.9.3 Administrative and General Expenses

Petitioner's Submission

The Petitioner has computed the A&G expenses for the Base Year i.e., FY 2024-25 by considering the actual audited expenses from FY 2021-22 to FY 2023-24. The average A&G expenses of these three years i.e., FY 2021-22 to FY 2023-24 has been considered as A&G expense for FY 2023-24 as under:

Table 5-33 A&G Expenses for Base Year as per Audited Accounts (Rs. Cr.)

FY	As per Audited Accounts (Rs. Cr.)	Average of 3 Years
2021-22	14.23	14.94
2022-23	14.55	
2023-24	16.05	

The Petitioner has submitted that the same amount has been escalated with CPI of the respective years to arrive at the Base Year estimates. Thereafter, the Base Year estimate has been escalated by the average CPI Inflation of the last three years to arrive at the A&G expenses for the Base Year i.e. FY 2024-25 i.e., Rs.16.58 Cr. The resultant A&G expenses of the Base Year have been escalated by the average CPI Inflation of the last three years to arrive upon the A&G expenses of each year of the MYT Control Period. The A&G expenses projection for the MYT control period is provided below:

Table 5-34 A&G Expenses for MYT Control Period (Rs. Cr.)

S. No	Particulars	(Base Year) FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Avg. CPI Inflation (%)	16.58	5.46%	5.46%	5.46%	5.46%	5.46%
2	A&G Expenses (A&Gn) = (A&Gn-1) x (1+CPI inflation)		17.48	18.43	19.44	20.50	21.62

The Petitioner requested the Commission to approve the above projected A&G expenses for the MYT control period.

Commission's Analysis

The Commission has determined the A&G expenses for the Base Year FY 2024-25 by considering the audited expenses from FY 2021-22 to FY 2023-24. The average A&G expenses of these three years i.e., FY 2021-22 to FY 2023-24 has been considered as A&G expense as under:

Table 5-35 A&G Expenses for Base Year as per Audited Accounts Considered by the Commission (Rs. Cr.)

FY	Approved (Rs. Cr.)	Average of 3 Years
FY 2021-22	14.23	14.92
FY 2022-23	14.55	
FY 2023-24	15.99	

The resultant A&G expenses of the Base Year have been escalated by the average CPI Inflation of the last three years to arrive upon the A&G expenses of each year of the 3rd Control Period. The A&G expenses approved by the Commission in the MYT Control Period have been provided in the following table:

Table 5-36 A&G Expense approved by the Commission for 3rd Control Period (Rs. Cr.)

Particular	(Base Year) FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Avg. CPI Inflation (%)		4.87%	4.87%	4.87%	4.87%	4.87%
A&G Expense (A&Gn) = (A&Gn-1) x (1+CPI inflation)	14.92	15.65	16.41	17.21	18.05	18.93

5.10 Summary of the O&M Expense

Petitioner's Submission

The Summary of O&M expenses as per the Petitioner for each year of the MYT Control Period have been provided in the following table:

Table 5-37 Summary of O&M expenses submitted by the Petitioner for the MYT Control Period (in INR Cr.)

S. No	Particulars	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
1	Employee Expenses	149.53	178.90	183.17	189.44	195.12
2	R&M Expenses	16.48	17.42	18.94	21.15	24.85
3	A&G Expenses	17.48	18.43	19.44	20.50	21.62
4	O&M Expenses	183.49	214.76	221.55	231.09	241.58

Commission's Analysis

The Summary of O&M expenses approved by the Commission for each year of the MYT Control Period have been provided in the following table:

Table 5-38 Summary of O&M expenses approved by the Commission for the MYT Control Period (in INR Cr.)

S. No	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Employee Expenses	123.68	147.16	149.83	154.11	157.85
2	R&M Expenses	12.28	12.70	13.25	13.94	14.82
3	A&G Expenses	15.65	16.41	17.21	18.05	18.93
4	O&M Expenses	151.61	176.27	180.30	186.10	191.61

5.11 Gross Fixed Assets (GFA)

Petitioner's Submission

The Petitioner plans to carry out the capital expenditure during the MYT control period for augmentation and expansion of its capacity and to reduce the T&D loss in the system. The works to be carried out are with an intention to maintain a reliable and efficient system. The Petitioner has submitted the same in details in the Business Plan Petition for the MYT control period. As submitted in the said Business Plan Petition, the Petitioner has considered the same capital expenditure and capitalization.

The Petitioner propose following capital expenditure and capitalization for the MYT control period:

Table 5-39 Capital Expenditure for the MYT Control Period (INR Cr)

Sr. No.	Particulars	Projections					
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
A	RDSS Schemes	53	76	39	43	43	254
B	SCADA/DMS	2	3	9	20	3	37
C	Transmission Schemes	85	225	274	165	100	849
D	Distribution Schemes	20	63	68	67	60	278
	Total	160	367	390	295	206	1418

Table 5-40 Capitalization for the MYT Control Period (INR Cr)

Sr. No.	Particulars	Projections					
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
A	RDSS Schemes	26.50	32.25	33.38	45.68	35.90	173.70
B	SCADA/DMS	1.00	2.50	6.00	5.80	4.60	19.90
C	Transmission Schemes	28.33	51.67	84.23	150.63	131.77	446.63
D	Distribution Schemes	6.67	13.83	22.02	41.82	39.63	123.97
	Total	62.50	100.25	145.63	243.93	211.90	764.20

Commission's Analysis

The Commission has approved Capital Expenditure and Capitalisation for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the table below:

Table 5-41 Capital Expenditure and Capitalization now approved by the Commission for the MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capex Approved	85.00	142.00	116.00	130.00	126.00
Capitalisation Approved	37.50	48.58	61.39	78.00	75.60

5.12 Capex, Capitalization and Capital Structure

Petitioner's Submission

In accordance with Regulation 27 of the JERC MYT Regulations, 2024, the Petitioner has considered the Capital Structure. Accordingly, the Petitioner

submits the following capital structure for its proposed capital expenditure for the MYT control period:

Table 5-42 Capital structure for MYT Control Period (Rs. Cr.) as submitted by the Petitioner

Sr. No.	Sources of Funds	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	CAPEX considered for FY	160.00	367.00	390.00	295.00	206.00
2	Capitalisation considered for FY	62.50	100.25	145.63	243.93	211.90
3	Capitalisation considered from Grant (from Central Govt. for RDSS incl. Smart Metering)	26.61	39.92	22.18	-	-
4	Net Capitalisation	35.89	60.34	123.45	243.93	211.90
5	Capitalisation from Loan (70% of Net Capitalisation)	25.12	42.23	86.42	170.75	148.33
6	Capitalisation from Equity (30% of Net Capitalisation)	10.77	18.10	37.04	73.18	63.57

Commission's analysis:

The Commission has approved Capital Structure for the 4th MYT Control Period in the Business Plan order dated 18th August 2025 with detailed deliberations. Accordingly, the Commission does not find it appropriate to repeat the same here as the same has been considered in the MYT order for the 4th Control Period (FY 2025-26 to FY 2029-30) as shown in the table below:

Table 5-43 Capital Structure considered by the Commission for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total CAPEX	85.0	142.0	116.0	130.0	126.0
Total Capitalisation	37.5	48.5	61.4	78.0	75.6
Less: Capitalisation through Grants	26.61	39.92	22.18	0	0
Net Capitalisation excluding grant	10.9	8.7	39.2	78.0	75.6
Debt (%)	70%	70%	70%	70%	70%
Equity (%)	30%	30%	30%	30%	30%
Normative Loan	7.62	6.06	27.45	54.60	52.92
Normative Equity	3.27	2.60	11.76	23.40	22.68

5.13 Depreciation

Petitioner's Submission

The closing GFA of the FY 2024-25 as arrived at APR has been considered as opening GFA for FY 2025-26. Further, depreciation for each year of the MYT control period has been computed on average Gross Fixed Assets (GFA) after considering the net addition proposed during each year of the MYT period.

Total depreciation is calculated asset block wise on the total GFA. However, since depreciation on assets created through grants, electricity duty fund or subsidies are not allowed as per the JERC MYT Regulations, 2024, hence the depreciation for GFA excluding grant and electricity duty fund has been arrived in the proportion of the total GFA and GFA excluding grant and electricity duty fund.

The Petitioner has considered the same rate of depreciations of 2.47% as taken in the true-up of FY 2023-24. Based on the methodology given in the JERC MYT Regulations, 2024, and the assumptions mentioned above, the depreciation for the MYT control period is estimated as under:

Table 5-44 Depreciation for the 3rd MYT Control Period (Rs. Cr.)

S. No	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Opening Gross Fixed Assets	1087.14	1149.64	1249.89	1395.51	1639.44
2	Addition During the FY	62.50	100.25	145.63	243.93	211.90
3	Closing Gross Fixed Assets	1149.64	1249.89	1395.51	1639.44	1851.34
4	Less: Grant Provided by GoI	26.61	66.53	88.70	88.70	88.70
5	Closing Gross Fixed Assets excluding Grant	1123.03	1183.36	1306.81	1550.74	1762.64
6	Average Gross Fixed Assets	1105.08	1153.19	1245.09	1428.77	1656.69
7	Weighted Average Rate of Depreciation (%)	2.47%	2.47%	2.47%	2.47%	2.47%
8	Depreciation	27.34	28.53	30.80	35.34	40.98

Commission's analysis

As per the Regulation 31 of the JERC MYT Regulations, 2024 stipulates the following:

“31. Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets.

Provided also that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2025, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2025, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

Provided further that in case, the operation of the asset is for a part of the year, depreciation shall be charged on proportionate basis:

31.6 The depreciation shall be calculated at rates and norms specified in Appendix-I of these Regulations.

Provided that for Generation and Transmission, the depreciation shall be calculated at the rate and norms specified in the prevalent CERC Tariff Regulations.

31.7 The Generating Company, Transmission or the Distribution Licensee shall provide the list of assets added and list of assets completing 90% of depreciation during each year of the Control Period along with the MYT Petition.”

The Commission has considered the weighted average rate of depreciation same as weighted average rate of depreciation considered by the Commission for the FY 2024-25 as observed in the APR section of this Order.

In accordance with Regulation 31.1 of JERC MYT Regulations, 2024, it is observed that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant. Hence, the Commission has considered the closing of a depreciable GFA for the FY 2024-25 approved in APR as the opening of a depreciable GFA excluding Consumer contribution. The Commission has computed the depreciation on the average

of a depreciable GFA excluding the Consumer contribution and grant provided by the government of India separately for each year of MYT Control Period. The Commission has deduced the depreciation on the grant provided by the government of India and consumer contribution from the depreciation on the average of a depreciable GFA excluding the Consumer contribution for each year of MYT Control Period.

The net depreciation worked by the Commission for the MYT control Period is as detailed here under in table below:

Table 5-45 Depreciation considered by the Commission for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening depreciable asset	1,087.14	1,124.64	1,173.22	1,234.61	1,312.61
Net Additions during the year	37.50	48.58	61.39	78.00	75.60
Closing depreciable assets	1,124.64	1,173.22	1,234.61	1,312.61	1,388.21
Average depreciable assets	1,105.89	1,148.93	1,203.92	1,273.61	1,350.41
Weighted average rate of depreciation	3.72%	3.72%	3.72%	3.72%	3.72%
Depreciation	41.12	42.72	44.76	47.35	50.21
Opening Grants	61.15	87.76	127.68	149.86	149.86
Grants during the Year	26.61	39.92	22.18	-	-
Closing Grants for depreciable assets	87.76	127.68	149.86	149.86	149.86
Average Grants for Depreciable Assets	74.45	107.72	138.77	149.86	149.86
Depreciation on assets created out of grants	2.77	4.00	5.16	5.57	5.57
Net Depreciation	38.35	38.71	39.60	41.78	44.64

5.14 Interest on Loan

Petitioner's Submission

The Petitioner has computed the Interest on loan in accordance with Regulation 29 of the JERC MYT Regulations, 2024.

The rate of interest considered by the Petitioner while determining the ARR shall be the weighted average interest rate of the actual loan portfolio. However, in absence of the actual loan portfolio, the Petitioner has considered the SBI 1 Year MCLR rate as on 1st April 2024, plus 100 basis points as the rate of interest, in accordance with the JERC MYT Regulations, 2024.

The Interest on Loan has been calculated by the Petitioner on the average loan during the year with the opening loan for the first year of the MYT Control Period considered equivalent to the closing loan approved in the APR for FY 2024-25. Further, the normative loan addition during each year of the MYT control period has been considered as per the capital structure approved in the previous section. Repayment of the loan has been considered equivalent to the depreciation for the respective years as computed by the Petitioner in

line with the JERC MYT Regulations, 2024. The following table provides the Interest on Loan estimated by the Commission for the MYT control period

Table 5-46 Interest on Loan submitted by the Petitioner for MYT Control Period (Rs. Cr.)

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Normative Loan	157.31	155.10	168.80	224.42	359.83
Add: Normative Loan During the year	25.12	42.23	86.42	170.75	148.33
Less: Normative Repayment = Depreciation	27.34	28.53	30.80	35.34	40.98
Closing Normative Loan	155.10	168.80	224.42	359.83	467.18
Average Normative Loan	156.20	161.95	196.61	292.12	413.50
Rate of Interest (%)	9.65%	9.65%	9.65%	9.65%	9.65%
Interest on Loan	15.07	15.63	18.97	28.19	39.90

Commission's Analysis

Regulation 29 of the JERC MYT Regulations, 2024 stipulates the following:

"29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalisation or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the decapitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2025, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2025, from the gross normative loan. Provided that the repayment shall be deemed to be equal to the depreciation allowed.

29.3 Notwithstanding any moratorium period availed by the Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Generating Company or the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Generating Company or Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided also that for the purpose of estimation, prior to 1st April of a financial year, when MCLR is not available for the relevant year, the latest available one (1) year State Bank of India (SBI) MCLR rate on the 1st April of the year in which the petition is filed, shall be taken.

Provided also that if the Generating Company or the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

Provided further that if the generating station or the transmission system, as the case may be, does not have any actual loan, then the weighted average rate of interest of the loan portfolio of the generating company or the transmission licensee as a whole shall be considered.

29.5 *The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest.*

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalisation approved by the Commission for the Year.

29.6 *For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Generating Company or Transmission Licensee or the Distribution Licensee.*

29.7 *The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by the Generating Company or the Transmission Licensee or Distribution Licensee.*

29.8 *The finance charges incurred for obtaining loans from financial institutions for any Year shall be allowed by the Commission at the time of Truing-up, subject to prudence check.*

29.9 The excess interest during construction on account of time and/or cost overrun as compared to the approved completion schedule and capital cost or on account of excess drawal of the debt funds disproportionate to the actual requirement based on Scheme completion status, shall be allowed or disallowed partly or fully on a case to case basis, after prudence check by the Commission:

Provided that where the excess interest during construction is on account of delay attributable to an agency or contractor or supplier engaged by the Generating Company or Transmission or Distribution Licensee, any liquidated damages recovered from such agency or contractor or supplier shall be taken into account for computation of capital cost:

Provided further that the extent of liquidated damages to be considered shall depend on the amount of excess interest during construction that has been allowed by the Commission.

29.10 The Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the beneficiaries; i.e., the Generating Company or the Transmission Licensee, as the case may be, and the Distribution Licensee and the Consumers of Distribution Licensee as the case may be, in accordance with Regulation 15 of these Regulations.

Provided that the Distribution Licensee shall submit the calculation of such benefit to the Commission for its approval.

29.11 Interest shall also be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the relevant Financial Year:

Provided that, for the purpose of estimation, prior to 1st April of a financial year, when Bank rate is not available for the relevant year, the latest available Bank Rate on the 1st April of the year, in which the petition is filed, shall be taken.

Provided further that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission.”

The rate of interest to be considered while determining the ARR shall be the weighted average interest rate of the actual loan portfolio. However, in absence of detailed data with respect to the actual loan portfolio, the Commission has considered the SBI 1 Year MCLR rate i.e. is 9.00% applicable as on 01.04.2025 in accordance with JERC MYT Regulation, 2024.

The Interest on Loan has been calculated on the average loan during the year with the opening loan for the first year of the MYT Control Period considered equivalent to the closing loan approved in the APR for the FY 2024-25.

Further, the normative loan addition during each year of the control period has been considered as per the capital structure approved in the previous section.

Repayment of the loan has been considered equivalent to the depreciation for the respective years as determined by the Commission in line with the JERC MYT Regulations, 2024.

The following table provides the Interest on Loan approved by the Commission:

**Table 5-47 Interest on Loan approved by the Commission for FY 2024-25
(Rs. Cr.)**

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Normative Loan	104.88	74.16	41.51	29.36	42.18
Add: Normative Loan During the year	7.62	6.06	27.45	54.60	52.92
Less: Normative Repayment= Depreciation	38.35	38.71	39.60	41.78	44.64
Closing Normative Loan	74.16	41.51	29.36	42.18	50.46
Average Normative Loan	89.52	57.83	35.43	35.77	46.32
Rate of Interest (%)	9.00%	9.00%	9.00%	9.00%	9.00%
Interest on Loan	8.06	5.21	3.19	3.22	4.17
Finance Charges	-	-	-	-	-
Total Interest on Loans	8.06	5.21	3.19	3.22	4.17

5.15 Return on Equity (RoE)

Petitioner's Submission

The Petitioner has computed the Return on Equity in accordance with Regulation 28 of JERC MYT regulation, 2024.

The Petitioner has segregated the estimated average equity (average of opening and closing equity) into average equity for Distribution Wires Business and Retail Supply Business based on the allocation statement provided in the JERC MYT Regulations, 2024 i.e. 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business.

The Petitioner has considered a post-tax rate of 15.50% for the Distribution Wires Business and a post-tax rate of 16% for the Retail Supply Business. The equity component has been estimated in accordance with the capital structure as mentioned in the section on capital structure.

The following table provides the total return on equity projected by the Petitioner for the MYT Control Period.

Table 5-48 RoE submitted by the Petitioner for the MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity	326.14	336.91	355.01	392.04	465.22
Equity Addition during year (30% of Capitalization)	10.77	18.10	37.04	73.18	63.57
Closing Equity	336.91	355.01	392.04	465.22	528.79
Average Equity	331.53	345.96	373.53	428.63	497.01
Average Equity-Wires Business	298.37	311.36	336.17	385.77	447.31
Average Equity (Retail Supply Business)	33.15	34.60	37.35	42.86	49.70
Return on Equity for Wires Business (%)	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%	16.00%	16.00%
Return on Equity for Wires Business	46.25	48.26	52.11	59.79	69.33
Return on Equity for Retail Supply Business (%)	5.30	5.54	5.98	6.86	7.95
Return on Equity	51.55	53.80	58.08	66.65	77.28

Commission's Analysis

Regulation 28 of the JERC MYT Regulation, 2021 states the following:

"28.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use and shall be allowed in accordance with the prevalent CERC Tariff Regulations for the Generating Company and the transmission Licensees.

Provided that the Return on Equity shall be grossed up with the effective tax rate of the respective financial year.

28.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use at 15.50% rate of return on equity.

28.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum.

28.4 The return on equity shall be computed on average of equity capital at the beginning and end of Year.

Provided that asset funded by consumer contribution, capital subsidies/grants and corresponding depreciation shall not form part of the capital base. Actual equity infused in the Distribution Licensee as per book value shall be considered as perpetual and shall be used for computation in this Regulation.

The Commission has segregated the approved average equity (average of opening and closing equity) into average equity for Distribution Wires

Business and Retail Supply Business based on the Allocation Statement provided in the JERC MYT Regulations, 2024 i.e. 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business.

The Commission has considered a post-tax rate of 15.50% for the Distribution Wires Business and a post-tax rate of 16% for the Retail Supply Business. The equity component has been determined in accordance with the capital structure as discussed in the section on capital structure. The rate of return on equity for the Distribution Wires Business and Retail Supply Business shall be trued up based on the prevalent Regulations during the True-up of the respective years. The following table provides the total return on equity approved for the MYT Control Period.

**Table 5-49 RoE Approved by the Commission for MYT Control Period
(Rs. Cr.)**

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity Amount	307.80	311.06	313.66	325.43	348.83
Equity Addition during year (30% of Capitalization) (net of grants)	3.27	2.60	11.76	23.40	22.68
Closing Balance of Equity	311.06	313.66	325.43	348.83	371.51
Average Equity Amount	309.43	312.36	319.55	337.13	360.17
Average Equity-Wires Business (90% of average equity)	278.49	281.13	287.59	303.41	324.15
Average Equity -Retail Supply Business (10% of average equity)	30.94	31.24	31.95	33.71	36.02
Return on Equity for Wires Business (%)	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%	16.00%	16.00%
Return on Equity for Wires Business	43.17	43.57	44.58	47.03	50.24
Return on Equity for Retail Supply Business	4.95	5.00	5.11	5.39	5.76
Total Return on Equity	48.12	48.57	49.69	52.42	56.01

5.16 Interest On Security Deposit

Petitioner's Submission

The Petitioner has computed the Interest on security deposit in accordance with Regulation 29.1 of the JERC MYT Regulations, 2024.

The Petitioner has calculated the Interest on security deposit based on the average of the opening and closing consumer security deposits during the year. The rate of interest has been considered equivalent to the prevailing RBI Bank rate. The Petitioner has considered the net additions for each year of the MYT Control Period based on the provisional addition of security deposit for FY 2024-25, with 2% escalation for each year thereafter. The following

table provides the calculation of interest on consumer security deposits for each year of the MYT Control Period

Table 5-50 Interest on Consumer Security Deposit submitted by the Petitioner for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Security Deposit	282.99	301.79	320.97	340.54	360.49
Add: Deposits During the year	18.80	19.18	19.56	19.96	20.35
Less: Deposits refunded	-	-	-	-	-
Closing Security Deposit	301.79	320.97	340.54	360.49	380.85
Average Security Deposit	292.39	311.38	330.76	350.52	370.67
Rate of Interest (%)	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit on normative basis	19.01	20.24	21.50	22.78	24.09

Commission's analysis:

Regulation 29 of the JERC MYT Regulation, 2021 states the following:

“29.11 Interest shall also be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the relevant Financial Year:

Provided that, for the purpose of estimation, prior to 1st April of a financial year, when Bank rate is not available for the relevant year, the latest available Bank Rate on the 1st April of the year, in which the petition is filed, shall be taken.

Provided further that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission.”

The Commission in data deficiency note has sought clarification regarding the assumption of nominal escalation rate of 2% for the addition of security deposition during each year of MYT control period. The Petitioner has clarified that the assumption of nominal escalation rate of 2% for the addition of security deposition has been considered to factor in the growth of number of consumers during the MYT control period. The Commission has considered the security deposit based on the actual specific load (~Rs.1022 per KW) of FY 2023-24 and worked-out the average security deposit for the Control Period.

The rate of interest has been considered equivalent to the RBI Bank rate on the 1st April 2025 which is 5.75%. Net additions during the year have been considered for each year of the Control Period based on the provisional addition of security deposit for the FY 2024-25 approved in APR section, with 2% escalation for each year thereafter, similar to the methodology considered

by the Petitioner. The following table provides the calculation of interest on consumer security deposits approved for each year of the MYT Control Period.

Table 5-51 Interest on Consumer Security Deposit approved by the Commission for MYT Control Period (Rs. Cr.)

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Average Security Deposit	264.11	274.88	282.69	290.57	298.74
Bank Rate	5.75%	5.75%	5.75%	5.75%	5.75%
Interest on Security Deposit	15.19	15.81	16.25	16.71	17.18

5.17 Interest On Working Capital

Petitioner's Submission

The Petitioner has estimated the interest on working capital (IOWC) for the MYT control period as per the JERC MYT Regulations, 2024. The Petitioner has considered the interest rate as 11.90% (1-year SBI MCLR applicable as on 1st April 2024 i.e. 8.65% + 325 basis points). The IOWC as estimated by the Petitioner for the MYT control period is as under:

Table 5-52 Interest on Working Capital for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses for 1 month	15.29	17.90	18.46	19.26	20.13
Maintenance spares at 40% of R&M	6.59	6.97	7.58	8.46	9.94
Receivables of two months of billing	405.12	437.17	470.62	498.64	535.66
Total Working Capital Requirement	427.00	462.04	496.66	526.35	565.73
Less: Security Deposit excluding BG/FDR	301.79	320.97	340.54	360.49	380.85
Less: Power Purchase cost for one (1) month	178.59	191.58	206.81	218.05	233.25
Net Working Capital	-53.39	-50.52	-50.69	-52.19	-48.37
Rate of Interest (%)	11.90%	11.90%	11.90%	11.90%	11.90%
Interest on Working Capital	0.00	0.00	0.00	0.00	0.00

Commission's Analysis

Regulation 53 of the JERC MYT Regulation, 2021 stipulates the following regarding interest on working capital:

"61.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

- a) O&M Expenses for one (1) month; plus
- b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- c) Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;

Less

- d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.

be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

- (a) O&M Expenses for one (1) month; plus
- (b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- (c) Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;

Less:

- (d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up.

61.2 The Rate of interest on working capital shall be equal to one (1) year State Bank of India (SBI) MCLR/any replacement thereof as notified by RBI for the time being in effect applicable for (1) year period, as may be applicable on 1st April of the relevant financial year plus 325 basis points;

Provided that for the estimation, prior to 1st April of a financial year, when MCLR is not available for the relevant year, the latest available one (1) year State Bank of India (SBI) rate on the 1st April of the year in which the petition is filed, shall be taken.

61.3 The Interest on working capital shall be payable on a normative basis, notwithstanding that the transmission licensee has not taken a loan for working capital from any outside agency.”

The Commission has computed the Interest on Working Capital for each year of the Control Period in accordance with the JERC MYT Regulation, 2024. The interest rate has been considered as 12.25% (1-year MCLR as on 1st April 2025 i.e. 9.00% + 325 basis points). The computation of interest on working capital is shown in the following table:

The following table provides the Interest on working Capital considered for each year of the MYT Control Period.

Accordingly, the Interest on Working Capital has been determined by the Commission, as shown in the table below:

Table 5-53 Interest on Working Capital approved by the Commission (Rs. Cr.) for FY 2024-25

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expense for 1 month	12.63	14.69	15.02	15.51	15.97
Maintenance spares at 40% of R&M expenses for one (1) month	0.41	0.42	0.44	0.46	0.49
Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff	397.96	423.55	446.20	479.13	511.65
Total Working Capital Requirement	411.00	438.66	461.67	495.10	528.12
Less: Amount held as security deposits	264.11	274.88	282.69	290.57	298.74
Less: Power Purchase cost for one (1) month	179.78	190.85	200.10	214.50	227.62
Net Working Capital	-	-	-	-	1.75
Rate of Interest (%)	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital	-	-	-	-	0.21

Since the working capital requirement is negative, accordingly, the Commission approves the NIL Interest on Working Capital for the Period from FY 2025-26 to FY 2028-29. However, in FY 2029-30, the Commission has computed Rs. 0.21 Cr of Interest on working capital.

5.18 Income Tax

Petitioner's Submission

The Petitioner has not made any submission in this regard.

Commission's analysis:

Regulation 33 of MYT Regulations, 2024 stipulates the following:

"33.1 The treatment of income tax for a Generating Company or the Transmission Licensee or the Distribution Licensee shall be done by grossing up the rate of return on equity with the effective income tax rate.

33.2 The Commission in its MYT Order shall provisionally consider the effective income tax rate for each Year of the Control Period, if any, based on the actual income tax paid, including cess and surcharge on the same, if any, as per latest audited accounts available for the Distribution Licensee, subject to true-up."

Since the Petitioner has paid no Income tax in the previous years, no income tax liability is computed for the MYT Control Period and the same shall be Trued-up based on the actual income tax paid by the Petitioner.

5.19 Provision for Bad & Doubtful Debts

Petitioner's Submission

The Petitioner has not proposed any provision for bad and doubtful debts during the MYT Control Period .

Commission's analysis

Regulation 77 of the MYT Regulations, 2024 stipulates the following:

"77.1 The Commission may allow bad debts written off as a pass through in the Aggregate Revenue Requirement, based on the trend of bad debts written off in the previous years, subject to prudence check:

Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check:

Provided also that the provision for bad and doubtful debts shall be limited to 1% of the annual Revenue Requirement of the Distribution Licensee:

Provided further that if subsequent to the write off of a particular bad debt, revenue is realised from such bad debt, the same shall be included as an uncontrollable item under the Non-Tariff Income of the year in which such revenue is realised."

The Commission also has not considered any Provision for Bad & Doubtful Debts for the MYT Control Period. The same shall be accounted for as per actuals during the True-up of respective years.

5.20 Non-Tariff Income

Petitioner's Submission:

The Petitioner has considered the same Non-tariff Income for each year of the MYT control period as considered for FY 2024-25. The NTI estimated for MYT control period is as under:

Table 5-54 Non-Tariff Income for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Non-Tariff Income	8.89	8.89	8.89	8.89	8.89

Commission's analysis:

Regulation 79 of JERC MYT Regulation, 2024 states the following:

"79.1 The amount of Non-Tariff Income relating to the retail supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity by the Distribution Licensee:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of tariff.

79.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;
- b) Income from sale of scrap in excess of 10% of the salvage value;
- c) Income from statutory investments;
- d) Interest on advances to suppliers/contractors;
- e) Rental from staff quarters; f) Rental from contractors;
- g) Income from hire charges from contractors and others;
- h) Income from advertisements, etc.;
- i) Meter/ metering equipment/ service line rentals;
- j) Service charges;
- k) Consumer charges;
- l) Recovery for theft and pilferage of energy;
- m) Rebate availed on account of timely payment of bills;
- n) Miscellaneous receipts;
- o) Deferred Income from grant, subsidy, etc., as per Annual Accounts;
- p) Prior period income, etc.;
- q) Interest on investments, fixed and all deposits and bank balances;
- r) Delayed Payment Surcharge received from the consumer;

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Retail Supply Business of the Distribution Licensee shall not be included in Non-Tariff Income:

Provided further that any income earned by a Distribution Licensee by sale of power to other Distribution Licensees or to Consumers as per Section 56 of the Act using the existing power purchase agreements or bulk supply capacity allocated to the Distribution Licensee's Area of Supply shall be reduced from the Aggregate Revenue Requirement of the Distribution Licensee for the purpose of determination of tariff. Such reduction shall be carried out in accordance with Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017, as amended from time to time."

The Commission has considered the Petitioner's submission and approve the NTI as shown in the table below:

Table 5-55 Non-Tariff Income approved by the Commission for MYT Control Period (Rs. Cr.)

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sales of Trading Margin					
Interest Income on margin money deposit with bank	8.89	8.89	8.89	8.89	8.89
Other receipts					
Total	8.89	8.89	8.89	8.89	8.89

The Commission approves Non-Tariff Income of Rs. 8.89 Cr. for the MYT Control Period. The same shall be considered at actuals at the time of True-up.

5.21 Aggregate Revenue Requirement (ARR)

Petitioner's Submission

Based on the expenses as submitted above, the Petitioner submitted the net aggregate revenue requirement for the MYT Control Period as shown in the following table:

Table 5-56 ARR submitted by the Petitioner for the MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of Power Purchase	2143.13	2298.96	2481.67	2616.64	2799.02
Employee Expenses	149.53	178.90	183.17	189.44	195.12
A&G Expenses	17.48	18.43	19.44	20.50	21.62
R&M expenses	16.48	17.42	18.94	21.15	24.85
Depreciation	27.34	28.53	30.80	35.34	40.98
Interest & Finance Charges	15.07	15.63	18.97	28.19	39.90
Interest on CSD	19.01	20.24	21.50	22.78	24.09

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Interest on Working Capital	0.00	0.00	0.00	0.00	0.00
Return on Equity	51.55	53.80	58.08	66.65	77.28
Provision for Bad Debt	0.00	0.00	0.00	0.00	0.00
Total Revenue Requirement	2439.58	2631.91	2832.58	3000.70	3222.86
Less: Non- Tariff Income	8.89	8.89	8.89	8.89	8.89
Net Aggregate Revenue Requirement	2430.70	2623.02	2823.69	2991.81	3213.97

Commission's analysis

The Commission, on the basis of the detailed analysis of the cost parameters of the ARR, has considered and approved the revenue requirement in the ARR of MYT Control Period as given in the following table:

Table 5-57 ARR approved by the Commission for the MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of power purchase	2,157.31	2,290.22	2,401.24	2,574.06	2,731.48
Employee Costs	123.68	147.16	149.83	154.11	157.85
Administration and General Expenses	15.65	16.41	17.21	18.05	18.93
R&M expenses	12.28	12.70	13.25	13.94	14.82
Depreciation	38.35	38.71	39.60	41.78	44.64
Interest & Finance Charges	8.06	5.21	3.19	3.22	4.17
Interest on CSD	15.19	15.81	16.25	16.71	17.18
Interest on Working Capital	-	-	-	-	0.21
Return on Equity	48.12	48.57	49.69	52.42	56.01
Provision for Bad Debt	-	-	-	-	-
Total Revenue Requirement	2,418.63	2,574.79	2,690.27	2,874.29	3,045.29
Less: Non- Tariff Income	8.89	8.89	8.89	8.89	8.89
Net Aggregate Revenue Requirement	2,409.74	2,565.90	2,681.39	2,865.40	3,036.40

5.22 Revenue at existing Retail Tariff

Petitioner's Submission

The Petitioner has submitted the revenue at existing tariff in accordance with Regulation 9.3 of the JERC MYT Regulations, 2024.

The Petitioner submits that the revenue projected above for the MYT control period excludes revenue recovered from the Regulatory Surcharge and Fuel & Power Purchase Cost Adjustment Surcharges i.e., FPPCAS. The following Table provides the category-wise revenue for FY 2024-25:

Table 5-58 Revenue from Sale of Power at Existing Tariff for MYT Control

Category of Consumers	Fixed Charge (Rs. Cr.)	Energy Charge (Rs. Cr.)	Total Revenue (Rs. Cr.)	Fixed Charge (Rs. Cr.)	Energy Charge (Rs. Cr.)	Total Revenue (Rs. Cr.)	Fixed Charge (Rs. Cr.)	Energy Charge (Rs. Cr.)	Total Revenue (Rs. Cr.)	Fixed Charge (Rs. Cr.)	Energy Charge (Rs. Cr.)	Total Revenue (Rs. Cr.)	Fixed Charge (Rs. Cr.)	Energy Charge (Rs. Cr.)	Total Revenue (Rs. Cr.)
	FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29			FY 2029-30		
Domestic & Cottage	67.80	415.87	483.66	69.82	434.73	504.55	71.91	454.96	526.87	74.07	475.70	549.76	76.29	497.37	573.66
OHOB	0.36	0.86	1.22	0.04	0.86	0.90	0.04	0.86	0.90	0.04	0.86	0.90	0.04	0.86	0.90
Commercial	61.99	193.71	255.70	63.72	203.40	267.11	65.49	213.57	279.06	67.32	224.24	291.56	69.19	235.45	397.20
Agriculture	7.16	0.00	7.16	7.25	0.00	7.25	7.34	0.00	7.34	7.44	0.00	7.44	7.53	0.00	7.53
Public Lighting	8.01	18.56	26.57	8.23	18.56	26.79	8.46	18.56	27.02	8.70	18.56	27.26	8.94	18.56	27.50
LT-Industrial & Water Tank	14.41	127.40	141.81	14.52	130.49	145.01	14.64	133.65	148.29	14.76	136.88	151.65	14.89	140.19	155.08
Cottage Ind. / Horticulture	0.03	0.45	0.47	0.03	0.45	0.47	0.03	0.45	0.47	0.03	0.45	0.47	0.03	0.45	0.47
Temporary Supply (LT&HT)	4.00		4.00	4.00		4.00	4.00		4.00	4.00		4.00	4.00	0.00	4.00
LT Total	163.75	756.85	920.60	167.61	788.48	956.09	171.92	822.04	993.96	176.35	856.69	1033.03	180.90	892.89	1073.7
HT 1 (Industrial & Commercial)	180.30	660.12	840.42	199.30	696.30	895.60	201.50	734.46	935.96	203.26	774.71	977.97	205.46	817.17	1022.6
HT 2 - Others	14.14	30.94	45.09	14.32	31.56	45.89	14.69	32.19	46.88	14.87	32.84	47.71	15.23	33.49	48.72
HT 3- EHT	81.13	477.65	558.78	88.50	502.98	591.48	95.88	529.64	625.52	103.25	557.71	660.97	110.63	587.28	697.91
HT Total	275.57	1168.72	1444.29	302.13	1,230.8	1,532.9	312.07	1296.29	1,608.3	321.38	1365.27	1686.65	331.32	1437.94	1769.2
Total	432.50	1925.56	2364.89	469.73	2,019.3	2,489.0	483.98	2118.34	2,602.3	497.73	2221.95	2719.68	512.22	2303.83	2843.0

Commission's Analysis

The category wise/ sub-category wise and slab-wise revenue at existing retail tariff is calculated as per the existing tariff rates. The revenue from demand charges and the energy charges have been projected for each category/ sub-category and slab-wise in accordance with JERC (Retail Supply Tariff Structure) Guideline 2024. The Commission has not considered the revenue from Regulatory Surcharge along with revenue from Retail Tariff. The total revenue from existing tariff as computed by the Commission for the MYT control period has been shown in the following table:

Table 5-59 Revenue from Sale of Power at existing tariff for MYT Control Period approved by the Commission

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs. Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LTDS-I(Lifeline services)	1	1	1	1	1	0	0	0	0	0	1	1	1	1	1
LTDS-II(Domestic)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	132	139	145	152	158	-	-	-	-	-	132	139	145	152	158
101-200	104	109	114	119	125	-	-	-	-	-	104	109	114	119	125
201-300	77	81	84	88	92	-	-	-	-	-	77	81	84	88	92
301-400	45	47	49	51	54	-	-	-	-	-	45	47	49	51	54
> 400	52	55	57	60	63	-	-	-	-	-	52	55	57	60	63
Total	411	430	450	470	491	67	69	71	73	75	478	499	520	543	566
LTDS-III(Common service)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0	0	0	0	0	-	-	-	-	-	0	0	0	0	0
101-200	0	0	0	0	0	-	-	-	-	-	0	0	0	0	0
201-300	0	0	0	0	0	-	-	-	-	-	0	0	0	0	0
301-400	0	0	0	0	0	-	-	-	-	-	0	0	0	0	0
> 400	0	0	0	0	0	-	-	-	-	-	0	0	0	0	0
Total	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
NDS-I (Commercial)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	38	39	41	44	46	-	-	-	-	-	38	39	41	44	46
101-200	51	54	57	59	62	-	-	-	-	-	51	54	57	59	62
> 200	100	105	110	116	122	-	-	-	-	-	100	105	110	116	122
Total	189	198	208	219	230	62	64	65	67	69	251	262	274	286	299

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
NDS-II (Hotels & farm house)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
101-200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
> 200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NDS-III (Hoardings)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NDS-IV (Govt. Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
101-200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
> 200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NDS-V (Workshop places)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	1	1	1	1	2	-	-	-	-	-	1	1	1	1	2
101-200	1	1	1	1	1	-	-	-	-	-	1	1	1	1	1
201-300	1	1	1	1	1	-	-	-	-	-	1	1	1	1	1
301-400	0	0	0	0	1	-	-	-	-	-	0	0	0	0	1
> 400	1	1	1	1	1	-	-	-	-	-	1	1	1	1	1
Total	4	4	4	5	5	1	1	1	1	1	5	5	5	5	5
LTAS - I (small Farmers)	-	-	-	-	-	0	0	0	0	0	0	0	0	0	0
LTAS - II (other Farmers)	-	-	-	-	-	9	9	10	10	10	9	9	10	10	10
Total	-	-	-	-	-	10	10	10	10	10	10	10	10	10	10

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LTAS - III (Cottage Ind.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LTIS-I (Industries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-500	29	29	30	31	32	-	-	-	-	-	29	29	30	31	32
501-1000	32	32	33	34	35	-	-	-	-	-	32	32	33	34	35
> 1000	35	36	37	38	39	-	-	-	-	-	35	36	37	38	39
Total	96	98	100	103	105	14	14	14	14	14	109	112	114	117	120
LTPS - I (Water works)	32	33	33	34	35	1	0	0	0	0	32	33	33	34	35
LTPS - II (Street lights)	19	19	19	19	19	8	8	8	9	9	27	27	27	27	28
LTPS - III (Traction)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LTEV-I(EV charging station)	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0
Temporary Supply-LT & HT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LT Total	752	784	817	851	887	162	166	170	174	179	914	949	987	1,026	1,066
HTS-I (Domestic)	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
HTS- II (commercial)	72	76	80	84	89	23	11	11	11	12	95	87	91	95	100
HTS - III - (Irrigation & Agriculture)	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
HTS-IV (Industries)	588	620	654	690	728	157	188	190	192	194	745	808	844	881	921
HTS- V (Railways & other Public utility services)	31	32	32	33	33	14	14	15	15	15	45	46	47	48	49
HTS- VI (EV charging station)	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1

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Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHTS-I (Non domestic)	10	10	10	10	10	2	2	2	2	2	12	12	12	12	12
EHTS-II (Industries)	464	489	515	542	570	74	81	88	94	101	538	570	602	636	671
EHTS-III (PU services)	3	4	5	5	6	5	6	6	7	8	8	9	11	12	14
Total	1,921	2,015	2,113	2,216	2,325	437	468	482	496	510	2,358	2,482	2,595	2,712	2,835

5.23 Standalone Revenue Gap/ (Surplus) for MYT Control period

Petitioner's Submission

The Petitioner based on the projected ARR, and revenue recovered from sale of power at existing retail tariff has arrived upon the following Revenue Gap/(Surplus) for the MYT control period:

Table 5-60 Revenue Gap/(Surplus) for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Aggregate Revenue Requirement (ARR)	2430.70	2623.02	2823.69	2991.81	3213.97
Revenue from sale of power at existing tariff (excl. Regulatory Surcharge & FPPCAS)	2364.89	2489.06	2602.32	2719.68	2843.05
Revenue Gap/(Surplus) at existing tariff	65.81	133.97	221.37	272.13	370.92

Commission's Analysis

The Commission based on the approved ARR and existing retail tariff (excluding Regulatory Surcharge) has derived the following Revenue Gap/Surplus for MYT Control Period

Table 5-61 Standalone Revenue Gap/(Surplus) for MYT Control Period (Rs. Cr.)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Aggregate Revenue Requirement	2,409.74	2,565.90	2,681.39	2,865.40	3,036.40
Revenue from Sale of Power (Excluding Regulatory Surcharge)	2,358.36	2,482.36	2,595.01	2,712.16	2,835.26
Revenue Gap/ (Surplus)	51.38	83.55	86.37	153.24	201.14

6 Tariff Principles and Design

6.1. Overall Approach

The Commission while designing retail tariffs for the MYT Control Period has kept in view the principles of determination of tariff as set out in the Electricity Act, 2003 (EA 2003), Tariff Policy, 2016 and the JERC MYT Regulations, 2024.

The provision of supply of electricity to all the people is an essential driver for development and also influences social and economic change. In this Tariff Order, the Commission has continued with its endeavour to meet the objectives of the EA 2003, as set out in its Preamble, including the protection of the interest of consumers, the supply of electricity to all areas and the rationalisation of tariffs. The EA, 2003 also mandates the Commission to strike a fine balance between the interests of various stakeholders including Utilities and Consumers. The Commission has also taken into consideration the Petitioner's submissions as well as the public responses in these proceedings.

6.2. Applicable Regulations

Regulation 16 of the JERC MYT Regulations, 2024 states the following:

"20. Annual determination of tariff

16.1 The proceedings to be held by the Commission for determination of tariff based on an application made by the Generating Company, Transmission Licensee or Distribution Licensee shall be in accordance with the Joint Electricity Regulatory Commission (Conduct of Business) Regulations, 2009, as amended from time to time.

16.2 The Commission shall determine tariff and charges for Generation, Transmission, Distribution Wire Business and Retail Supply Business in accordance with Regulation 16 of these Regulations and:

i. For Generation of electricity, in accordance with the terms and conditions contained in Chapter 4 of these Regulations;

ii. For Transmission of electricity, in accordance with the terms and conditions contained in Chapter 5 of these Regulations;

iii. For Distribution Wires Business, in accordance with the terms and conditions contained in Chapter 6 of these Regulations; and

iv. For Retail Supply Business, in accordance with the terms and conditions contained in Chapter 7 of these Regulations.

16.3 The Commission shall determine the tariff of a Generating Company, Transmission Licensee and Distribution Licensee covered under a Multi Year Tariff framework for each Year of the Control Period, within the timelines as specified in Regulation 16, of these Regulations.

Provided that no tariff or part of any tariff shall be amended except in respect of any changes expressly permitted under the terms of Fuel and Power Purchase Cost Adjustment Surcharge formula as specified by Regulation 21 of these Regulations.

Provided further that the gap or surplus: if any aroused on account of truing up exercise of previous years carried out by the Commission based on the audited accounts of Generating Company or Transmission Licensee or Distribution Licensee, in accordance with Regulation 12 of these Regulations shall be charged separately over and above the approved tariff under surcharges as specified by the Commission.

16.4 Notwithstanding anything contained in these Regulations, the Commission shall, at all times, have the authority, to determine the tariff, including terms and conditions thereof, of the Generating Company, Transmission Licensee or Distribution Licensee, on *Suo motu* basis: Provided that such determination of tariff may be pursuant to an agreement or arrangement or otherwise whether or not previously approved by the Commission and entered into at any time before or after the applicability of these Regulations.

16.5 Notwithstanding anything contained in these Regulations, the Commission shall adopt the tariff, if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government: Provided that the Applicant shall provide such information as the Commission may require for satisfying itself that the guidelines issued by the Central Government in this regard have been duly followed.”

Further, Regulation 83 of the JERC MYT Regulations, 2024 states the following:

“83.Determination of Tariff & Tariff Design

83.1 The tariff for retail supply by the Distribution Licensee for each year of the control period shall be determined by the Commission as a part of the MYT Petition filed by the Distribution Licensee in accordance with these Regulations: Provided that the Aggregate Revenue Requirement of the Distribution Licensee shall be allocated or apportioned between the Distribution Wires Business and Retail Supply Business in accordance with Table 1 in Regulation 57, till the accounts for Distribution Wires Business and Retail Supply Business are not separated: Provided further that the tariff for retail supply may comprise of any combination of fixed/ demand charges, energy charges, and any other charges, for the purpose of recovery from the Consumers, as may be stipulated by the Commission: Provided also that the Commission may determine the area-wise tariff for Distribution Licensee based on the performance parameters as may be stipulated by the Commission.

83.2 The Commission may categorize Consumers on the basis of their load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical

position of any area, the nature of supply and the purpose for which the supply is required and any other factor as considered appropriate by the Commission.

83.3 The Commission shall endeavour to determine the cost of supply for each category/ sub-category of Consumers.

83.4 The Commission shall endeavour to reduce gradually the cross-subsidy between Consumer categories with respect to the cost of supply in accordance with the provisions of the Act.

83.5 The tariff proposal by Licensee and the tariff determination by the Commission shall be based on the following principles:

(a) The tariff for all categories shall preferably be two part, consisting of fixed and variable charges.

(b) The fixed charges in tariff shall progressively reflect the actual fixed cost incurred by Distribution Licensee;

(c) The overall retail supply tariff for different Consumer categories shall progressively reflect the cost of supply for respective categories of Consumers;

(d) The tariff for residential Consumers shall be set considering the affordability of tariff for various class of Consumers;

(e) The tariff shall be set in such a manner that it may not present a tariff shock to any category.”

6.2.1.Tariff Design

Petitioner's Submission

The Petitioner submitted that considering the total proposed cumulative Revenue Gap of Rs.585.54 Cr. till FY 2023-24, the Petitioner requested the Commission to create a regulatory asset to recover the revenue gap during the five years of the MYT control period.

The Petitioner, in the current petition is proposing few changes in the Tariff schedule for the MYT control period in order to bridge the partial cumulative gap. Further, the Petitioner is requesting the Commission to allow recovery of the revenue gap via additional regulatory surcharge of 10% for FY 2025-26, and 8% for FY 2026-27.

The Petitioner has not sought any hike in tariff for FY 2025-26. The tariff for each year of the MYT control period has been proposed in accordance with the JERC (Retail Supply Tariff) Guidelines, 2024. However, the fixed charge for water tank, and public lighting for FY 2025-26 has been proposed as per the existing tariff structure i.e., on the connection basis. The Petitioner requests the Commission to approve the tariff schedule proposed for the MYT control period as tabulated below:

Table 6-1 Summary of Tariff for the FY 2025-26 proposed by the Petitioner

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services)	Rs.10/kW/month	Rs.1.95/kWh
LTDS-II (Domestic)/ NDS-V (Worship places)		
0-100 units	Rs.35/kW or part thereof per month	Rs.2.7/kWh
101-200 units		Rs.4/kWh
201-300 units		Rs.6/kWh
301-400 units		Rs.7.5/kWh
Above 400 units		Rs.7.5/kWh
LTDS-III (Common service)		
0-100 units	Rs.35/kW or part thereof per month	Rs.2.7/kWh
101-200 units		Rs.4/kWh
201-300 units		Rs.6/kWh
301-400 units		Rs.7.5/kWh
Above 400 units		Rs.7.5/kWh
NDS-I (Commercial)		
0-100 units	Rs.200/kW or part thereof per month	Rs.6/kWh
101-200 units		Rs.7.05/ kWh
Above 200 units		Rs.7.8/ kWh
NDS-II (Hotels & farmhouse)		
0-100 units	Rs.200/kW or part thereof per month	Rs.6/ kWh
101-200 units		Rs.7.05/ kWh
Above 200 units		Rs.7.8/ kWh
NDS-III (Hoardings)	Rs.140/kVA or part thereof per month	Rs.9.5/ kWh
NDS-IV (Govt. Institutions)		
0-100 units	Rs.200/ kW or part thereof per month	Rs.7.8/ kWh
101-200 units		Rs.7.8/ kWh
Above 200 units		Rs.7.8/ kWh
LTAS - I (Small Farmers)	Rs.25/HP or part thereof per month	
LTAS - II (Other Farmers)	Rs.100/HP or part thereof per month	
LTAS - III (Cottage Ind.)	Rs.30/kW or part thereof per month	Rs.5.95/kWh
LTIS-I (Industries)		
0-500 units	Rs.100/kW or part thereof per month	Rs.7/ kWh
501-1000 units		Rs.7/ kWh
Above 1000 units		Rs.7/ kWh
LTPS - I (Water works)	Rs.500/connection/month	Rs.7.2/kWh
LTPS - II (Street lights)	Rs.110/pole/month	Rs.7.1/kWh
LTPS - III (Traction)	Rs.200/kW or part thereof per month	Rs.7.8/kWh
LTEV-I (EV charging station)		Rs.5.75/kVAh

Consumer Category	Fixed Charge	Energy Charge
Temporary Supply-LT & HT	Tariff for Temporary Connection shall be Fixed/ Demand charges (if any) plus energy charges (for relevant slab, if any) under corresponding permanent supply category plus 50% of both. For multi activity pursuit, applicable Tariff for temporary connection shall be with reference to that of non-domestic category for permanent supply.	
HTS-I (Domestic)	Rs.250/ kVA / Month or part thereof	Rs.6/kVAh
HTS- II (Commercial)		
HTS - III - (Irrigation & Agriculture)	Rs.450/ kVA / Month or part thereof	Rs.6/kVAh
HTS-IV (Industries)		
HTS- V (Railways & other Public Utility services)	Rs.500/ kVA / Month or part thereof	Rs.6.25/kVAh
HTS- VI (EV charging station)		
EHTS-I (Non-domestic)	Rs.500/ kVA / Month or part thereof	Rs.6.35/kVAh
EHTS-II (Industries)		
EHTS-III (PU services)		

Table 6-2 Summary of Tariff for FY 2026-27 to FY 2029-30 proposed by the Petitioner

New Category of Consumers	FY 2026-27 to FY 2029-30	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Fixed Charge	Energy Charge			
LTDS-I (Lifeline services)	Rs.10/connection/month	Rs.2.03/k Wh	Rs.2.11/k Wh	Rs.2.21/k Wh	Rs.2.33/k Wh
LTDS-II (Domestic) / NDS-V (Worship places)					
0-100 units		Rs.2.81/k Wh	Rs.2.92/k Wh	Rs.3.07/k Wh	Rs.3.22/k Wh
101-200 units		Rs.4.16/k Wh	Rs.4.33/k Wh	Rs.4.54/k Wh	Rs.4.77/k Wh
201-300 units		Rs.6.24/k Wh	Rs.6.49/k Wh	Rs.6.81/k Wh	Rs.7.15/k Wh
301-400 units		Rs.7.8/k Wh	Rs.8.11/k Wh	Rs.8.52/k Wh	Rs.8.94/k Wh
Above 400 units		Rs.7.8/k Wh	Rs.8.11/k Wh	Rs.8.52/k Wh	Rs.8.94/k Wh
LTDS-III (Common service)					
0-100 units		Rs.2.81/k Wh	Rs.2.92/k Wh	Rs.3.07/k Wh	Rs.3.22/k Wh
101-200 units		Rs.4.16/k Wh	Rs.4.33/k Wh	Rs.4.54/k Wh	Rs.4.77/k Wh
201-300 units		Rs.6.24/k Wh	Rs.6.49/k Wh	Rs.6.81/k Wh	Rs.7.15/k Wh
301-400 units		Rs.7.8/k Wh	Rs.8.11/k Wh	Rs.8.52/k Wh	Rs.8.94/k Wh
Above 400 units		Rs.7.8/k Wh	Rs.8.11/k Wh	Rs.8.52/k Wh	Rs.8.94/k Wh

New Category of Consumers	FY 2026-27 to FY 2029-30	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Fixed Charge	Energy Charge			
NDS-I (Commercial)					
0-100 units	Rs.200/kVA or part thereof per month	Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
101-200 units		Rs.7.33/k VAh	Rs.7.63/k VAh	Rs.8.01/k VAh	Rs.8.41/k VAh
Above 200 units		Rs.8.11/k VAh	Rs.8.44/k VAh	Rs.8.86/k VAh	Rs.9.3/k VAh
NDS-II (Hotels & farmhouse)					
0-100 units	Rs.200/kVA or part thereof per month	Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
101-200 units		Rs.7.33/k VAh	Rs.7.63/k VAh	Rs.8.01/k VAh	Rs.8.41/k VAh
Above 200 units		Rs.8.11/k VAh	Rs.8.44/k VAh	Rs.8.86/k VAh	Rs.9.3/k VAh
NDS-III (Hoardings)	Rs.140/kVA or part thereof per month	Rs.9.88/k VAh	Rs.10.28/kVAh	Rs.10.79/kVAh	Rs.11.33/kVAh
NDS-IV (Govt. Institutions)					
0-100 units	Rs.200/kVA or part thereof per month	Rs.8.11/k VAh	Rs.8.44/k VAh	Rs.8.86/k VAh	Rs.9.3/k VAh
101-200 units		Rs.8.11/k VAh	Rs.8.44/k VAh	Rs.8.86/k VAh	Rs.9.3/k VAh
Above 200 units		Rs.8.11/k VAh	Rs.8.44/k VAh	Rs.8.86/k VAh	Rs.9.3/k VAh
LTAS - I (Small Farmers)	Rs.25/kW or part thereof per month				
LTAS - II (Other Farmers)	Rs.100/kVA or part thereof per month				
LTAS - III (Cottage Ind.)	Rs.30/kVA or part thereof per month	Rs.4.5/k VAh	Rs.4.68/k VAh	Rs.4.91/k VAh	Rs.5.16/k VAh
LTIS-I (Industries)					
0-500 units	Rs.100/kVA or part thereof per month	Rs.7.28/k VAh	Rs.7.57/k VAh	Rs.7.95/k VAh	Rs.8.35/k VAh
501-1000 units		Rs.7.28/k VAh	Rs.7.57/k VAh	Rs.7.95/k VAh	Rs.8.35/k VAh
Above 1000 units		Rs.7.28/k VAh	Rs.7.57/k VAh	Rs.7.95/k VAh	Rs.8.35/k VAh
LTPS - I (Water works)	Rs.200/kVA or part thereof per month	Rs.7.49/k VAh	Rs.7.79/k VAh	Rs.8.18/k VAh	Rs.8.59/k VAh
LTPS - II (Street lights)		Rs.7.38/k Wh	Rs.7.68/k Wh	Rs.8.06/k Wh	Rs.8.47/k Wh

New Category of Consumers	FY 2026-27 to FY 2029-30	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Fixed Charge	Energy Charge			
LTPS - III (Traction)		Rs.8.11/k Wh	Rs.8.44/k Wh	Rs.8.86/k Wh	Rs.9.3/k Wh
LTEV-I (EV charging station)		Rs.5.98/k VAh	Rs.6.22/k VAh	Rs.6.53/k VAh	Rs.6.86/k VAh
Temporary Supply-LT & HT	150% of tariff rates of Fixed Charge and Energy Charge under respective tariff category.				
HTS-I (Domestic)	Rs.250/ kVA / Month or part thereof	Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
HTS- II (Commercial)	Rs.450/ kVA / Month or part thereof	Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
HTS - III - (Irrigation & Agriculture)		Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
HTS-IV (Industries)		Rs.6.24/k VAh	Rs.6.49/k VAh	Rs.6.81/k VAh	Rs.7.15/k VAh
HTS- V (Railways & other Public Utility services)	Rs.500/ kVA / Month or part thereof	Rs.6.5/k VAh	Rs.6.76/k VAh	Rs.7.1/k VAh	Rs.7.45/k VAh
HTS- VI (EV charging station)		Rs.6.6/k VAh	Rs.6.87/k VAh	Rs.7.21/k VAh	Rs.7.57/k VAh
EHTS-I (Non-domestic)		Rs.6.6/k VAh	Rs.6.87/k VAh	Rs.7.21/k VAh	Rs.7.57/k VAh
EHTS-II (Industries)		Rs.6.6/k VAh	Rs.6.87/k VAh	Rs.7.21/k VAh	Rs.7.57/k VAh
EHTS-III (PU services)		Rs.6.6/k VAh	Rs.6.87/k VAh	Rs.7.21/k VAh	Rs.7.57/k VAh

Commission's analysis

The Commission has determined yearly gap for the 4th Control Period at existing Tariff. The Commission has determined the retail tariff for the 4th Control Period in accordance with the principles stated in the Electricity Act, 2003, Tariff Policy, 2016, and the JERC MYT Regulations, 2024. The Tariff design in general is guided by the following principles:

- Cost reflective: The tariffs determined should efficiently reflect the cost of supply for each consumer category.
- Progressive tariffs: Ensuring progressivity among tariffs by having telescopic tariff slabs which encourages efficient consumption and at the same time allows intra-category cross-subsidy by way of charging higher tariff for higher consumption to subsidise the lower consumption consumers.
- Revenue neutrality: There should be no impact on the utility's yearly revenue due to rationalization of tariffs i.e. the overall status quo should be maintained.

- Affordability: Assessing affordability of electricity for Domestic and Commercial consumers for defining slab ranges and setting tariffs
- Revenue stability: Tariff should ensure adequate fixed cost recovery for utilities from fixed/demand charges
- Avoiding tariff shocks: Tariff shocks should be avoided, and stakeholders should be able to predict the future trends in tariffs
- Demand management and grid stability: Demand management and grid stability should be ensured with demand-based tariffs
- Simplified tariff structure: Tariff structure should be simplified to make it easily administrable by the utility and easy to understand for the consumer.
- Smart tariff design: Tariff rate design should take into consideration trends in electric power such as small-scale renewable generation by consumers, energy efficiency, electric vehicle charging, etc.

While all the above parameters contribute significantly to developing a sustainable tariff framework, there are certain parameters namely Cost of Supply and Tariff Affordability which are of importance and constitute the building blocks in achieving the overall objective. The context and the approach for these parameters have been discussed as follows:

Cost of Supply

a) Context

Due to electricity being a crucial utility item for all consumers, over the period of time, various socio-economic issues have been factored in to determine the end user's tariffs. This has unfortunately led to severe imbalance between the tariffs levied vis-a-vis the cost of supply of the electricity, causing distress to the Distribution Licensee. For example, in order to ensure that tariffs are kept in check for domestic consumers, while still allowing cost recovery for Distribution Licensees, cross subsidy has been built in between categories. The tariffs so determined, are skewed, with tariff for industrial and commercial consumers being higher and for other categories being lower than their respective costs of supply. The implications of this imbalance in tariffs is two fold – uncompetitive industries owing to higher input costs and inability of Distribution Licensees to recover sufficient tariffs from domestic consumers, resulting in financial distress. The issue is more pronounced for rural supply where tariffs are highly subsidized, actual cost of supply is higher and revenue recovery is poor.

It is thus essential that tariffs reflect the true cost to service a category of consumer. As a crucial first step towards cost-reflective tariffs, it is important for Distribution Licensees to determine the costs of supply (which cascade from generation to transmission and finally to distribution and retail supply of power) that should be prudently recovered from each consumer category. These costs should correspond to the actual costs being imposed by each consumer category on the Distribution Licensee. By determining consumer

category wise costs of supply, the Distribution Licensee would be in a better position to allocate costs where relevant and determine how tariffs can be levied fairly on each category.

Tariff Affordability

a) Context

The Commission understands that the consumer base of Distribution Licensee is varied and covers a wide spectrum of socio-economic backgrounds, specially the domestic category consumers. It is also aware that most low-income households spend a substantial share of their income on utility services such as electricity, heating and water. However, any envisaged tariff reforms are often objected to avoid further burdening of these consumers. But to improve the quality of service of electricity, the Distribution Licensee has to undertake significant capital expenditure which eventually impacts the affordability of tariffs. Thus, to tackle this problem and in the spirit of economic wellbeing of all consumer classes, the concept of cross-subsidies has been built into the current tariff structure.

However, the Commission believes that a more scientific and logical approach can be adopted to identify the right categories of consumers and the right cross-subsidy/subsidy requirement that will benefit the end consumers at the same time. Hence, the Commission believes that there is a strong need to develop a scientific methodology to assess the social impact of electricity tariffs.

The overall approach that can be followed for determining the tariff affordability has been discussed as follows.

b) Approach

On reviewing methodologies adopted globally for social impact assessment of electricity tariffs by studying international research reports and studying model practices internationally, the Commission found that Tariff Affordability Ratio (TAR) is a reliable parameter to measure affordability of electricity in households.

TAR is defined by obtaining the burden incurred by a household for electricity as compared to the overall household expenditure. The rationale behind this concept is that the electricity is basic utility and is unavoidable in today's scenario, however, this does not ensure that the expenditure level is in line with the overall household expenditure. Hence, this concept helps to understand the affordability level of electricity on households with different economic levels.

The electricity expenditure can be determined initially for domestic consumers by computing the average consumption levels across each slab and the household expenditure can be estimated from national surveys of household expenditure across economic levels conducted by organizations

like NSSO. Thereafter the distribution of consumers of the Distribution Licensee across tariff slabs can be mapped across the established economic levels to develop the final affordability ratio matrix for the Distribution Licensee's domestic consumer base.

Following the identification of the current ratio of Tariff Affordability, the Commission in consultation with the stakeholders will develop benchmarks for acceptable affordability levels by studying trends across countries with a demography and energy scenario similar to that of India and propose appropriate tariffs. The final output shall help understand the Commission to modify tariffs in cases where there is more room for tariff increase or a need to correct tariffs. The exercise would also help the Commission in setting tariff slabs as per the paying capacity of the consumers which would be beneficial especially for Domestic category consumers. Additionally, this shall also help the Government to formulate better schemes to effectively channelize its intended benefits.

The Commission in these tariff proceedings is not carrying out this exercise due to unavailability of accurate data. The Petitioner is directed to ensure the sanctity of the data maintained pertaining to various categories.

Based on the discussions above, the Commission is continuing with its existing approach of determination of tariff for various consumer categories based on the Average Cost of Supply (ACoS) and reduction of Cross Subsidy amongst various consumer categories, ensuring consumer tariffs progressively moving towards the cost.

Cross Subsidy

As per Section 61 (g) of the Electricity Act 2003

“(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces and eliminates cross-subsidies within the period to be specified by the Appropriate Commission;”

For reduction of cross subsidies, the Tariff Policy 2016 in Section 8.3 stipulates as below:

“For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual reduction in cross subsidy.”

In order to achieve the objectives of the Tariff Policy 2016 of bringing down the cross-subsidy levels amongst various consumer categories within ±20% of the average cost of supply, the Commission has tried to rationalize the tariff applicable to various consumer categories.

The limit of cross subsidy, as envisaged in the Tariff Policy 2016, can't be achieved by rationalizing the tariff in a single year, as this may lead to tariff shock to the cross subsidized consumers. In this Tariff Order, the Commission has continued its approach of rationalization of the tariff for various consumer categories and reducing the cross subsidy.

Accordingly, in this Tariff Order, the Commission has designed tariff for various consumer categories considering the Average Cost of supply in line with the provisions of the Tariff Policy, 2016. While designing the tariff for the 4th Control Period, the Commission has tried to reduce the cross-subsidy levels with an endeavored to bring the same within range specified in Tariff Policy 2016 by FY 2029-30. To achieve this objective, the Commission has increased the tariff levels for cross-subsidized categories by higher than the average hike and either reduced/maintained the tariff levels or increased tariff at lower than average tariff hike for cross-subsidizing categories.

6.2.2. Approved Final Tariff Schedule

As described in earlier section, the current tariff is not covering the entire cost of the Petitioner for MYT Control Period. The tariff now approved by the Commission for each consumer category has been shown in the table below:

Table 6-3 Tariff schedule approved by the Commission for FY 2025-26

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 2.30/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 2.90/kWh
101-200 units		Rs. 4.20/kWh
201-300 units		Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 2.95/kWh
101-200 units		Rs. 4.25/kWh
201-300 units		Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based		
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh

Consumer Category	Fixed Charge	Energy Charge
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 2.90/kWh
101-200		Rs. 2.90/kWh
201-300		Rs. 2.90/kWh
301-400		Rs. 2.90/kWh
> 400		Rs. 2.90/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 5.95/kVAh
LTIS-I (Industries) Demand Based		
0-500 units		Rs. 7.30/kVAh
501-1000 units		Rs. 7.50/kVAh
Above 1000 units		Rs. 7.75/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.10/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.40/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of

Rs. 140/kVA or part thereof per month.

Table 6-4 Tariff schedule approved by the Commission for FY 2026-27

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 2.65/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 2.90/kWh
101-200 units		Rs. 4.20/kWh
201-300 units		Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based	-	
0-100 units		Rs. 2.95/kWh
101-200 units		Rs. 4.25/kWh
201-300 units		Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 2.90/kWh
101-200		Rs. 2.90/kWh
201-300		Rs. 2.90/kWh
301-400		Rs. 2.90/kWh
> 400		Rs. 2.90/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.20/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units		Rs. 7.40/kVAh
501-1000 units		Rs. 7.65/kVAh
Above 1000 units		Rs. 7.90/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh

Consumer Category	Fixed Charge	Energy Charge
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.10/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.40/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 6-5 Tariff schedule approved by the Commission for FY 2027-28

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.00/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.10/kWh
101-200 units		Rs. 4.20/kWh
201-300 units	Rs. 35.00/kW or part thereof per month	Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 3.20/kWh
101-200 units		Rs. 4.25/kWh
201-300 units	Rs. 35.00/kW or part thereof per month	Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.30/kVAh
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh

Consumer Category	Fixed Charge	Energy Charge
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 3.10/kWh
101-200		Rs. 3.10/kWh
201-300		Rs. 3.10/kWh
301-400		Rs. 3.10/kWh
> 400		Rs. 3.10/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.45/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units		Rs. 7.40/kVAh
501-1000 units		Rs. 7.65/kVAh
Above 1000 units		Rs. 7.90/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.30/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic)	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.15/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 6-6 Tariff schedule approved by the Commission for FY 2028-29

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.35/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.45/kWh
101-200 units		Rs. 4.35/kWh
201-300 units		Rs. 6.40/kWh
301-400 units		Rs. 7.95/kWh
Above 400 units		Rs. 8.15/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 3.55/kWh
101-200 units		Rs. 4.40/kWh
201-300 units		Rs. 6.45/kWh
301-400 units		Rs. 8.00/kWh
Above 400 units		Rs. 8.20/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.40/kVAh
Above 200 units		Rs. 8.20/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.40/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 8.30/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.85/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.70/kVAh
101-200 units		Rs. 7.70/kVAh
Above 200 units		Rs. 7.70/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 3.45/kWh
101-200		Rs. 3.45/kWh
201-300		Rs. 3.45/kWh
301-400		Rs. 3.45/kWh
> 400		Rs. 3.45/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.70/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units		Rs. 7.50/kVAh
501-1000 units		Rs. 7.80/kVAh
Above 1000 units		Rs. 8.05/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.75/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.70/kWh

Consumer Category	Fixed Charge	Energy Charge
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.20/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.10/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.15/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.70/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.15/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.50/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.75/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.65/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.30/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 6-7 Tariff schedule approved by the Commission for FY 2029-30

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.75/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.85/kWh
101-200 units		Rs. 4.40/kWh
201-300 units	Rs. 35.00/kW or part thereof per month	Rs. 6.50/kWh
301-400 units		Rs. 8.05/kWh
Above 400 units		Rs. 8.25/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 3.95/kWh
101-200 units		Rs. 4.45/kWh
201-300 units	Rs. 35.00/kW or part thereof per month	Rs. 6.55/kWh
301-400 units		Rs. 8.10/kWh
Above 400 units		Rs. 8.35/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.40/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 8.35/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.50/kVAh

Consumer Category	Fixed Charge	Energy Charge
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.60/kVAh
Above 200 units		Rs. 8.45/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 10.00/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.80/kVAh
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.80/kVAh
Above 200 units		Rs. 7.80/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 3.85/kWh
101-200		Rs. 3.85/kWh
201-300	Rs. 35.00/kW or part thereof per month	Rs. 3.85/kWh
301-400		Rs. 3.85/kWh
> 400		Rs. 3.85/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.95/kVAh
LTIS-I (Industries) Demand Based		
0-500 units		Rs. 7.60/kVAh
501-1000 units	Rs. 100.00/kVA or part thereof per month	Rs. 7.90/kVAh
Above 1000 units		Rs. 8.15/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.85/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.80/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.35/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.20/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.85/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.85/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.80/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.45/kVAh

Consumer Category	Fixed Charge	Energy Charge
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.70/kVAh

* *For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.*

#*For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.*

6.2.3. Revenue from Approved Retail Tariff for MYT Control Period

The approved tariff rates shall be applicable from 1st October 2025. Therefore, the revenue to be recovered in FY 2025-26, has been computed based on the existing retail tariff of 6 months and 6 months of the approved tariff. For remaining year of the 4th Control Period revenue from Tariff has been computed on approved tariff. The details are shown in the table below:

Table 6-8 Revenue from Approved Retail Tariff determined by the Commission for MYT Control Period

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LTDS-I(Lifeline services)	1.02	1.17	1.33	1.48	1.66	0.04	0.04	0.04	0.04	0.04	0.98	1.21	1.36	1.52	1.69
LTDS-II(Domestic)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	142.10	148.84	166.36	193.59	225.88	-	-	-	-	-	137.20	148.84	166.36	193.59	225.88
101-200	109.54	114.52	119.74	129.56	137.18	-	-	-	-	-	106.93	114.52	119.74	129.56	137.18
201-300	79.65	83.28	87.07	93.92	99.83	-	-	-	-	-	78.37	83.28	87.07	93.92	99.83
301-400	46.12	48.14	50.34	54.35	57.54	-	-	-	-	-	45.52	48.14	50.34	54.35	57.54
> 400	55.24	57.74	60.37	65.10	68.92	-	-	-	-	-	53.85	57.74	60.37	65.10	68.92
Total	432.66	452.52	483.89	536.51	589.36	66.65	68.63	70.69	72.81	74.99	488.51	521.16	554.58	609.32	664.35
LTDS-III(Common service)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0.46	0.48	0.54	0.63	0.73	-	-	-	-	-	0.44	0.48	0.54	0.63	0.73
101-200	0.19	0.20	0.21	0.22	0.24	-	-	-	-	-	0.18	0.20	0.21	0.22	0.24
201-300	0.11	0.12	0.12	0.13	0.14	-	-	-	-	-	0.11	0.12	0.12	0.13	0.14
301-400	0.02	0.02	0.02	0.02	0.02	-	-	-	-	-	0.02	0.02	0.02	0.02	0.02
> 400	0.02	0.02	0.02	0.02	0.02	-	-	-	-	-	0.02	0.02	0.02	0.02	0.02
Total	0.79	0.83	0.91	1.02	1.15	0.50	0.52	0.53	0.55	0.57	1.26	1.34	1.44	1.57	1.71
NDS-I (Commercial)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	39.15	41.10	43.16	45.68	48.76	-	-	-	-	-	38.36	41.10	43.16	45.68	48.76
101-200	53.17	55.83	58.62	62.39	66.41	-	-	-	-	-	52.26	55.83	58.62	62.39	66.41
> 200	108.14	113.55	119.22	127.52	136.39	-	-	-	-	-	104.11	113.55	119.22	127.52	136.39
Total	200.46	210.48	221.00	235.59	251.56	61.96	63.67	65.44	67.25	69.12	256.69	274.15	286.44	302.84	320.67
NDS-II (Hotels & farm house)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0.00	0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.01
101-200	0.00	0.01	0.01	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.01	0.02

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
> 200	0.00	0.01	0.01	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.02	0.02	0.02
Total	0.01	0.02	0.03	0.03	0.04	0.00	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05
NDS-III (Hoardings)	0.01	0.02	0.03	0.04	0.05	0.00	0.00	0.01	0.01	0.01	0.01	0.03	0.04	0.05	0.06
NDS-IV (Govt. Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	0.01	0.01	0.02	0.02	0.03	0.00	0.00	0.01	0.01	0.01	0.01	0.02	0.03	0.03	0.04
101-200	0.01	0.01	0.02	0.03	0.04	0.00	0.00	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05
> 200	0.01	0.02	0.02	0.03	0.04	0.00	0.01	0.01	0.01	0.01	0.01	0.03	0.03	0.04	0.05
Total	0.02	0.05	0.07	0.08	0.11	0.01	0.02	0.02	0.03	0.03	0.03	0.07	0.09	0.11	0.14
NDS-V (Workshop places)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-100	1.38	1.44	1.61	1.87	2.18	-	-	-	-	-	1.33	1.44	1.61	1.87	2.18
101-200	0.73	0.76	0.85	0.99	1.16	-	-	-	-	-	0.87	0.76	0.85	0.99	1.16
201-300	0.36	0.38	0.42	0.49	0.57	-	-	-	-	-	0.55	0.38	0.42	0.49	0.57
301-400	0.17	0.18	0.20	0.23	0.27	-	-	-	-	-	0.30	0.18	0.20	0.23	0.27
> 400	0.20	0.21	0.23	0.27	0.31	-	-	-	-	-	0.35	0.21	0.23	0.27	0.31
Total	2.83	2.96	3.31	3.85	4.49	0.65	0.67	0.69	0.71	0.73	4.05	3.63	4.00	4.56	5.22
LTAS - I (small Farmers)	0.16	0.16	0.16	0.17	0.17	0.08	0.08	0.08	0.08	0.08	0.21	0.23	0.24	0.24	0.25
LTAS - II (other Farmers)	2.01	2.06	2.10	2.15	2.20	2.79	2.82	2.86	2.90	2.93	5.89	4.88	4.96	5.05	5.13
Total	-	2.22	2.26	2.31	2.37	2.86	2.90	2.94	2.97	3.01	1.08	5.12	5.20	5.29	5.38
LTAS - III (Cottage Ind.)	0.35	0.36	0.26	0.16	0.05	0.02	0.02	0.02	0.02	0.01	0.39	0.38	0.28	0.18	0.06
LTIS-I (Industries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0-500	29.92	31.06	31.81	33.02	34.29	-	-	-	-	-	29.30	31.06	31.81	33.02	34.29
501-1000	33.81	35.32	36.18	37.78	39.18	-	-	-	-	-	32.68	35.32	36.18	37.78	39.18
> 1000	39.17	40.90	41.89	43.72	45.34	-	-	-	-	-	37.28	40.90	41.89	43.72	45.34

Consumer Category	Revenue from Energy Charges (Rs. Cr.)					Revenue from Fixed Charges (Rs. Cr.)					Total (Rs.Cr)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total	102.90	107.28	109.88	114.52	118.80	13.84	13.96	14.08	14.20	14.32	113.11	121.24	123.96	128.72	133.12
LTPS - I (Water works)	33.76	34.58	35.41	36.75	38.10	1.73	1.75	1.76	1.78	1.79	42.28	36.32	37.17	38.52	39.89
LTPS - II (Street lights)	19.74	19.74	19.74	20.13	20.38	8.01	8.23	8.46	8.70	8.94	20.12	27.97	28.20	28.83	29.32
LTPS - III (Traction)	0.06	0.06	0.06	0.07	0.07	0.02	0.02	0.02	0.02	0.02	0.08	0.08	0.08	0.08	0.09
LTEV-I(EV charging station)	0.10	0.10	0.21	0.31	0.42	0.00	0.00	0.01	0.01	0.02	0.10	0.11	0.21	0.32	0.44
Temporary Supply-LT & HT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LT Total	794.70	832.39	878.39	952.86	1,028.60	156.29	160.44	164.70	169.10	173.61	928.72	992.83	1,043.09	1,121.96	1,202.20
HTS-I (Domestic)	0.24	0.24	0.24	0.48	0.49	0.06	0.06	0.06	0.13	0.13	0.30	0.30	0.30	0.61	0.62
HTS- II (commercial)	78.34	82.65	87.19	93.83	101.22	22.85	11.28	11.40	11.44	11.56	97.91	93.93	98.60	105.27	112.78
HTS - III - (Irrigation & Agriculture)	0.21	0.21	0.42	0.42	0.43	0.06	0.06	0.11	0.11	0.11	0.26	0.27	0.53	0.54	0.54
HTS-IV (Industries)	612.41	645.99	686.63	747.17	800.39	157.33	187.90	189.92	191.58	193.65	757.49	833.89	876.55	938.75	994.04
HTS- V (Railways & other Public utility services)	32.68	33.33	34.00	35.46	36.72	14.14	14.32	14.69	14.87	15.23	45.95	47.65	48.68	50.33	51.95
HTS- VI (EV charging station)	0.36	0.36	0.36	0.36	0.72	0.01	0.01	0.01	0.01	0.03	0.41	0.37	0.37	0.37	0.74
EHTS-I (Non domestic)	10.25	10.25	10.25	10.48	10.72	1.92	1.92	1.92	1.92	1.92	12.05	12.17	12.17	12.40	12.64
EHTS-II (Industries)	445.88	469.54	498.50	537.75	579.38	74.10	80.84	87.58	94.32	100.99	529.11	550.38	586.08	632.07	680.37
EHTS-III (PU services)	3.14	3.84	4.65	5.52	6.46	5.04	5.67	6.31	6.94	7.57	8.16	9.51	10.95	12.46	14.03
Total	1,978.20	2,078.79	2,200.62	2,384.35	2,565.11	431.81	462.51	476.71	490.42	504.81	2,380.37	2,541.29	2,677.34	2,874.77	3,069.93

The cross-subsidy levels for various consumer categories at existing and approved tariff are shown in the table below:

Table 6-9 Percentage recovery (%) of average cost of supply for consumer categories at approved tariff for the MYT Control Period

Categories	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LT-Lifeline Services	32%	38%	42%	46%	50%
LT-Domestic	69%	69%	68%	71%	72%
LT-Commercial	133%	131%	127%	127%	125%
LT-Agriculture	3%	12%	11%	11%	10%
LT-Industries	118%	120%	117%	117%	116%
LT-Public Utility	127%	125%	122%	122%	121%
LT-EV	86%	87%	85%	85%	84%
HT	112%	112%	109%	109%	107%
HT-EV	99%	87%	85%	84%	82%
EHT	104%	100%	99%	100%	100%

6.2.4. Average Cost of Supply (ACoS) and Average Billing Rate (ABR)

The Commission based on the approved ARR and approved retail tariff (excluding Regulatory Surcharge) has derived the ACoS and overall ABR, as given below:

Table 6-10 ACoS at approved tariff (excluding Regulatory Surcharge) for the MYT

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sales (MUs)	3,471.83	3,639.56	3,814.96	3,999.15	4,192.60
ARR (Rs. Cr.)	2,409.74	2,565.90	2,681.39	2,865.40	3,036.40
ACoS (Rs/kWh)	6.94	7.05	7.03	7.17	7.24
Revenue from Sale at Existing Tariff (Rs. Cr.)	2,358.36	2,482.36	2,595.01	2,712.16	2,835.26
Revenue from Sale at Approved Tariff (Rs. Cr.)	2,380.37	2,541.29	2,677.34	2,874.77	3,069.93
Gap/(Surplus) at Approved Tariff (Rs. Cr.)	29.38	24.61	4.05	(9.36)	(33.52)
ABR @ Existing Tariff (Rs/kWh)	6.79	6.82	6.80	6.78	6.76
ABR @ Approved Tariff (Rs/kWh)	6.86	6.98	7.02	7.19	7.32
Average Tariff increase approved at existing Tariff	0.93%	2.37%	3.17%	6.00%	8.28%

6.2.5.Regulatory Surcharge

As is evident from the above, with an average annual tariff increase of ~2%, the revenue from Approved Retail Tariff recovers the standalone Net Revenue Requirement of MYT Control Period.

It can be observed that the increase in tariff is not enough to recover the previous year's gaps including gap of FY 2023-24. Therefore, the Commission, in order to recover previous years revenue gap inclusive of the carrying cost, has decided to have the Regulatory Surcharge of 10% for the FY 2025-26 to FY 2026-27. The Surcharge shall be applicable on all consumers. The revenue from the Regulatory Surcharge and the resultant gap after factoring both the additional revenue from Regulatory Surcharge has been discussed subsequently. In order to moderate the tariff increase to consumers, the Commission has decided to recover the previous year's gap in FY 2025-26 and FY 2026-27 or till further Orders of the Commission.

Applicability and Conditions of the Regulatory Surcharge

- This Regulatory Surcharge shall be applicable to all consumer categories served by the Petitioner.
- The Surcharge shall also be applicable to consumers opting for open access.
- The Regulatory Surcharge shall be levied in the monthly/ bimonthly bill as a percentage of the total Energy and Demand charges payable by the consumer
- The Surcharge shall be applicable for all the bills raised on or after 1st October 2025 and shall continue till further Orders of the Commission.

6.2.6.Treatment of Previous years gaps including standalone gap for FY 2023-24

Considering the Regulatory Surcharge, the resultant Revenue Gap/(Surplus) has been shown in the table below:

Table 6-11 Consolidated Revenue Gap/ (Surplus) with Regulatory Surcharge at revised tariff approved by Commission (Rs. Cr.)

Particulars	FY 2022-23	FY 2023-24	APR FY 2024-25	FY 2025-26	FY 2026-27
Net Revenue Requirement		2,064.33			
Revenue from Retail Sales (excluding surcharge)		2,026.58	2,291.14	2,380.37	2,541.29
Opening Gap Balance	432.97	611.77	575.56	390.93	180.08
Standalone Gap / (Surplus) for the year	178.8	37.75*			
Regulatory Surcharge rate		8.00%	10.00%	10.00%	10.00%
Less: Regulatory surcharge		126.09	229.11	238.04	254.13
Closing Gap Balance	611.77	523.43	346.44	152.89	-74.05
Average		567.60	461.00	271.91	53.02

Particulars	FY 2022-23	FY 2023-24	APR FY 2024-25	FY 2025-26	FY 2026-27
Interest rate		9.50%	9.65%	10.00%	10.00%
Carrying Cost		52.13	44.49	27.19	5.30
Cumulative Gap		575.56	390.93	180.08	-68.75

**The Commission has not considered any carrying cost on stand alone gap of FY 2023-24 as the Petitioner is not charging FPPCA as directed vide various previous Orders.*

6.2.7.Highlights of the Tariff Structure

The highlights of the tariff structure approved by the Commission for MYT Control Period are as follows:

- a. The Commission has made every effort to rationalize the tariffs so that they gradually reflect the true cost of supply to a category of consumer in accordance with the provisions of the Act. Accordingly, the Commission has approved the increase in tariff for the cross-subsidized categories than the cross-subsidizing categories.
- b. The Commission has approved an average annual tariff hike of ~2% across the MYT control period while approving a regulatory surcharge of 10% for the FY 2025-26 and FY 2026-27 in order to approve the cumulative gap and the gap at approved tariff observed in the FY 2025-26 and FY 2026-27.

7 Open Access Charges for the MYT Control Period

7.1 Wheeling Charges Allocation Matrix - Allocation of ARR into Wheeling and Retail Supply of Electricity

Petitioner's Submission:

The Petitioner has computed the following wheeling charges for HT/EHT & LT consumers based on the projections for Sales and Wheeling ARR for the MYT control period as mentioned in the preceding sections of this Petition.

In line with methodology, adopted by the Commission in the Tariff Order for FY 2024-25 to determine wheeling charges and losses, the Petitioner has calculated wheeling charges for LT and HT/EHT level. As per segregated ARR, out of total wheeling cost, O&M cost and other cost has been separated, O&M cost is allocated between LT, HT and EHT level based on the number of consumers, whereas other cost allocated between LT, HT and EHT level as per assets allocation ratio. Parameters assumed by the Petitioner for allocation of wheeling cost at LT, HT and EHT level as given below:

Table 7-1 Parameters assumed for voltage-wise allocation of Wheeling Cost for MYT Control Period

FY 2025-26					
Category	Energy Sales (MU)	Cumulative Losses (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)	Number of Consumers
Low Tension (LT) Level	1570.65	20.37%	1890.59	50%	546245
High tension (HT)	1149.71	5.50%	1212.95	40%	526
Extra High tension (EHT) Level	752.21	1.50%	763.49	10%	11
Total	3472.58	10.20%	3867.02	100%	546782

FY 2026-27					
Category	Energy Sales (MU)	Cumulative Losses (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)	Number of Consumers
Low Tension (LT) Level	1636.52	19.81%	1960.78	50%	562041
High tension (HT)	1211.00	5.20%	1273.97	40%	532
Extra High tension (EHT) Level	792.09	1.60%	804.76	10%	12
Total	3639.61	9.90%	4039.52	100%	562585

FY 2027-28					
Category	Energy Sales (MU)	Cumulative Losses (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)	Number of Consumers
Low Tension (LT) Level	1705.33	19.28%	2034.16	50%	578301
High tension (HT)	1275.61	5.00%	1339.39	40%	538
Extra High tension (EHT) Level	834.08	1.50%	846.59	10%	13
Total	3815.01	9.60%	4220.15	100%	578852

FY 2028-29					
Category	Energy Sales (MU)	Cumulative Losses (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)	Number of Consumers
Low Tension (LT) Level	1777.20	18.69%	2109.34	50%	595038
High tension (HT)	1343.73	5.00%	1410.91	40%	545
Extra High tension (EHT) Level	878.29	1.50%	891.46	10%	14
Total	3999.21	9.35%	4411.71	100%	595596

FY 2029-30					
Category	Energy Sales (MU)	Cumulative Losses (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)	Number of Consumers
Low Tension (LT) Level	1852.28	18.29%	2191.12	50%	612266
High tension (HT)	1415.54	4.80%	1483.49	40%	551
Extra High tension (EHT) Level	924.85	1.40%	937.80	10%	15
Total	4192.67	9.10%	4612.39	100%	612832

Based on the above assumed parameters, the Petitioner has projected the Wheeling charges for the MYT Control Period as under:

Table 7-2 Wheeling Charges for MYT Control Period

Wheeling Charges for FY 2025-26						
Category	O&M	Others	Total	Total re-distributed cost (based on Input energy)	Sales (MU)	Wheeling Charges (Rs/kWh)
Low Tension (LT) Level	83.30	42.79	126.09	82.60	1570.65	0.53
High Tension (HT)	0.08	34.23	34.31	53.00	1149.71	0.46
Extra High Tension (EHT) Level	0.00	8.56	8.56	33.36	752.21	0.44
Total	83.38	85.58	168.96	168.96	3472.58	

Wheeling Charges for FY 2026-27						
Category	O&M	Others	Total	Total re-distributed cost (based on Input energy)	Sales (MUs)	Wheeling Charges (Rs/kWh)
Low Tension (LT) Level	96.37	44.65	141.01	90.16	1636.52	0.55
High Tension (HT)	0.09	35.72	35.81	58.58	1211.00	0.48
Extra High Tension (EHT) Level	0.00	8.93	8.93	37.01	792.09	0.47
Total	96.46	89.29	185.75	185.75	3639.61	

Wheeling Charges for FY 2027-28						
Category	O&M	Others	Total	Total re-distributed cost (based on Input energy)	Sales (MU)	Wheeling Charges (Rs/kWh)
Low Tension (LT) Level	99.94	49.17	149.11	95.62	1705.33	0.56
High Tension (HT)	0.09	39.33	39.43	62.96	1275.61	0.49

Extra High Tension (EHT) Level	0.00	9.83	9.84	39.79	834.08	0.48
Total	100.04	98.33	198.37	198.37	3815.01	

Wheeling Charges for FY 2028-29						
Category	O&M	Others	Total	Total re-distributed cost (based on Input energy)	Sales (MU)	Wheeling Charges (Rs/kWh)
Low Tension (LT) Level	104.96	59.28	164.24	106.92	1777.20	0.60
High Tension (HT)	0.10	47.42	47.52	71.51	1343.73	0.53
Extra High Tension (EHT) Level	0.00	11.86	11.86	45.19	878.29	0.51
Total	105.06	118.56	223.62	223.62	3999.21	

Wheeling Charges for FY 2029-30						
Category	O&M	Others	Total	Total re-distributed cost (based on Input energy)	Sales (MUs)	Wheeling Charges (Rs/kWh)
Low Tension (LT) Level	111.12	71.94	183.05	121.18	1852.28	0.65
High Tension (HT)	0.10	57.55	57.65	82.04	1415.54	0.58
Extra High Tension (EHT) Level	0.00	14.39	14.39	51.87	924.85	0.56
Total	111.22	143.87	255.09	255.09	4192.67	

Table 7-3 Summary of Wheeling Charges for MYT Control Period

Wheeling Charges Summary (Rs./kWh)					
Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	0.53	0.55	0.56	0.60	0.65
High tension (HT)	0.46	0.48	0.49	0.53	0.58
Extra High tension (EHT) Level	0.44	0.47	0.48	0.51	0.56

The Petitioner requested the Commission to approve the wheeling charges as projected above for the MYT Control Period.

Commission's analysis

The allocation between wheeling and retail supply business for the MYT Control Period as per the ARR approved in this Order and allocation statement given in the JERC MYT regulation, 2024, is provided in table below:

Table 7-4 Allocation Matrix approved by the Commission for the Control Period

Particular	Allocation		FY 2025-26		FY 2026-27		FY 2027-28	
	Wires Business (%)	Retail Supply (%)	Wires Business (INR Cr)	Retail Supply (INR Cr)	Wires Business (INR Cr)	Retail Supply (INR Cr)	Wires Business (INR Cr)	Retail Supply (INR Cr)
Cost of Power Purchase Expenses	0%	100%	0.00	2157.31	0.00	2290.22	0.00	2401.24
Employee Expenses	40%	60%	49.47	74.21	58.86	88.29	59.93	89.90
Administration and general Expenses	50%	50%	7.83	7.83	8.21	8.21	8.61	8.61
Repair and Maintenance Expenses	90%	10%	11.05	1.23	11.43	1.27	11.93	1.33
Depreciation	90%	10%	34.51	3.83	34.84	3.87	35.64	3.96
Interest on Long-term Loan Capital	90%	10%	7.25	0.81	4.68	0.52	2.87	0.32
Interest on working capital and on consumer security deposits	10%	90%	1.52	13.67	1.58	14.23	1.63	14.63
Return on Equity	90%	10%	43.30	4.81	43.72	4.86	44.72	4.97
Bad Debt Written off	0%	100%	0.00	0.00	0.00	0.00	0.00	0.00
Income Tax	90%	10%	0.00	0.00	0.00	0.00	0.00	0.00
Non-Tariff Income	10%	90%	0.89	8.00	0.89	8.00	0.89	8.00
Income from Other Business	50%	50%	0.00	0.00	0.00	0.00	0.00	0.00
Total			154.05	2255.69	162.44	2403.47	164.44	2516.95

Particular	Allocation		FY 2028-29		FY 2029-30	
	Wires Business (%)	Retail Supply (%)	Wires Business (INR Cr)	Retail Supply (INR Cr)	Wires Business (INR Cr)	Retail Supply (INR Cr)
Cost of Power Purchase Expenses	0%	100%	0.00	2574.06	0.00	2731.48
Employee Expenses	40%	60%	61.64	92.46	63.14	94.71
Administration and general Expenses	50%	50%	9.03	9.03	9.47	9.47
Repair and Maintenance Expenses	90%	10%	12.55	1.39	13.34	1.48
Depreciation	90%	10%	37.60	4.18	40.17	4.46
Interest on Long-term Loan Capital	90%	10%	2.90	0.32	3.75	0.42
Interest on working capital and on consumer security deposits	10%	90%	1.67	15.04	1.74	15.65
Return on Equity	90%	10%	47.18	5.24	50.41	5.60
Bad Debt Written off	0%	100%	0.00	0.00	0.00	0.00
Income Tax	90%	10%	0.00	0.00	0.00	0.00
Non-Tariff Income	10%	90%	0.89	8.00	0.89	8.00
Income from Other Business	50%	50%	0.00	0.00	0.00	0.00
Total			171.68	2693.72	181.13	2855.27

To determine the wheeling charges, the wheeling costs are allocated on the basis of voltage levels. The wheeling charges are levied for the distribution network utilized by the Open Access consumer and primarily comprises of the O&M Expense and Other costs as provided in the table below.

The methodology adopted for allocating the derived wheeling costs at respective voltage levels has been elaborated as follows:

- O&M Expenses consisting of Employee, A&G and R&M expenses are allocated to each voltage level on the basis of number of consumers.
- All expenses other than the O&M expenses are allocated to each voltage level on the basis of voltage wise asset allocation. The Petitioner in this regard was directed to submit the voltage wise asset allocation but has failed to submit the desired information and in the absence of such information, the Commission has assumed the voltage wise asset allocation shown in the table below.
- The resultant cost at EHT voltage level is divided among LT, HT and EHT voltage levels on the basis of input energy at respective voltage levels as the EHT network is used by consumers at all voltage levels. Similarly, allocated cost at HT voltage level is divided between HT and LT voltage levels. The cost at LT voltage level is allocated completely to LT voltage level.

The Parameters assumed for voltage wise allocation of wheeling charges as given below:

Table 7-5 Parameters assumed for voltage wise allocation of wheeling charges approved by the Commission

Category	Consumers					Asset Allocation (%)				
	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028-29	FY 2029-30	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Low Tension (LT) Level	546244	562041	578300	595038	612266	50%	50%	50%	50%	50%
High Tension (HT)	528	533	540	545	553	40%	40%	40%	40%	40%
Extra High Tension (EHT) Level	10	11	12	13	13	10%	10%	10%	10%	10%

Category	Sales (MU)					Cumulative Voltage wise Losses (%)					Energy Input (MU)				
	FY 2025 -26	FY 2026 -27	FY 2027 -28	FY 2028 -29	FY 2029 -30	FY 2025 -26	FY 2026 -27	FY 2027 -28	FY 2028 -29	FY 2029 -30	FY 2025 -26	FY 2026 -27	FY 2027 -28	FY 2028 -29	FY 2029 -30
Low Tension (LT) Level	1,569.91	1,636.47	1,705.27	1,777.13	1,852.21	16.37%	15.65%	14.85%	13.92%	13.13%	1,877.28	1,940.02	2,002.71	2,064.51	2,132.24
High Tension (HT)	1,150.30	1,211.59	1,276.20	1,344.32	1,416.72	5.50%	5.20%	5.00%	5.00%	4.80%	1,217.25	1,278.05	1,343.37	1,415.07	1,488.15
Extra High Tension (EHT) Level	751.62	791.50	833.49	877.70	923.67	1.50%	1.50%	1.50%	1.50%	1.40%	763.06	803.55	846.18	891.06	936.78

Table 7-6 Total Distributed cost approved by the Commission

O&M Expenses (Rs.Cr)	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	68.28	78.43	80.39	83.14	85.87
High Tension (HT)	0.07	0.07	0.08	0.08	0.08
Extra High Tension (EHT) Level	0.00	0.00	0.00	0.00	0.00
Total	68.35	78.50	80.47	83.22	85.95

Other Expenses (Rs.Cr)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	42.85	41.97	41.98	44.23	47.59
High Tension (HT)	34.28	33.57	33.59	35.39	38.07
Extra High Tension (EHT) Level	8.57	8.39	8.40	8.85	9.52
Total	85.70	83.93	83.97	88.46	95.18

Total distributed cost (Rs.Cr)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	111.13	120.39	122.37	127.37	133.46
High Tension (HT)	34.35	33.65	33.66	35.46	38.15
Extra High Tension (EHT) Level	8.57	8.39	8.40	8.85	9.52
Total	154.05	162.44	164.44	171.68	181.13

Table 7-7 Wheeling Charges approved by the Commission

Category	Total distributed cost (Rs Crore)					Wheeling Charges (Rs/kWh)				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	111.13	120.39	122.37	127.37	133.46	0.71	0.74	0.72	0.72	0.72
High Tension (HT)	34.35	33.65	33.66	35.46	38.15	0.30	0.28	0.26	0.26	0.27
EHT	8.57	8.39	8.40	8.85	9.52	0.11	0.11	0.10	0.10	0.10

7.2 Additional Surcharge

Petitioner's Submission:

The Petitioner has computed the Additional Surcharge in accordance with Regulation 4.5 (1), Regulation 4.5 (2) and Regulation 5.2 (1) (b) of JERC Connectivity and Open Access in Intra-State Transmission and Distribution Regulations, 2017.

In line with the aforesaid Regulations, the Petitioner has determined the following additional surcharge for the MYT control period:

Table 7-8 Additional Surcharge for MYT Control period

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Power Purchase Cost	2135.13	2298.96	2481.67	2616.64	2799.02
Fixed Cost in PP	1070.70	1091.38	1204.87	1230.58	1256.59
Fixed cost in RE Power	324.06	324.06	357.18	357.18	357.18
Transmission Cost	297.00	316.08	336.71	360.50	384.16
Fixed Cost Component in Power Purchase Cost (excluding transmission charges and RE)	449.63	767.31	847.69	873.40	899.42
Energy Sales (MU)	3472.58	3639.61	3815.01	3999.21	4192.67
Additional Surcharge (Rs./kWh)	1.29	2.11	2.22	2.18	2.15

Commission's analysis:

The Commission has notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017. Regulation 4.5 (1) of the said Regulations states the following:

“An Open Access Consumer, receiving supply of electricity from a person other than the Distribution Licensee of his area of supply, shall pay to the Distribution Licensee an additional surcharge in addition to wheeling charges and cross-subsidy surcharge, to meet the fixed cost of such Distribution Licensee arising out of his obligation to supply as provided under sub-section (4) of Section 42 of the Act.”

Regulation 4.5 (2) of the said Regulations stipulate:

“This additional surcharge shall become applicable only if the obligation of the Licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs by the Licensee consequent to such a contract. However, the fixed costs related to network assets would be recovered through wheeling charges.”

Further, Regulation 5.2 (1) (b) states the following:

“....The quantum of drawal of electricity by a partial Open Access Consumer from the Distribution Licensee during any Time Block of a Day should not

exceed the “Admissible Drawl of Electricity by the Open Access Consumer” which is the difference of Contract Demand and maximum quantum of Open Access for which approval has been granted by the Nodal Agency.

[Illustration: If an Open Access Consumer with a Contract Demand of 10 MW has been given an approval for a maximum Open Access quantum of 6MW for a period of 3 Months, the Admissible Drawl of Electricity from the Distribution Licensee during any Time Block shall be 4 MW for any Day during a period of 3 Months.]....”

Therefore, in accordance with the above Regulations, the Commission has determined the Additional Surcharge as per the following table:

Table 7-9 Additional Surcharge approved by the Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of Power Purchase (Including PGCIL Charges)	2,157.31	2,290.22	2,401.24	2,574.06	2,731.48
Fixed cost component in Power Purchase Cost (excluding transmission charges)	503.69	518.66	547.88	657.54	676.66
Energy Sales (MU)	3,471.83	3,639.56	3,814.96	3,999.15	4,192.60
Additional Surcharge (Rs/kWh)	1.45	1.43	1.44	1.64	1.61

Earlier, a consumer availing Open Access was required to pay fixed charges on contracted load even when the load was drawn partially from the Distribution Licensee. In addition, the consumer was also required to pay wheeling charges, additional surcharge and the cross-subsidy surcharge. As per the Open Access Regulations, 2017, a consumer now is only required to pay fixed charges on Admissible Drawal rather than on total contracted load.

As per the new “Open Access Regulations, 2017”, a consumer is now required to pay fixed charges on reduced demand after adjusting for demand drawn through Open Access in accordance with the Regulation.

The Commission directs the Petitioner to submit quarterly details of the power stranded on account of consumers opting for open access along with the Additional Surcharge recovered from these consumers. The Commission will analyse the information and change the applicable Additional Surcharge, if required.

7.3 Cross-Subsidy Surcharge

Petitioner's Submission:

The National Electricity Policy as stipulated by the Central Government provides –Under sub – section (2) of Section 42 of the Act, that a surcharge is to be levied by the respective State Commissions on consumers switching to alternate supplies under open access. This is to compensate the host Distribution Licensee serving such consumers who are permitted Open Access under Section 42 (2), for loss of cross subsidy element built into the tariff of such consumers. An additional surcharge may also be levied under sub – section (4) of section 42 of the said Act for meeting the fixed cost of the Distribution Licensee arising out of obligation to supply in cases where consumers are allowed open access.

The Government of India has notified the National Tariff Policy, 2016 on 28th January 2016. The Cross-subsidy surcharge is based on the following formula given in the Tariff Policy, 2016 which is as follows:

$$S = T - [C / (1 - L/100) + D + R]$$

Where,

S is the surcharge,

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation,

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation,

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level,

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level,

R is per unit cost of carrying regulatory assets.

However, the Petitioner has computed the cross-subsidy surcharge (CSS) for the MYT control period as per the methodology adopted by the Commission in the last Tariff Order for FY 2024-25 i.e., cross-subsidy surcharge with respect to voltage wise cost of supply.

Parameters assumed for voltage-wise allocation of Wheeling Cost for MYT Control Period. The following approach has been adopted to determine the voltage wise cost of supply for each year of the MYT control period:

Table 7-10 Voltage level-wise losses (%) submitted by the Petitioner

Cumulative Losses (%)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Low Tension (LT) Level	20.37%	19.81%	19.28%	18.69%	18.29%

Cumulative Losses (%)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
High tension (HT)	5.50%	5.20%	5.00%	5.00%	4.80%
Extra High tension (EHT) Level	1.50%	1.60%	1.50%	1.50%	1.40%
Total	10.20%	9.90%	9.60%	9.35%	9.10%

Using the above losses, the energy input at each voltage level is determined based on the energy sales. Now the overall ARR projected for each year of the MYT control period is divided into variable and fixed ARR with variable ARR comprising of variable power purchase cost and fixed ARR comprising of all the other costs. The fixed component comprising of fixed cost of power purchase, O&M etc. is further allocated to each voltage category as per the following principles.

- The fixed cost of power purchase is assigned to each voltage level on the basis of energy input at respective voltage levels.
- The O&M expenses are allocated to each voltage level on the basis of the number of consumers. The resultant cost allocated to EHT level is then further allocated to EHT, HT and LT levels on the basis of input energy, as the EHT network is utilized by all EHT, HT and LT network consumers. Similarly, the cost allocated to HT is distributed to both HT and LT voltage level.
- The remaining fixed costs are allocated on the basis of voltage wise asset allocation assumed earlier and further allocated to respective voltage levels on the basis of input energy.

The variable component of the Power purchase cost is allocated on the basis of energy input. The voltage-wise cost of supply (VCoS) is then estimated on the basis of energy sales of respective categories.

As per the above VCoS calculated and applicable voltage level-wise ABR, the following Cross-subsidy surcharge (CSS) has been estimated for each year of the MYT control period:

Table 7-11 Cross Subsidy Surcharge for MYT Control Period

Parameters (Rs./kWh)	Voltage-level	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
VCoS	Low Tension (LT) Level	8.16	8.46	8.66	8.74	8.94
	High tension (HT)	6.21	6.34	6.55	6.65	6.84
	Extra High tension (EHT) Level	5.75	5.91	6.11	6.18	6.33
ABR	Low Tension (LT) Level	5.82	6.04	6.22	6.46	6.72
	High tension (HT)	7.70	8.01	8.20	8.45	8.73
	Extra High tension (EHT) Level	7.43	7.72	8.02	8.39	8.77
CSS	Low Tension (LT) Level	-2.35	-2.42	-2.44	-2.27	-2.22

Parameters (Rs./kWh)	Voltage-level	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
	High tension (HT)	1.49	1.67	1.65	1.80	1.88
	Extra High tension (EHT) Level	1.68	1.81	1.91	2.21	2.43

Commission's analysis:

In accordance with the revised Tariff Policy notified by Ministry of Power on January 28, 2016, the Commission has computed the category-wise CSS for the Petitioner, as reproduced below:

“SERCs may calculate the cost of supply of electricity by the distribution licensee to consumers of the applicable class as aggregate of (a) per unit weighted average cost of power purchase including meeting the Renewable Purchase Obligation; (b) transmission and distribution losses applicable to the relevant voltage level and commercial losses allowed by the SERC; (c) transmission, distribution and wheeling charges up to the relevant voltage level; and (d) per unit cost of carrying regulatory assets, if applicable. Surcharge formula:

$$S = T - [C/(1-L/100) + D + R]$$

Where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level R is the per unit cost of carrying regulatory assets.

Above formula may not work for all distribution licensees, particularly for those having power deficit, the State Regulatory Commissions, while keeping the overall objectives of the Electricity Act in view, may review and vary the same taking into consideration the different circumstances prevailing in the area of distribution licensee

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of consumers seeking open access.”

The Commission has approved the category-wise CSS computed broadly in line with the formula in the revised Tariff Policy notified by Ministry of Power for the 4th Control Period. The Commission has ensured that the category-

wise CSS does not exceed 20% of the ACoS. The category-wise CSS for the 4th Control Period from FY 2025-26 to FY 2029-30, computed accordingly is as shown in the table below:

Table 7-12 Cross Subsidy Surcharge approved by the Commission for the FY 2025-26

Year	T (ABR)	ACoS	C	WL	TL	L	C/(1-L%)	D	CSS	20% of ACoS	Final CSS
	Rs. /kWh	Rs. /kWh	Rs. /kWh	%	%	%	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh
FY 2025-26											
Low Tension (LT) Level	5.92	6.94	5.41	16.37%	3.50%	19.87%	6.75	0.71	-	1.39	-
High Tension (HT)	7.84	6.94	5.41	5.50%	3.50%	9.00%	5.94	0.30	1.60	1.39	1.39
Extra High Tension (EHT) Level	7.31	6.94	5.41	1.50%	3.50%	5.00%	5.69	0.11	1.50	1.39	1.39

Table 7-13 Cross Subsidy Surcharge approved by the Commission for the FY 2026-27

Year	T (ABR)	ACoS	C	WL	TL	L	C/(1- L%)	D	CSS	20% of ACoS	Final CSS
	Rs. /kWh	Rs. /kWh	Rs. /kWh	%	%	%	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh
FY 2026-27											
Low Tension (LT) Level	6.07	7.05	5.51	15.65%	3.50%	19.15%	6.81	0.74	-	1.41	-
High Tension (HT)	8.06	7.05	5.51	5.20%	3.50%	8.70%	6.03	0.28	1.75	1.41	1.41
Extra High Tension (EHT) Level	7.23	7.05	5.51	1.50%	3.50%	5.00%	5.80	0.11	1.32	1.41	1.32

Table 7-14 Cross Subsidy Surcharge approved by the Commission for the FY 2027-28

Year	T (ABR)	ACoS	C	WL	TL	L	C/(1-L%)	D	CSS	20% of ACoS	Final CSS
	Rs. /kWh	Rs. /kWh	Rs. /kWh	%	%	%	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh
FY 2027-28											
Low Tension (LT) Level	6.12	7.03	5.54	14.85%	3.50%	18.35%	6.78	0.72	-	1.41	-
High Tension (HT)	8.03	7.03	5.54	5.00%	3.50%	8.50%	6.05	0.26	1.72	1.41	1.41
Extra High Tension (EHT) Level	7.31	7.03	5.54	1.50%	3.50%	5.00%	5.83	0.10	1.38	1.41	1.38

Table 7-15 Cross Subsidy Surcharge approved by the Commission for the FY 2028-29

Year	T (ABR)	ACoS	C	WL	TL	L	C/(1-L%)	D	CSS	20% of ACoS	Final CSS
	Rs. /kWh	Rs. /kWh	Rs. /kWh	%	%	%	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh
FY 2028-29											
Low Tension (LT) Level	6.31	7.17	5.69	13.92%	3.50%	17.42%	6.90	0.72	-	1.43	-
High Tension (HT)	8.15	7.17	5.69	5.00%	3.50%	8.50%	6.22	0.26	1.67	1.43	1.43
Extra High Tension (EHT) Level	7.48	7.17	5.69	1.50%	3.50%	5.00%	5.99	0.10	1.39	1.43	1.39

Table 7-16 Cross Subsidy Surcharge approved by the Commission for the FY 2029-30

Year	T (ABR)	ACoS	C	WL	TL	L	C/(1-L%)	D	CSS	20% of ACoS	Final CSS
	Rs. /kWh	Rs. /kWh	Rs. /kWh	%	%	%	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh	Rs. /kWh
FY 2029-30											
Low Tension (LT) Level	6.49	7.24	5.79	13.92%	3.50%	17.42%	7.02	0.72	-	1.45	-
High Tension (HT)	8.19	7.24	5.79	5.00%	3.50%	8.50%	6.33	0.27	1.59	1.45	1.45
Extra High Tension (EHT) Level	7.65	7.24	5.79	1.50%	3.50%	5.00%	6.10	0.10	1.45	1.45	1.45

7.4 Green Energy Open Access Charges

Petitioner Submission:

The Petitioner submitted that the Commission vide its Suo-moto Order dated 8th August 2024 determined the tariff for the requisition of green energy under the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (as amended from time to time) for the Union Territory of Puducherry. S.No.10 of the aforesaid Order stipulates following:

“10. The Distribution Licensee is directed to submit the proposal for the Green Energy Tariff along with the filing of the MYT petition for the Control Period FY 2025-26 to FY 2027-28.”

In apropos to the above, the Petitioner has submitted the proposal for Green Energy Tariff for the MYT control period.

Average Pooled Power Purchase Cost of Renewable Energy:

The Average Pooled Power Purchase cost of Renewable Energy (RE) Sources for PED, has been worked out based on the power purchase cost of the renewable energy sources as considered in the MYT Petition for the control period FY 2025-26 to FY 2029-30.

Landed Cost of Renewable Energy:

The landed cost of Renewable Energy has been worked out considering the weighted average pooled power purchase Cost of Renewable Energy Sources grossed up by the Intra-State Transmission and Distribution (T&D) Losses and by adding the Intra-State Transmission Charges.

Cross Subsidy Surcharge (CSS):

The Cross Subsidy Surcharge (CSS) for PED has been factored in, taking into account the maximum CSS applicable to the utility, as stipulated in the previous chapter for the MYT control period.

Service Charges:

The Service Charges pertain to the cost of the distribution licensee other than the cost associated with the purchase of power including Transmission Charges (i.e., Other ARR components) and the fixed cost of power purchase pertaining to the Stranded Capacity/ Backing Down of power.

Distribution Service Charges (i.e., Other ARR components):

The contribution of other components of ARR excluding power purchase cost and Transmission Charges in ACoS (as proposed for the MYT control period) has been worked out as Distribution Service Charges covering prudent cost of distribution licensee for supplying power to the consumers

Fixed Cost of Thermal Generating Stations pertaining to Stranded Capacity/Backing Down of Power:

If the distribution licensees procure additional power from Renewable Energy sources to fulfil the requisitions of consumers opting for Green Energy power, the power procurement from thermal generating stations by the distribution licensee will get reduced to that extent. However, the Utility will have to bear the fixed cost of those thermal generating stations. Therefore, PED has considered the fixed cost of power purchase of utility as part of the Service Charges of the distribution licensee for providing green energy.

Accordingly, the Green Energy Tariff for the MYT control period has been estimated and thereafter the Incremental Green Energy Charges have been worked out for the MYT control period. For arriving at the incremental Green Energy Charges, PED has considered the difference between Green Energy Tariff and proposed overall Average Billing Rate (ABR) for each year of MYT control period as shown below:

Table 7-17: Computation of Green Energy Tariff for MYT Control Period

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Cost of RE Source	Rs. Cr.	324.06	324.06	357.18	357.18	357.18
Quantum of RE Source	MU	1163.78	1163.78	1286.42	1286.42	1286.42
Wt. Avg. Pooled Power Purchase Cost of RE Sources	Rs./kWh	2.78	2.78	2.78	2.78	2.78
T&D Loss	%	10.20%	9.90%	9.60%	9.35%	9.10%
Rate of Re Source after considering T&D Loss	Rs./kWh	3.10	3.09	3.07	3.06	3.05
Intra State Transmission Charges	Rs./kWh	0.00	0.00	0.00	0.00	0.00
Landed Cost of RE	Rs./kWh	3.10	3.09	3.07	3.06	3.05
CSS (Maximum applicable)	Rs./kWh	1.68	1.81	1.91	2.21	2.43
Total ARR	Rs. Cr.	2428.56	2620.75	2821.27	2989.22	3211.21
Power Purchase Cost	Rs. Cr.	2135.13	2298.96	2481.67	2616.64	2799.02
Sales	MU	3472.58	3639.61	3815.01	3999.21	4192.67
Distribution Service Charges	Rs./kWh	0.85	0.89	0.90	0.94	0.99
Fixed Cost of NTPC	RS. Cr.	182.89	182.89	182.94	183.46	183.64
Fixed Cost of NLC	RS. Cr.	177.29	177.29	235.28	234.86	235.10
Fixed Cost of Others	RS. Cr.	50.85	50.85	50.85	50.85	50.85
Fixed Cost of State Gencos	RS. Cr.	38.60	40.20	41.90	43.72	45.66
Fixed Cost of Thermal Gencos	Rs. Cr.	449.63	451.23	510.98	512.90	515.26
Energy Requirement	MU	3867.02	4039.52	4220.15	4411.71	4612.39
State Own Generation	MU	229.90	229.90	229.90	229.90	229.90
Backing Down cost of power	Rs./kWh	1.24	1.18	1.28	1.23	1.18

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Green Energy Tariff	Rs./kWh	6.87	6.97	7.16	7.44	7.65
ABR	Rs./kWh	6.79	7.06	7.27	7.55	7.85
Incremental Energy Charges	Rs./kWh	0.08	-0.09	-0.12	-0.12	-0.20

The computation of green energy tariff for MYT control period is very minimal or negative (as shown in the above table). It is to be noted that the recent purchase of REC is at Rs.0.35/kWh, which is much higher than the discovered green energy tariff as shown in the table above. It is to be submitted that providing green energy to the consumer at the discovered rate is not feasible. Therefore, the Petitioner requested the Commission to approve the incremental green energy charges as Rs.0.35/kWh for the MYT control period.

Commission's Analysis:

Accordingly, in accordance with the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 (as amended from time to time), the Commission has determined the green energy tariff for MYT control Period as under:

Average Pooled Power Purchase Cost of Renewable Energy:

The Average Pooled Power Purchase cost of Renewable Energy (RE) Sources for ED, Puducherry has been worked out based on the power purchase cost of the renewable energy sources as approved in the Tariff Order for MYT Control Period in the table below:-

Table 7-18 Average Pooled Power Purchase Cost of Renewable Energy

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Cost of RE Sources	Rs. Crore	324.06	324.06	357.18	357.18	357.18
Quantum of RE Source	MUs	1163.78	1163.78	1286.42	1286.42	1286.42
Weighted Average Pooled Power Purchase Cost of RE Sources	Rs./kWh	2.78	2.78	2.78	2.78	2.78

Landed Cost of Renewable Energy:

The landed cost of Renewable Energy has been worked out considering the weighted average pooled power purchase Cost of Renewable Energy Sources grossed up by the Intra-State Transmission and Distribution Losses and by adding the Intra-State Transmission Charges. The computation of the landed cost of Renewable Energy for Petitioner is shown in the table below:-

Table 7-19 Landed Cost of Renewable Energy for Utility

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Weighted Average Pooled Power Purchase Cost of RE Sources (A)	Rs./kWh	2.78	2.78	2.78	2.78	2.78
T&D Losses for FY 2025-26 (%) (B)	%	10.00%	9.50%	9.00%	8.50%	8.00%
Rate of RE-Source after considering T&D losses (C) = (A)/(1-(B))	Rs./kWh	3.09	3.08	3.05	3.03	3.02
Intra-State Transmission Charges (D)	Rs./kWh	-	-	-	-	-
Landed Cost of Renewable Energy (E) = (C) + (D)	Rs./kWh	3.09	3.08	3.05	3.03	3.02

Cross Subsidy Surcharge (CSS):

The Cross Subsidy Surcharge (CSS) for the Petitioner has been factored in, taking into account the maximum CSS applicable to the utility, as stipulated in the approved Tariff Order for the MYT Control period as given below:

Table 7-20 Cross Subsidy Surcharge for the MYT Control period

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cross Subsidy Surcharge	Rs./kWh	1.39	1.41	1.41	1.43	1.45

Service Charges:

The Service Charges pertain to the cost of the distribution licensee other than the cost associated with the purchase of power including Transmission Charges (i.e., Other ARR components) and the fixed cost of power purchase pertaining to the Stranded Capacity/ Backing Down of power.

Distribution Service Charges (i.e., Other ARR components):

The contribution of other components of ARR excluding power purchase cost and Transmission Charges in ACoS (approved by the Commission in Retail Supply Tariff Order for MYT Control Period) has been worked out as Distribution Service Charges covering prudent cost of distribution licensee for supplying power to the consumers as shown in given table below:

Table 7-21 Distribution Service Charges (i.e., Other ARR components)

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Other ARR components	Rs. Crore	252.43	275.68	280.15	291.35	304.93
Sales	MUs	3471.83	3639.56	3814.96	3999.15	4192.60
Distribution Service Charges	Rs./kWh	0.73	0.76	0.73	0.73	0.73

Fixed Cost of Thermal Generating Stations pertaining to Stranded Capacity/Backing Down of Power:

If the distribution licensees procure additional power from Renewable Energy sources to fulfil the requisitions of consumers opting for Green Energy power, the power procurement from thermal generating stations by the distribution licensee will get reduced to that extent. However, the Utility will have to bear the fixed cost of those thermal generating stations. Therefore, the Commission deems it appropriate to consider the fixed cost of power purchase of utility as part of the Service Charges of the distribution licensee for providing green energy which works out to be as shown in table given below:

Table 7-22 Fixed Cost of Thermal Generating Stations pertaining to Stranded Capacity / Backing Down of Power

Particulars	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Cost of Power Purchase	Rs. Crore	1064.43	1207.58	1276.81	1386.07	1542.42
Energy Requirement	MUs	3989.02	4158.99	4335.83	4520.69	4713.98
Backing Down Cost	Rs./kWh	2.67	2.90	2.94	3.07	3.27

Green Energy Tariff:

Accordingly, the Green Energy Tariff for Petitioner is computed for MYT Control Period as given below:

Table 7-23 Computation of Green Energy Tariff

Particulars		FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Landed Cost of Renewable Energy for Utility	A	3.09	3.08	3.05	3.03	3.02
Cross Subsidy Surcharge	B	1.39	1.41	1.41	1.43	1.45
Distribution Service Charges	C	0.73	0.76	0.73	0.73	0.73
Backing Down Cost	D	2.67	2.90	2.94	3.07	3.27
Green Energy Tariff	E=A+B +C+D	7.88	8.15	8.14	8.26	8.47

Incremental Green Energy Charges:

The Commission, in order to promote RE power, has decided to restrict the incremental Green Energy Charges to a maximum limit of Rs 1/kWh. Further, the Commission has determined the incremental green energy charges as shown in the given table below:

Table 7-24 Computation of Incremental Green Energy Charges

Particulars		FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Green Energy Tariff Applicable	A	6.47	6.49	6.45	6.65	6.63
ABR (Existing tariff)	B	6.79	6.82	6.80	6.78	6.76
ABR (Proposed tariff)	C	6.86	6.98	7.02	7.19	7.32
Incremental Green Energy Charges (Existing tariff)	D=A-B	1.08	1.33	1.33	1.48	1.70
Incremental Green Energy Charges (Proposed tariff) calculated	E=A-C	1.02	1.17	1.12	1.07	1.14
Incremental Green Energy Charges considered		1.00	1.00	1.00	1.00	1.00

8 Fuel and Power Price Adjustment Mechanism (FPPCA)

The State of Goa and Union Territories of Chandigarh, Dadra & Nagar Haveli and Daman & Diu, and Puducherry receive power from the Central Generating Stations, State Generating Stations, Independent Power Producers (IPPs) through the long-term power purchase agreements and short-term-purchase through exchange, bilateral purchases etc. However, the Union Territories of Andaman & Nicobar Islands and Lakshadweep Islands receive power from Intra-State generation as these two Islands are not connected with the national grid. The distribution licensees procure power from various available sources and supply power to the consumers at retail tariffs determined by the Commission. Power purchase cost is the substantial component of the Annual Revenue Requirements (ARR) of the distribution licensees and includes the cost paid for procurement of power, transmission charges, Deviation Settlement Mechanism (DSM) charges, State Load Despatch Center (SLDC)/ Regional Load Despatch Center (RLDC) charges as the case may be, and is netted off with revenue earned from the sale of surplus power.

The cost of the long-term power being procured by the distribution licensees is fixed by the Central Electricity Regulatory Commission (CERC) for plants supplying power to more than one State/UT (other than Andaman & Nicobar Islands and Lakshadweep Islands) (for example NTPC, NHPC etc.), and by JERC for the power plants located within the regions under jurisdiction of this Commission (for IPP's, licensees own generation and other State/UT generating sources).

While determining retail tariff for the Control Period, the Commission first determines the ARR based on the projection of various cost elements including power purchase cost. The power purchase cost of the distribution licensee is derived from the power purchase quantum and per unit power purchase cost. Quantum of power purchase depends upon the energy sales projected by the distribution licensee after accounting for the distribution losses, which is purely a projection for the ensuing year. Hence, a likely variation in actual per unit power purchase cost vis-a-vis projected per unit power purchase cost due to change in fuel cost, change in power purchase mix i.e. thermal /hydel/renewable mix, long-term/short-term power mix, etc. This makes power purchase cost uncontrollable in nature.

The Commission undertakes the truing up exercise for the variation in the cost and revenue once the audited accounts of the distribution licensee are available. For example, the True-up of the FY 2024-25 will be undertaken by the Commission once the audited accounts of the FY 2024-25 are available. If the audited accounts for the FY 2024-25 are prepared timely, the impact of True-up of various cost and revenue items will be allowed, along with the

applicable carrying cost. As the power purchase cost is the major cost element of the ARR of the distribution licensee, adjustment due to change in power purchase cost at regular intervals is important in order to avoid the burden of carrying cost on the additional power purchase cost incurred during the year.

8.1 Relevant Provisions

The relevant provisions of the Electricity Act, Tariff Policy, and the ATE judgments, which enable the Commission to devise, adopt, and implement a power purchase/ fuel price adjustment mechanism are as follows:-

(a) Electricity Act, 2003- Section 62 (4)

“No tariff or part of any tariff may ordinarily be amended more frequently than once in any financial year, except in respect of any changes expressly permitted under the terms of any fuel surcharge formula as may be specified.”

(b) Tariff Policy, 2016, clause 5.11 – sub-clause (h-4)

“Uncontrollable costs should be recovered speedily to ensure that future consumers are not burdened with past costs. Uncontrollable costs would include (but not limited to) fuel costs, costs on account of inflation, taxes and cess, variations in power purchase unit costs including on account of adverse natural events.”

(c) Tariff Policy, 2016, clause 8.2– sub-clause 8.2.1-(1)

“8.2 Framework for revenue requirements and costs

Actual level of retail sales should be grossed up by normative level of T&D losses as indicated in MYT trajectory for allowing power purchase cost subject to justifiable power purchase mix variation (for example, more energy may be purchased from thermal generation in the event of poor rainfall) and fuel surcharge adjustment as per regulations of the SERC.”

(d) Hon'ble ATE judgement in OP1 of 2011 dated 11 November 2011

The Hon'ble ATE directed the SERCs to develop a power purchase cost adjustment mechanism within six months of the date of the Order. The relevant excerpt of the Order is shown as follows:

“(vi)Fuel and Power Purchase cost is a major expense of the distribution Company which is uncontrollable. Every State Commission must have in place a mechanism for Fuel and Power Purchase cost in terms of Section 62 (4) of the Act. The Fuel and Power Purchase cost adjustment should preferably be on monthly basis on the lines of the Central Commission's Regulations for the generating companies but in no case exceeding a quarter. Any State Commission which does not already have such formula/mechanism in place must within 6 months of the date of this Order must put in place such formula/mechanism.”

(e) The Electricity (Amendment) Rules, 2022 - Schedule-II

The Ministry of Power vide notification dated 29th December, 2022 notified the Electricity (Amendment) Rules, 2022 which prescribes the Fuel and Power Purchase Cost Adjustment (FPPCA) Surcharge mechanism.

8.2 Mechanism for Fuel and Power Purchase Cost Adjustment (FPPCA) Surcharge:

The following mechanism shall be followed for calculation and adjusting variations on account of Fuel and Power Purchase Cost Adjustment (FPPCA) Surcharge in the end consumer tariff, which shall come into force w.e.f. the implementation of this tariff order.

8.2.1 Periodicity for Recovery (Cycle), Chargeability and related Terms & Conditions:

- i. Fuel and Power Purchase Cost Adjustment (FPPCA) surcharge shall be calculated and billed to consumers automatically, without going through the regulatory approval process, on a monthly basis, according to the formula specified at 8.2.2 subject to true-up, on an annual basis.

Provided that the automatic pass-through shall be adjusted in the monthly billing as mentioned below.

- ii. FPPCA surcharge shall be computed and charged by the distribution licensee, in (n+2) th month, on the basis of actual variation, in the cost of fuel and power purchase and Inter-State Transmission Charges for the power procured during the nth month. (For example, the FPPCA surcharge on account of changes in tariff for power supplied during the month of April of any financial year shall be computed and billed in the month of June of the same financial year):

Provided that in case the distribution licensee fails to compute and charge fuel and power purchase cost adjustment surcharge within the timeline as specified above, except in case of any force majeure condition, its right for recovery of costs on account of fuel and power purchase adjustment surcharge shall be forfeited and, in such cases, the right to recover the FPPCA surcharge determined during true-up shall also be forfeited.

- iii. The distribution licensee shall submit detailed computation, on monthly basis, of the variation between expenses incurred and the fuel and power purchase cost adjustment surcharge/billed, along with

supporting documents to the Commission, for verification/examination of the fuel and power purchase cost adjustment surcharge billed/to be billed.

- iv. Upon verification/examination, if any discrepancies are found by the Commission, in the computation of fuel and power purchase cost adjustment surcharge, the Commission shall inform the Distribution Licensee, of such discrepancy, directing it for counter adjustment in the subsequent month's fuel and power purchase cost adjustment surcharge to be charged.
- v. The revenue recovered on account of pass-through fuel and power purchase cost adjustment surcharge by the distribution licensee, shall be trued up while truing up the expenses of the relevant financial year.
- vi. To ensure smooth implementation of the fuel and power purchase cost adjustment surcharge mechanism and its recovery, the distribution licensee shall ensure that the licensee billing system is updated to take this into account and a unified billing system shall be implemented to ensure that there is a uniform billing system irrespective of the billing and metering vendor through interoperability or use of open-source software as available.
- vii. The distribution licensee shall publish all details including the fuel and power purchase cost adjustment surcharge formula, calculation of monthly fuel and power purchase cost adjustment surcharge, and recovery of fuel and power purchase cost adjustment surcharge on its website and archive the same through a dedicated web address.

8.2.2 Fuel and Power Purchase Cost Adjustment Surcharge

Formula:

$$\text{Monthly FPPCA for nth Month (\%)} = \frac{(A-B)*C+(D-E)}{\{Z*(1-\text{Distribution losses in \%}/100)\}*ABR}$$

where,

nth month = the month in which billing of fuel and power purchase adjustment surcharge component is done. This fuel and power purchase adjustment surcharge is due to changes in tariff for the power supplied in (n-2)th month

A (in kWh) = Total units procured in (n-2)th Month from all sources including Long-term, medium-term-term and Short-term Power purchases

B (in kWh) = Bulk sale of power from all Sources in (n-2)th Month

C (in Rs. /kWh) = Incremental Average Power Purchase Cost = Actual Average Power Purchase Cost (APPC) from all Sources in (n-2) month - Approved Average Power Purchase Cost (APPC) from all Sources

D (in Rs.) = Actual Inter-State and Intra-State Transmission Charges in the (n-2)th Month

E (in Rs.) = Approved Cost of Transmission Charges for (n-2)th Month = (Approved Transmission Charges (in Rs.))/12

Z (in kWh) = [{Actual Power purchased from all the sources outside the State in (n-2)th Month. (in kWh) * (1 – Approved Inter-State transmission losses in % / 100) + Power purchased from all sources within the State (in kWh)} *(1 – Approved Intra state losses in %) – B]/100

ABR (in Rs. /kWh) = Approved Average Billing Rate for the year

Distribution Losses (in %) = Approved Distribution Losses

Chapter 9: Tariff Schedule

9.1 Tariff Schedule

Table 9-1 Tariff schedule approved by the Commission for FY 2025-26

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 2.30/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 2.90/kWh
101-200 units		Rs. 4.20/kWh
201-300 units		Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 2.95/kWh
101-200 units		Rs. 4.25/kWh
201-300 units		Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based		
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 2.90/kWh
101-200		Rs. 2.90/kWh
201-300		Rs. 2.90/kWh
301-400		Rs. 2.90/kWh
> 400		Rs. 2.90/kWh

Consumer Category	Fixed Charge	Energy Charge
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 5.95/kVAh
LTIS-I (Industries) Demand Based		
0-500 units	Rs. 100.00/kVA or part thereof per month	Rs. 7.30/kVAh
501-1000 units		Rs. 7.50/kVAh
Above 1000 units		Rs. 7.75/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.10/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.40/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 9-2 Tariff schedule approved by the Commission for FY 2026-27

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 2.65/kWh
LTDS-II (Domestic) Demand Based		
0-100 units	Rs. 35.00/kW or part thereof per month	Rs. 2.90/kWh
101-200 units		Rs. 4.20/kWh
201-300 units		Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh

Consumer Category	Fixed Charge	Energy Charge
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based	-	
0-100 units		Rs. 2.95/kWh
101-200 units		Rs. 4.25/kWh
201-300 units		Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh
NDS-III (Hoardings) Demand Based		Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 2.90/kWh
101-200		Rs. 2.90/kWh
201-300		Rs. 2.90/kWh
301-400		Rs. 2.90/kWh
> 400		Rs. 2.90/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.20/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units		Rs. 7.40/kVAh
501-1000 units		Rs. 7.65/kVAh
Above 1000 units		Rs. 7.90/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh

Consumer Category	Fixed Charge	Energy Charge
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.10/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.40/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 9-3 Tariff schedule approved by the Commission for FY 2027-28

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.00/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.10/kWh
101-200 units		Rs. 4.20/kWh
201-300 units		Rs. 6.20/kWh
301-400 units		Rs. 7.70/kWh
Above 400 units		Rs. 7.90/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 3.20/kWh
101-200 units		Rs. 4.25/kWh
201-300 units		Rs. 6.25/kWh
301-400 units		Rs. 7.75/kWh
Above 400 units		Rs. 7.95/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.25/kVAh
101-200 units		Rs. 7.30/kVAh
Above 200 units		Rs. 8.05/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	

Consumer Category	Fixed Charge	Energy Charge
0-100 units	Rs. 200.00/kVA or part thereof per month	Rs. 6.30/kVAh
101-200 units		Rs. 7.35/kVAh
Above 200 units		Rs. 8.10/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.55/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.50/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 7.50/kVAh
NDS-V (Worship places) Connected Load Based		
0-100	Rs. 35.00/kW or part thereof per month	Rs. 3.10/kWh
101-200		Rs. 3.10/kWh
201-300		Rs. 3.10/kWh
301-400		Rs. 3.10/kWh
> 400		Rs. 3.10/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.45/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units	Rs. 100.00/kVA or part thereof per month	Rs. 7.40/kVAh
501-1000 units		Rs. 7.65/kVAh
Above 1000 units		Rs. 7.90/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.65/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.55/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.05/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.55/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.05/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.30/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh

Consumer Category	Fixed Charge	Energy Charge
EHTS-I (Non-domestic)	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.15/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.50/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 9-4 Tariff schedule approved by the Commission for FY 2028-29

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.35/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.45/kWh
101-200 units		Rs. 4.35/kWh
201-300 units		Rs. 6.40/kWh
301-400 units		Rs. 7.95/kWh
Above 400 units		Rs. 8.15/kWh
LTDS-III (Common service) Demand Based		
0-100 units		Rs. 3.55/kWh
101-200 units		Rs. 4.40/kWh
201-300 units		Rs. 6.45/kWh
301-400 units		Rs. 8.00/kWh
Above 400 units		Rs. 8.20/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.30/kVAh
101-200 units		Rs. 7.40/kVAh
Above 200 units		Rs. 8.20/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.40/kVAh
101-200 units		Rs. 7.50/kVAh
Above 200 units		Rs. 8.30/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 9.85/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.70/kVAh
101-200 units		Rs. 7.70/kVAh
Above 200 units		Rs. 7.70/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 3.45/kWh
101-200		Rs. 3.45/kWh
201-300		Rs. 3.45/kWh

Consumer Category	Fixed Charge	Energy Charge
301-400		Rs. 3.45/kWh
> 400		Rs. 3.45/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.70/kVAh
LTIS-I (Industries) Demand Based	-	
0-500 units		Rs. 7.50/kVAh
501-1000 units	Rs. 100.00/kVA or part thereof per month	Rs. 7.80/kVAh
Above 1000 units		Rs. 8.05/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.75/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.70/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.20/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.10/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.15/kVAh
HTS-II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.70/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.15/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.50/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.75/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.65/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.30/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.60/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

Table 9-5 Tariff schedule approved by the Commission for FY 2029-30

Consumer Category	Fixed Charge	Energy Charge
LTDS-I (Lifeline services) Connected Load Based	Rs. 10.00/Connection/Month	Rs. 3.75/kWh
LTDS-II (Domestic) Demand Based		
0-100 units		Rs. 3.85/kWh

Consumer Category	Fixed Charge	Energy Charge
101-200 units		Rs. 4.40/kWh
201-300 units		Rs. 6.50/kWh
301-400 units		Rs. 8.05/kWh
Above 400 units		Rs. 8.25/kWh
LTDs-III (Common service) Demand Based		
0-100 units		Rs. 3.95/kWh
101-200 units		Rs. 4.45/kWh
201-300 units	Rs. 35.00/kW or part thereof per month	Rs. 6.55/kWh
301-400 units		Rs. 8.10/kWh
Above 400 units		Rs. 8.35/kWh
NDS-I (Commercial) Demand Based		
0-100 units		Rs. 6.40/kVAh
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.50/kVAh
Above 200 units		Rs. 8.35/kVAh
NDS-II (Hotels & farmhouse) Demand Based	-	
0-100 units		Rs. 6.50/kVAh
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.60/kVAh
Above 200 units		Rs. 8.45/kVAh
NDS-III (Hoardings) Demand Based	Rs. 140.00/kVA or part thereof per month	Rs. 10.00/kVAh
NDS-IV (Govt. Institutions) Demand Based		
0-100 units		Rs. 7.80/kVAh
101-200 units	Rs. 200.00/kVA or part thereof per month	Rs. 7.80/kVAh
Above 200 units		Rs. 7.80/kVAh
NDS-V (Worship places) Connected Load Based		
0-100		Rs. 3.85/kWh
101-200		Rs. 3.85/kWh
201-300	Rs. 35.00/kW or part thereof per month	Rs. 3.85/kWh
301-400		Rs. 3.85/kWh
> 400		Rs. 3.85/kWh
LTAS - I (Small Farmers) Connected Load Based*	Rs. 10.00/kW or part thereof per month	Rs. 0.25/kWh
LTAS - II (Other Farmers) Demand Based#	Rs. 40.00/kVA or part thereof per month	Rs. 0.35/kVAh
LTAS - III (Cottage Ind.) Demand Based	Rs. 30.00/kVA or part thereof per month	Rs. 6.95/kVAh
LTIS-I (Industries) Demand Based		

Consumer Category	Fixed Charge	Energy Charge
0-500 units		Rs. 7.60/kVAh
501-1000 units	Rs. 100.00/kVA or part thereof per month	Rs. 7.90/kVAh
Above 1000 units		Rs. 8.15/kVAh
LTPS - I (Water works) Demand Based	Rs. 50.00/kVA or part thereof per month	Rs. 7.85/kVAh
LTPS - II (Street lights) Connected Load Based	Rs. 110.00/kW or part thereof per month	Rs. 7.80/kWh
LTPS - III (PU services) Connected Load Based	Rs. 200.00/kW or part thereof per month	Rs. 8.35/kWh
LTEV-I (EV charging station) Demand Based	Rs. 35.00/kVA or part thereof per month	Rs. 6.20/kVAh
HTS-I (Domestic) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS- II (Commercial) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.85/kVAh
HTS - III - (Irrigation & Agriculture) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.25/kVAh
HTS-IV (Industries) Demand Based	Rs. 450.00/kVA or part thereof per month	Rs. 6.60/kVAh
HTS- V (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.85/kVAh
HTS- VI (EV charging station) Demand Based	Rs. 100.00/kVA or part thereof per month	Rs. 6.05/kVAh
EHTS-I (Non-domestic) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.80/kVAh
EHTS-II (Industries) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.45/kVAh
EHTS-III (PU services) Demand Based	Rs. 500.00/kVA or part thereof per month	Rs. 6.70/kVAh

* For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

#For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

9.2 Applicability of Tariff Schedule

A: LOW TENSION SUPPLY

System of supply: Low Tension

Single Phase supply at 230 Volts Three Phase supply at 400 Volts.

The tariffs are applicable for supply of electricity to LT consumers with a connected / contracted demand up to 100 kVA / 85 kW / 114 HP under single or three phase supply as detailed below:

- Single Phase supply up to 5 kW
- Three Phase supply exceeding 5 kW and up to 114 HP/ 85 kW / 100 kVA except Electric Vehicle Charging Stations.
- Provided that LT consumers having sanctioned/ contracted load upto 90 kW/ 120 HP and are billed under LT tariff vide earlier tariff order shall continue to be billed under LT tariff.
- Electric Vehicle Charging Stations upto 150 kW/167 kVA shall also avail supply at three phase.
- LT Agricultural consumers up to 5 kW connected / contracted demand shall also avail supply at three phase.

Category of Service and Tariff Rates

1. DOMESTIC SERVICE (DS)

Applicability

This tariff is applicable for supply of electricity for domestic purposes such as lights, fans, televisions, heaters, air-conditioners, washing machines, air-coolers, geysers, refrigerators, ovens, mixers and other domestic appliances including motor pumps for lifting water for domestic purposes having sanctioned/contracted load up to 85 kW / 100 kVA.

This is also applicable to the government residential quarters, and common facilities in the residential multistoried apartments, buildings and supply to residential quarter attached with the private/government educational institutions, etc.

This is also applicable to a premises wherein a part of the domestic premises is used for running small shops, clinics, offices, homestays, etc. for non-domestic purposes.

TARIFF RATES

1.1. LTDS-I: Connected Load Based

This will be applicable to all dwelling houses below the poverty line (BPL) with a total connected load not exceeding 250 watts and maximum consumption of 100 units per month.

Fixed charge	Energy charge	
(Load up to 250 Watts)	Consumption in a month (kWh)	Rate
Rs. / connection / per month		(Rs/kWh)
As per the tariff Schedule provided in the section 9.1 of this order	Up to 100 kWh	As per the tariff Schedule provided in the section 9.1 of this order

In case it is detected that the connected load or the consumption exceeds the norms prescribed above, the demand charge and consumed units for that billing period shall be billed at the tariff rates applicable to Domestic Connection.

1.2 LTDS-II: Demand Based

This is applicable for domestic premises as well as government residential quarters. This is also applicable to the common facilities in the residential multistoried apartments/buildings having sanctioned/contracted load up to 85 kW / 100 kVA.

Note: In case the consumers in Multi-consumer complex have availed individual connections, separate connection shall be provided for consumption of energy for common services such as lifts, pumps for pumping water, etc., and such consumption of such connection shall be billed at highest slab of respective tariff category.

Fixed charge	Energy charge	
	Consumption in a month (kWh)	Rate
Rs./kW or part thereof per month	Rs./kWh	
As per the tariff Schedule provided in the section 9.1 of this order	0-100	As per the tariff Schedule provided in the section 9.1 of this order
	101-200	
	201-300	
	301-400	
	Above 400	

If any portion of the premises is used for other than domestic purposes, tariff for Domestic Mixed Connection shall be applicable.

1.3 LTDS-III: Demand Based

This is applicable for a premises wherein a part of the domestic premises is used for running small shops, clinics, offices, homestays, etc. for non-domestic purposes. This is also applicable to the common facilities in the mixed multistoried apartments/buildings and supply to residential quarter attached with the private/government educational institutions having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charge	
	Consumption in a month (kWh)	Rate
Rs./kW or part thereof per month	Rs./kWh	
As per the tariff Schedule provided in the section 9.1 of this order	0-100	As per the tariff Schedule provided in the section 9.1 of this order
	101-200	
	201-300	
	301-400	
	Above 400	

2.0. NON-DOMESTIC SERVICE (NDS)

Applicability

This is applicable for supply of electrical energy for non-domestic consumers having sanctioned/contracted load up to 85 kW / 100 kVA, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals, nursing homes, clinics, dispensaries, restaurants, bakery outlets, standalone warehouses, scrapyards, hotels, clubs, guest houses, resorts, PG, old age homes, farm houses, marriage houses, public halls, show rooms, centrally air-conditioning units, cold storage, offices, commercial establishments, cinemas, X-ray plants, non-government schools, colleges, libraries and research institutes, boarding/lodging houses, libraries, railway stations, fuel/oil stations, service stations, All India Radio/T.V. installations, printing presses, government / commercial trusts, societies, banks, theatres, circus, coaching institutes, common facilities in multistoried commercial office/buildings, Government and semi-government offices, public museums, Government educational institutions, Government hospitals and government research institutions and non-profitable government aided educational institutions, non-profitable recognized charitable cum public institutions, places of worship like temples, mosques, gurudwaras, churches etc. and burial/crematorium grounds, signboards, banners and hoardings for advertisement and other installations not covered under any other tariff schedule.

2.1. NDS – I: Demand Based

This tariff shall be applicable to supply of electrical energy for non-domestic consumers using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals, nursing homes, clinics, dispensaries, clubs, public halls, show rooms, centrally air-conditioning units, bakery outlets, standalone warehouses, scrapyards, cold storage, offices, commercial establishments, cinemas, X-ray plants, non-government schools, colleges, libraries and research institutes, libraries, railway stations, fuel/oil stations, service stations, All India Radio/T.V. installations, printing presses, government / commercial trusts, societies, banks, theatres, circus, coaching institutes, common facilities in multistoried commercial office/buildings, Government and semi-government offices, public museums, and burial/crematorium grounds, and other installations not covered under any other tariff schedule for contracted load up to 85 kW/ 100 kVA.

Fixed charge	Energy charges	
Rs./kVA or part thereof per month	Consumption in a month (kVAh)	Rate
		Rs/kVAh
As per the tariff Schedule provided in the section 9.1 of this order	1-100	As per the tariff Schedule provided in the section 9.1 of this order
	101-200	
	Above 200	

2.2. NDS – II: Demand based

This is applicable to premises having hotels & restaurants, guest houses, marriage houses, resorts, boarding & lodging houses, farm houses, PG, old age homes, etc having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charges	
Rs./kVA or part thereof per month	Consumption in a month (kVAh)	Rate
		Rs/kVAh
As per the tariff Schedule provided in the section 9.1 of this order	1-100	As per the tariff Schedule provided in the section 9.1 of this order
	101-200	
	Above 200	

2.3. NDS – III: Demand based

This tariff shall be applicable to hoardings/ sign boards/advertising boards having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charges	
Rs./kVA or part thereof per month	Rate	
	Rs/kVAh	
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order	

2.4. NDS – IV: Demand Based

This tariff shall be applicable to Government educational institutions, Government hospitals and government research institutions and non-profitable government aided educational institutions, non-profitable recognized charitable cum public institutions having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	Rs/kVAh
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

2.5. NDS – V: Connected Load Based

This tariff shall be applicable to places of worship like temples, mosques, gurudwaras, churches, seminaries, shrines, etc. having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charges
Rs./kW or part thereof per month	Rate
	Rs/kWh
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

3.0 AGRICULTURAL SERVICE (AS)

Applicability

This is applicable for supply of electrical energy for irrigation and agricultural purposes including processing of Agricultural Produce, including chaff-cutter, thrasher, cane crusher, mushroom farming and rice Huller when operated by the agriculturist in the field or farm. This is also applicable to agricultural allied services such as animal husbandry, horticulture, pisciculture, hatcheries, poultries, fisheries, etc. having sanctioned/contracted load up to 85 kW / 100 kVA.

3.1. LTAS – I: Connected load based

This is applicable for supply of electrical energy having sanctioned/contracted

load up to 10 kW for irrigation and agricultural purposes including processing of Agricultural Produce, including chaff-cutter, thrasher, cane crusher, mushroom farming and rice Huller when operated by the agriculturist in the field or farm.

Fixed charge	Energy charges
Rs./kW or part thereof per month	Rate
	(Rs/kWh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 35/kW or part thereof per month.

3.2. LTAS – II: Demand based

This is applicable for supply of electrical energy having sanctioned/contracted load up to beyond 10 kW and upto 85 kW/ 100 kVA for irrigation and agricultural purposes including processing of Agricultural Produce, including chaff-cutter, thrasher, cane crusher, mushroom farming and rice Huller when operated by the agriculturist in the field or farm.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

For supply of electrical energy to unmetered consumers there will be only fixed charges of Rs. 140/kVA or part thereof per month.

3.3. LTAS – III: Demand based

This is applicable to agricultural allied services such as animal husbandry, horticulture, pisciculture, hatcheries, poultries, fisheries, etc. having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

4.0 INDUSTRIAL SERVICES (LTIS)

Applicability

This is applicable for supply of electricity to industrial consumers which includes incidental lighting for industrial processing or agro-industries purposes, arc welding sets, flour mills, oil mills, rice mills, dal mills, atta chakki, Huller, expellers, etc. having sanctioned/contracted load up to 85 kW / 100 kVA.

4.1. LTIS – I: (Demand based)

This is applicable for supply of electricity to industrial consumers having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge Rs./kVA or part thereof per month	Consumption in a month (kVAh)	Energy charges (Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	1-500	As per the tariff Schedule provided in the section 9.1 of this order
	501-1000	
	Above 1000	

5.0. PUBLIC UTILITY SERVICES

Applicability

This is applicable to public water works, sewerage treatment plant and sewerage pumping stations as well as street light system including Mast lights functioning under state government and state government undertakings and local bodies, Defense establishments/MES and Indian Railways (for traction purpose). This is also applicable to the Traffic Lights having sanctioned/contracted load up to 85 kW / 100 kVA.

5.1. LTPS-I: Demand Based

This is applicable to public water works, sewerage treatment plant and sewerage pumping stations functioning under state government and state government undertakings and local bodies and having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge Rs./kVA or part thereof per month	Energy charges (Rs./kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

5.2. LTPS-II: Connected Load Based

This is applicable to street light system including Mast lights functioning under state government and state government undertakings and local bodies and having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge Rs./kW or part thereof per month	Rate (Rs/kWh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

5.3. LTPS-III: Connected Load Based

This is applicable for public utility purposes as defined under Public Utility Services such as Defense establishments/MES, Indian Railways (for traction purpose), etc. having sanctioned/contracted load up to 85 kW / 100 kVA.

Fixed charge Rs./kW or part thereof per month	Rate (Rs/kWh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

6.0. Electric Vehicle Charging Stations

Applicability

This Tariff category is applicable for Public Charging Stations (PCS) and Captive Charging Stations (CCS) for electric vehicle as defined below in accordance with the Ministry of Power, GoI revised consolidated guidelines, and standards for charging infrastructures for Electric Vehicles dated 14th January, 2022 and having sanctioned/contracted load up to 150 kW / 167 kVA.

Public Charging Stations (PCS) shall mean an EV charging station where any electric vehicle can get its battery recharged. Captive Charging Stations (CCS) shall mean an electric vehicle charging station exclusively for the electric vehicles owned or under the control of the owner of the charging station e.g., Government Departments, Corporate houses, Bus Depots, Charging stations owned by the fleet owners, etc. but not being used for commercial purpose of charging other vehicles on paid basis.

Note:

(i) Electricity consumption for other facilities and purposes at Charging Station such as office, restaurant, rest rooms, convenience stores, public amenities, etc., shall be charged at tariff applicable to Non-Domestic Category.

(ii) In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

6.1. LTEV-I: Demand Based

This Tariff category is applicable for Public Charging Station and Captive Charging Stations for electric vehicle having sanctioned/contracted load up to 150 kW / 167 kVA.

Fixed charge Rs./kVA/month	Energy charges (Rs./kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

TERMS AND CONDITIONS OF LT TARIFF

1. Recovery of Fixed / Demand Charge

The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher.

If the recorded maximum demand is greater than the contracted demand, excess demand shall be billed at double the normal rate. Energy corresponding to excess demand shall also be billed at double the normal rate. Fixed/Demand charges, wherever applicable, will be double as and when bi-monthly billing is carried out. Similarly, slabs of energy consumption will also be considered accordingly in case of bi-monthly billing.

The fixed/demand charge shall be recovered in full only if the average supply of power duly recorded by the consumer meter is maintained for at least 23 hours/day during the billing month. In any month if the supply of power is less than average 23 hours/day, then the demand charge for that month shall be levied on pro-rata basis.

2. Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS)

In addition to the tariff, Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS), if applicable, shall be charged extra.

3. Delayed Payment Surcharge (DPS)

In case a consumer does not pay energy bills in full by due date specified in the bill, a delayed payment surcharge of one and half (1.5) percent per month on the outstanding principal amount of bill will be levied from the due date for payment until the payment is made in full without prejudice to right of the Licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. In case of delay less than a month, the delayed payment surcharge will be levied at 1.50% per month on proportionate basis considering a month consists of 30 days.

Provided that, if a consumer makes part payment of a bill, in exceptional circumstances, with prior approval of the Competent Authority, within the due date, then the delayed payment charges shall be applicable only on the amount which was not paid within the due date.

In case of permanent disconnection, delayed payment surcharge shall be charged up to the month of permanent disconnection.

4. Duties and Taxes

The tariff is exclusive of electricity duty, taxes and other charges. Other statutory levies like electricity duty or any other taxes, duties etc., imposed

by the State Government / Central Government or any other competent authority, shall be levied extra and shall not be part of the tariff as determined under this Order.

5. Advance Payment

If a consumer makes advance payment against his future bills he shall be allowed an interest of one percent (1%) per month on the amount (excluding security deposit) which remains with the licensee at the end of the month. Such amount of interest shall be adjusted in subsequent monthly regular electricity bills on reducing balance.

6. Power Factor Surcharge/Rebate

Any LT consumer except Domestic category who fails to maintain monthly average power factor of 85% having billing on kW/kWh basis shall pay/avail a surcharge/rebate in addition to his normal tariff at the following rate:

a. Power Factor Surcharge

(i) For each fall of 0.01 in power factor for $0.85 > pf \geq 0.8$	2% on demand and energy charge
(ii) For each fall of 0.01 in power factor for $0.80 > pf \geq 0.75$	2.5% on demand and energy charge
(iii) For each fall of 0.01 in power factor below 0.75	3% on demand and energy charge
In case the monthly average power factor is less than 0.70 lagging, the installation is liable for disconnection after due notice.	

b. Power Factor Rebate

(i) For each increase of 0.01 in power factor for $0.90 < pf \leq 0.95$	0.5 (half) percent on demand and energy charge (Actual Recorded)
(ii) For each increase of 0.01 in power factor above 0.95	1.0 (one) percent on demand and energy charges. (Actual Recorded)

7. Time of Day tariff (ToD) (Optional)

All LT consumers except agriculture shall be mandatory billed under ToD tariff at the rates given in the below schedule from the date of installation of smart meters in their premises.

Under the Time of Day (ToD) Tariff, electricity consumption and maximum demand for different periods of the day, i.e. normal period, peak load period and off-peak load period, shall be recorded by installing a ToD compliant meter. The maximum demand and consumption recorded in different periods shall be billed at the following rates on the tariff applicable to the consumer.

ToD Slabs	Demand Charges	Energy Charges
Solar Hours (09:00 to 17:00)	Normal Rate	80% of Normal rate of energy charges
Normal Hours (00:00 to 09:00)	Normal Rate	100% of normal rate of energy charges
Peak Hours (17:00 to 00:00)	Normal Rate	125% of normal rate of energy charges

8. Temporary Connection

Temporary Connections shall be billed at 150% of tariff rates of Fixed Charge and Energy Charge under respective tariff category.

Note: For conversion of kW to kVA or kW to HP for LT Consumers, the following factor shall be considered:

1 kW = 1.34 HP ; 1 HP = 0.746 kW

1 kW = 1.176 kVA ; 1 kVA = .85 kW

B : HIGH TENSION SUPPLY

System of supply:

High Tension: Three Phase supply at 11/33 kV.

The tariffs are applicable for supply of electricity to HT consumers with a connected / contracted demand exceeding 100 kVA and up to 5000 kVA under three phase supply at 11/33 kV voltage.

Provided that the aforesaid tariff shall not be applicable for supply of Electric Vehicle Charging Stations having sanctioned/ contracted load up to 150 kW/167 kVA connected at low tension supply voltage.

Category of Service and Tariff Rates

7.1. HTS-I: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for domestic purposes as defined under Domestic Services with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.2. HTS-II: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for non-domestic purposes as defined under Non-Domestic Services with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.3. HTS-III: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for irrigation & agricultural purposes including agricultural allied services as defined under Agricultural Services with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.4. HTS-IV: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for industrial purposes as defined under Industrial Services with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.5. HTS-V: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for public utility purposes as defined under Public Utility Services such as Defense establishments/MES, Indian Railways (for traction purpose), etc. with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.6. HTS-VI: Demand Based

This tariff is applicable for supply of electricity at 11/33 kV for public and captive electric vehicle charging stations as defined under Electric Vehicle Charging Stations with a contract demand exceeding 100 kVA and above upto 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

TERMS AND CONDITIONS OF HT TARIFF

1. Recovery of Fixed / Demand Charge

The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher.

If the recorded maximum demand is greater than the contracted demand, excess demand shall be billed at double the normal rate. Energy corresponding to excess demand shall also be billed at double the normal rate. The electricity connection shall be disconnected if the over drawl is more than 20% of the contract demand.

The demand charges shall be recovered in full only if the average supply of power duly recorded by the consumer meter is maintained for at least 23 hours/day during the billing month. In any month if the supply of power is less than average 23 hours/day, then the demand charge for that month shall be levied on pro-rata basis.

2. Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS)

In addition to the tariff, Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS), if applicable, shall be charged extra.

3. Delayed Payment Surcharge (DPS)

In case a consumer does not pay energy bills in full by due date specified in the bill, a delayed payment surcharge of one and half (1.5) percent per month on the outstanding principal amount of bill will be levied from the due date for payment until the payment is made in full without prejudice to right of the Licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. In case of delay less than a month, the delayed payment surcharge will be levied at 1.50% per month on proportionate basis considering a month consists of 30 days.

Provided that, if a consumer makes part payment of a bill, in exceptional circumstances, with prior approval of the Competent Authority, within the due date, then the delayed payment charges shall be applicable only on the amount which was not paid within the due date.

In case of permanent disconnection, delayed payment surcharge shall be charged up to the month of permanent disconnection.

4. Duties and Taxes

The tariff is exclusive of electricity duty, taxes and other charges. Other statutory levies like electricity duty or any other taxes, duties etc., imposed by the State Government / Central Government or any other competent authority, shall be levied extra and shall not be part of the tariff as determined under this Order.

5. Advance Payment

If a consumer makes advance payment against his future bills, he shall be allowed an interest of one percent (1%) per month on the amount (excluding security deposit) which remains with the licensee at the end of the month. Such amount of interest shall be adjusted in subsequent monthly regular electricity bills on reducing balance.

6. Time of Day tariff (ToD)

ToD Tariff is mandatory for all HT/EHT consumers except for agriculture category and those having Captive Power Plants and/or availing supply from other sources through wheeling of power. HT/EHT industrial consumers who have installed standby generating plants shall also be eligible for the aforesaid ToD tariff.

Under the Time of Day (ToD) Tariff, electricity consumption and maximum

demand for different periods of the day, i.e. normal period, peak load period and off-peak load period, shall be recorded by installing a ToD compliant meter. The maximum demand and consumption recorded in different periods shall be billed at the following rates on the tariff applicable to the consumer.

ToD Slabs	Demand Charges	Energy Charges
Solar Hours (09:00 to 17:00)	Normal Rate	80% of Normal rate of energy charges
Normal Hours (00:00 to 09:00)	Normal Rate	100% of normal rate of energy charges
Peak Hours (17:00 to 00:00)	Normal Rate	125% of normal rate of energy charges

7. Voltage Rebate / Surcharge

Consumers under High Tension Services having contracted load above 100 kVA and receiving supply at 33 kV shall avail a voltage rebate of 3% on Energy Charge.

8. Temporary Connection

Temporary Connections shall be billed at 150% of tariff rates of Fixed Charge and Energy Charge under respective tariff category.

Note: For conversion of kW to kVA or kW to HP for HT/EHT Consumers, the following factor shall be considered:

$$1 \text{ kW} = 1.34 \text{ HP}; 1 \text{ HP} = 0.746 \text{ kW}$$

$$1 \text{ kW} = 1.11 \text{ kVA}; 1 \text{ kVA} = .90 \text{ kW}$$

C: EXTRA HIGH TENSION SUPPLY

System of supply:

Extra High Tension: Three Phase supply at 66 kV & above

The tariffs are applicable for supply of electricity to EHT consumers with a connected / contracted demand exceeding 5000 kVA under three phase supply at 66 kV & above voltage.

Category of Service and TARIFF RATES

7.1 EHTS-I: Demand Based

This tariff is applicable for supply of electricity at 66 kV and above for non-

domestic purposes as defined under Non-Domestic Services with a contract demand exceeding 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

7.2 EHTS-II: Demand Based

This tariff is applicable for supply of electricity at 66 kV and above for industrial purposes as defined under Industrial Services with a contract demand exceeding 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

EHTS-III: Demand Based

This tariff is applicable for supply of electricity at 66 kV and above for public utility purposes as defined under Public Utility Services such as Defense establishments/MES, Indian Railways (for traction purpose), etc. with a contract demand exceeding 5000 kVA.

Fixed charge	Energy charges
Rs./kVA or part thereof per month	Rate
	(Rs/kVAh)
As per the tariff Schedule provided in the section 9.1 of this order	As per the tariff Schedule provided in the section 9.1 of this order

TERMS AND CONDITIONS OF EHT TARIFF

The above tariffs are subject to the following conditions:

1. Recovery of Fixed / Demand Charge

The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher.

If the recorded maximum demand is greater than the contracted demand, excess demand shall be billed at double the normal rate. Energy corresponding to excess demand shall also be billed at double the normal rate. The electricity connection shall be disconnected if the over drawl is more than 20% of the contract demand.

The demand charges shall be recovered in full only if the average supply of power duly recorded by the consumer meter is maintained for at least 23 hours/day during the billing month. In any month if the supply of power is less than average 23 hours/day, then the demand charge for that month shall be levied on pro-rata basis.

2. Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS)

In addition to the tariff, Fuel and Power Purchase Cost Adjustment Surcharge (FPPCAS), if applicable, shall be charged extra.

3. Delayed Payment Surcharge (DPS)

In case a consumer does not pay energy bills in full by due date specified in the bill, a delayed payment surcharge of one and half (1.5) percent per month on the outstanding principal amount of bill will be levied from the due date for payment until the payment is made in full without prejudice to right of the Licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. In case of delay less than a month, the delayed payment surcharge will be levied at 1.50% per month on proportionate basis considering a month consists of 30 days.

Provided that, if a consumer makes part payment of a bill, in exceptional circumstances, with prior approval of the Competent Authority, within the due date, then the delayed payment charges shall be applicable only on the amount which was not paid within the due date.

In case of permanent disconnection, delayed payment surcharge shall be charged up to the month of permanent disconnection.

4. Duties and Taxes

The tariff is exclusive of electricity duty, taxes and other charges. Other

statutory levies like electricity duty or any other taxes, duties etc., imposed by the State Government / Central Government or any other competent authority, shall be levied extra and shall not be part of the tariff as determined under this Order.

5. Advance Payment

If a consumer makes advance payment against his future bills, he shall be allowed an interest of one percent (1%) per month on the amount (excluding security deposit) which remains with the licensee at the end of the month. Such amount of interest shall be adjusted in subsequent monthly regular electricity bills on reducing balance.

6. Time of Day tariff (ToD)

ToD Tariff is mandatory for all HT/EHT consumers except for agriculture category and those having Captive Power Plants and/or availing supply from other sources through wheeling of power. HT/EHT industrial consumers who have installed standby generating plants shall also be eligible for the aforesaid ToD tariff.

Under the Time of Day (ToD) Tariff, electricity consumption and maximum demand for different periods of the day, i.e. normal period, peak load period and off-peak load period, shall be recorded by installing a ToD compliant meter. The maximum demand and consumption recorded in different periods shall be billed at the following rates on the tariff applicable to the consumer.

ToD Slabs	Demand Charges	Energy Charges
Solar Hours (09:00 to 17:00)	Normal Rate	80% of Normal rate of energy charges
Normal Hours (00:00 to 09:00)	Normal Rate	100% of normal rate of energy charges
Peak Hours (17:00 to 00:00)	Normal Rate	125% of normal rate of energy charges

7. Voltage Rebate / Surcharge

Consumers under Extra High Tension Services having contracted load above 5000 kVA and receiving supply at 220 kV shall avail a voltage rebate of 3% on Energy Charge.

8. Temporary Connection

Temporary Connections shall be billed at 150% of tariff rates of Fixed Charge and Energy Charge under respective tariff category.

Note: For conversion of kW to kVA or kW to HP for HT/EHT Consumers, the following factor shall be considered:

1 kW = 1.34 HP ; 1 HP = 0.746 kW

1 kW = 1.11 kVA ; 1 kVA = .90 kW

9.3 Schedule of Miscellaneous Charges

The Miscellaneous and General charges approved by the Commission are as below:

1.1. Application fee for new connection / reduction of load / enhancement of load / temporary or permanent disconnection / change of ownership / meter shifting, etc.:

Sl. No.	Category / class	Rate
(i)	BPL	Rs.50.00
(ii)	LT Single phase except BPL	Rs.100.00
(iii)	LT Three phase	Rs.250.00
(iv)	HT Connection	Rs.500.00
(v)	EHT Connection	Rs.1000.00

1.2. Inspection of consumer's Installation:

Sl. No.	Category / class	Rate
(i)	Initial Inspection	Free of cost
(ii)	Subsequent inspection necessitated by fault in installation	Rs. 50.00 for BPL Rs.100.00 for LT single phase connection except BPL Rs.250.00 for LT Three phase connection Rs.500.00 for HT connection Rs.1000.00 for EHT connection

Note: The aforesaid Inspection fee shall be refunded to the consumer, by adjustment in the subsequent bill, if the fault is found to be in the consumer's wiring.

1.3. Service Connection Charge:

Sl. No.	Category/class	Rate	
(i)	BPL Connections	Free	
(ii)	LT Single Phase except BPL Connections	Rs. 250.00/kVA/kW	The licensee shall extend the distribution mains free of cost upto 30 meters with installation of poles/ wires/ DP as per the requirement. Any extension beyond 30 meters is chargeable to consumers. However, if the extension of the distribution mains is done by the consumer on the licensee's direction then no service connection charge shall be payable by the consumer.
(iii)	All LT Three Phase Connections with sanctioned load 85 kW/ 100 kVA/ 114 HP (including EV with sanctioned load upto 150 kW/ 167 kVA)	Rs. 500.00/kVA/kW	
(iv)	All HT Connections upto 167 kVA (150 kW) including EV Connections	Rs. 500.00/kVA	
(v)	HT Connections with load more than 167 kVA (150 kW)	Rs. 750.00/kVA	
(vi)	EHT Connections	Rs. 1000.00/kVA	

1.4. Meter Testing Fee:

The meter testing fee at the following rates shall be charged from the consumers disputing the meter accuracy:

Sl. No.	Category /Class	Rate
(i)	LT Single Phase meter	Rs. 100.00
(ii)	LT Three Phase whole current meter	Rs. 250.00
(iii)	Three Phase meter with CT set	Rs. 1000.00
(iv)	HT Tri-vector meter with 11/22/33 kV CTPT Unit	Rs. 5000.00
(v)	EHT Tri-vector meter with 110/132/220 kV CTPT Unit	Rs. 10000.00

However, if the meter is tested at third party testing laboratory at the request of the consumers, then the fees charged by the testing laboratory shall be payable by the consumer.

Note: The aforesaid meter testing fee shall be refunded to the consumer, by adjustment in the subsequent bill, if the meter, upon testing, is found to be defective / burnt due to reasons attributable to the Licensee.

1.5. Removing / Re-fixing of Meter at consumer's request:

Sl. No.	Category / class	Rate	Cost of material, as required, will be borne by the consumer as per the estimate.
(i)	Single Phase meter	Rs. 250.00	
(ii)	Three Phase meter	Rs. 500.00	
(iii)	Three Phase meter with CT	Rs. 1000.00	
(iv)	HT Tri-vector with CTPT Unit	Rs. 5000.00	
(v)	EHT Tri-vector with CTPT Unit	Rs. 10000.00	

1.6. Disconnection / Reconnection charge at consumer's request:

Sl. No.	Category/class	Rate
(i)	BPL	Rs. 50.00
(ii)	LT Single Phase supply	Rs. 100.00
(iii)	LT Three Phase supply	Rs. 250.00
(iv)	HT supply	Rs. 500.00
(v)	EHT supply	Rs. 1000.00

Note: If the supply is disconnected on consumer's default of payment or any other default, disconnection fee shall also be payable by such consumers along with reconnection fee at the time of reconnection.

1.7. Pole shifting charges at consumer's request:

The pole shifting charges shall be payable by the consumer based on cost estimate on case to case basis.

Chapter 10: Directives

Over the years, the Commission has issued various directives to the Petitioner for necessary action at its end. It has been observed that the Petitioner is not fully complying with many of the directives issued by the Commission. In order to strengthen the effective monitoring and ensure timely implementation of all the directives in true spirit, the Commission hereby directs that the Petitioner shall now compulsorily submit:

- The detailed action plan for compliance of all the directives within 1 month of the issuance of this Order.
- The quarterly progress report as per the detailed action plan for all the directives issued in the subsequent sections and also the quarterly status reports for metering & billing, RPO compliance, FPPCA, SOPs and Capex and Capitalisation within 10 days of the end of each quarter of the calendar year.

10.1 Previous directives continued in this Order

While examining the compliance note and supporting documents submitted by the Petitioner in the present Petition, it is observed that some of the directives issued in the previous Tariff Orders have not been fully complied with by the Petitioner.

The Commission is of the view that substantial time has already been given to the utility for compliance with these directions. Thus, the Commission hereby directs the utility to comply with the directions mentioned below in the given timeframe, failing which the Commission shall be constrained to initiate necessary action as per the provisions of the Electricity Act 2003 and the Regulations made thereunder.

10.2 Energy Audit and T&D Losses

Originally Issued in Tariff Order dated 5th February 2010
Commission's Directive in MYT Order dated 31.03.2022
<p>The Commission has taken a serious view of the fact that the Petitioner has not submitted the Energy Audit Report along with the Tariff Petition for FY 2022-23. As per the timelines envisaged by the Petitioner the Energy Audit Report should be completed by March 2021 therefore the Commission directs the Petitioner to submit the same within 1 month of issue of this Order.</p>
Commission's Response in previous tariff order dated 12th June 2024
<p>The Petitioner is directed to submit the Energy Audit Report of FY 2023-24 along with the filing of next tariff Petition.</p>
Petitioner's Response in Present Tariff Petition

The Petitioner submitted that the Petitioner has appointed M/s A-Z Energy Engineers Pvt Ltd, New Delhi as the Energy Auditor for FY-2023-24. The Energy audit report has been prepared and will be audited by the Accredited Energy auditor shortly.

Commission's Directive

The Commission has observed that the Petitioner has submitted the Energy Audit Report for FY 2023-24 in the replies to data deficiency note. The Petitioner is directed to submit the energy audit report along with the true-up petitions to be filed henceforth. Hence dropped this directive.

10.3Proposal of the Energy Charges for the agriculture category

Originally Issued in Tariff Order dated 10th April 2013

Commission's Directive in MYT Order dated 31.03.2022

The Commission takes note of the efforts of the Petitioner in this regard and directs the Petitioner to provide 100% metering to all agricultural consumers as proposed by the Petitioner. The Commission directs the Petitioner to submit a report on the same within 1 month of issue of this Order.

Commission's Directive in previous tariff order dated 12th June 2024

The Commission notes reply of the Petitioner and the Petitioner is directed to complete 100% metering to all agricultural consumers by FY 2024-25 and action planned towards this compliance to be submitted within 30 days of issued of this Order.

Petitioner's Response in Present Tariff Petition

The Petitioner submits that at present 7110 no. of Agriculture services have been provided with meters. However, it has been proposed to provide smart meters to all the agriculture service connections under the RDSS scheme being implemented by the Department.

Commission's Directive

The Commission notes reply of the Petitioner and the Petitioner is directed to complete 100% metering to all agricultural consumers by FY 2025-26 and action plan towards this compliance to be submitted within 60 days of issued of this order.

10.4 Determination of Voltage wise Wheeling charges and Category wise / Voltage wise Cost of supply

Originally Issued in Tariff Order dated 24th May 2016
Commission's Directive in MYT Order dated 31.03.2022
<p>The Commission has taken a serious view of the fact that the Petitioner has been unable to submit the Voltage wise Asset Register or the Energy Audit Report. In light of the same, the Commission in this Tariff Order has again determined the voltage wise wheeling charges based on certain assumptions. The Commission directs the Petitioner to submit all the requisite information for determination of voltage wise wheeling charges along with petition for determination of tariff for FY 2023-24.</p>
Commission's Directive in previous tariff order dated 12th June 2024
<p>The Commission takes note of the same and directs the Petitioner that this details to be provided along with filing of tariff petition henceforth.</p>
Petitioner's Response in Present Tariff Petition
<p>The Petitioner submits that the task of preparation of voltage-wise wheeling charges and category-wise Voltage-wise cost of supply is being prepared with the support of the consultant engaged for assisting in preparation of MYT tariff.</p>
Commission's Directive
<p>The Commission takes note of the same and directs the Petitioner to submit the exact timeline for the action plan regarding the voltage wise wheeling charges and Cost of supply.</p>

10.5 New Bill Format

Originally Issued in Tariff Order dated 24th May 2016
Commission's Directive in MYT Order dated 31.03.2022
<p>The Commission takes note of the efforts by the Petitioner in this regard. The Commission directs the Petitioner to submit a report on the progress of the same within 1 month of issue of this Order.</p>
Commission's Directive in previous tariff order dated 12th June 2024
<p>The Commission noted the submission of the Petitioner. The Commission has directed the Petitioner vide its letter dated 28.03.2024 for simplifying the electricity bills for domestic consumers either in English, Hindi or the regional languages. The Commission directs the Petitioner to submit a report on the progress of the same within 7 days of issue of this Order.</p>

Petitioner's Response in Present Tariff Petition

Petitioner submits that all the consumers of the UT of Puducherry is being served with monthly detailed bill with regional language in the PDF format at the Department's website (www.pedservices.py.gov.in).

Commission's Directive

The Commission has noted the response of the Petitioner and drops this directive.

10.6 Time of Day (ToD) Tariff for HT/ EHT consumers**Originally Issued in Tariff Order dated 24th May 2016****Commission's Directive in MYT Order dated 31.03.2022**

The Commission takes note of the efforts by the Petitioner in this regard. The Commission directs the Petitioner to submit a report on the progress of the same within 1 month of issue of this Order.

Commission's Directive in previous tariff order dated 12th June 2024

The Commission notes reply of the Petitioner and the Petitioner is directed to complete 100% metering to all agricultural consumers by FY 2024-25 and action planned towards this compliance to be submitted within 30 days of issued of this order.

Petitioner's Response in Present Tariff Petition

In the Tariff order dated 12.06.2024, the TOD tariff was made applicable to every HT/EHT consumers, who opt for the TOD tariff. However, the Petitioner submits that presently, no consumer has opted for the TOD tariff.

Commission's Directive

The Commission has noted the response of the Petitioner and drops this directive.

10.7 Compliance towards Renewable Purchase Obligation (RPO)**Originally Issued in Tariff Order dated March 28, 2018****Commission's Directive in MYT Order dated 31.03.2022**

The Commission takes note of the Petitioner's Submission. The Petitioner is directed to expedite the engagement of solar power suppliers to ensure

compliance of the RPO obligations and a report thereof to be submitted along with the next tariff petition.

Commission's Directive in previous tariff order dated 12th June 2024

The Commission noted the submission of the Petitioner and directs that RPO compliance in each category (as mentioned at Chapter 5) needs to be complied with.

Petitioner's Response in Present Tariff Petition

The Petitioner submits that the Department strive to comply with the RPO targets as prescribed by the Hon'ble Commission in its Tariff Order dated 12.06.2024. It is further submitted that the cumulative RPO shortfall is proposed to be complied in FY 2025-26.

Commission's Directive

The Commission noted the response of the Petitioner. Further, it is expected that the Petitioner shall comply with its yearly RPO as approved in Business Plan Order dated 18th August 2025. The directive is accordingly dropped.

10.8 New billing software

Originally Issued in Tariff Order dated April 7, 2021

Commission's Directive in MYT Order dated 12th June 2024

The Commission noted the submission of the Petitioner. The Commission has directed the Petitioner vide its letter dated 28.03.2024 for simplifying the electricity bills for domestic consumers either in English, Hindi or the regional languages. The Commission directs the Petitioner to submit a report on the progress of the same within 7 days of issue of this Order.

Petitioner's Response in Present Tariff Petition

The Petitioner submits that new billing software developed by NIC has been implemented in all the four regions of the UT of Puducherry to issue spot bill to the consumers on real time basis.

Commission's Directive

The Commission has noted the response of the Petitioner and the Petitioner to the submit the status report regarding the same within the 30 days of the issue of this Order.

10.9DPR for the project of the metering of all consumers (except Agriculture) with smart meters with prepayment

Commission's Directive in MYT Order dated 31.03.2022

The Commission directs the Petitioner to submit the DPR for the project of the metering of all consumers (except Agriculture) with smart meters with prepayment mode by December 2023 as soon as possible for the consideration of the Commission.

Commission's Directive in Previous Tariff Order dated 12th June 2024

The Commission takes note of the Petitioner's Submission. The Petitioner is directed to submit the detailed plan for smart metering within 30 days of issue of this Order.

Petitioner's Response in Present Tariff Petition

The Petitioner submits that PED has initiated the work on detailed plan for smart metering and will submit the same to the Commission in due course of time.

Commission's Directive

The Commission observed that even after multiple directions, the Petitioner fails to submit the detailed plan for smart metering for all category except agriculture. The Petitioner doesn't seem to concern about directive of the Commission at all. However, the Commission give the Petitioner last opportunity to submit the detailed plan for smart metering for all the category within 30 days of issue of this Order.

10.10 Field level information such as Category wise break-up of costs related to Metering, Billing and Collection etc.

Commission's Directive in MYT Order dated 31.03.2022

The Commission strongly believes that determination of Category wise Cost of Supply is essential to ensure cost reflectivity in tariffs fixed for different categories. However, the Commission feels that to carry out this exercise a lot of field level information would be required such as Category wise co-incident and non- co- incident demand, Voltage wise value of assets (Voltage wise asset ratio), Voltage wise losses, Category wise break-up of costs related to Metering, Billing and Collection etc. which currently the Petitioner doesn't maintain. Therefore, The Commission directs the Petitioner to start maintaining field level information such as Category wise co-incident and non- co-incident demand, Voltage wise value of assets (Voltage wise asset ratio), Voltage wise losses, Category wise break-up of costs related to

Metering, Billing and Collection etc. and submit the same in the tariff proceedings of next year.

Commission's Directive in Previous Tariff Order dated 12th June 2024

The Commission takes note of the Petitioner's Submission. The Petitioner is directed to submit a detailed plan for ERP & MIS system within 6 months of the issue of the order.

Petitioner's Response in Present Tariff Petition

The Petitioner submitted that category wise break up of costs relating Metering, Billing and Collection is very difficult for the Department as no MIS/ERP solution is implemented at the Department. It is therefore requested that Commission may give time to implement ERP & MIS system at Electricity Department through which field level information abstract could be obtained.

Commission's Directive

The Commission observed that even after multiple directions, the Petitioner fails to submit the plan of action regarding the implementation of the ERP and MIS system. The Petitioner doesn't seem to concern about directive of the Commission at all. However, the Commission gives the Petitioner last opportunity to submit the plan of action within 30 days of issue of this Order.

10.11 Creation of SLDC

Commission's Directive in Previous Tariff Order dated 12th June 2024

The Commission directs the Petitioner for segregation of SLDC from its present business on priority. Further, a detailed report shall be furnished within 60 days from the issuance of this tariff order and separate tariff Petition shall be filed from next true-up for FY 2023-24.

Petitioner's Response in Present Tariff Petition

Detailed study on Segregation of SLDC from the DISCOM Business activity is being undertaken and a separate supplementary petition will be filed from the FY 2026-27.

Commission's Directive

The Commission noted the response of the Petitioner and direct the Petitioner to file a separate Petition by November 2026.

Annexure 1: List of Stakeholders

List of Stakeholders

List of Stakeholders present during Public Hearing on 29.04.2025	
1	Thiru. Shanmuganathan representing CII, Puducherry.
2	Thiru. Nehru alias Kuppusamy, M.L.A., Puducherry.
3	Thiru. Rajendran Sabanayagam, M/s. Sumangala Steels, Puducherry.
4	Thiru. Vai. Bala, Consumer forum, Puducherry.
5	Thiru. Uma Sankar, 13, Pillayar Koil Street, Pillayakuppam, Bahour, Puducherry.
6	Thiru. M. Panner Selvam, Thavalakuppm, Puducherry.
7	Thiru. G.Ramasamy, Co-ordinator, Joint Action Committee (JAC), Puducherry.
8	Thiru. SPK Damodar, Vedapuri Social Service, Mudaliarpet, Puducherry
9	Thiru. S.Sundarajan, 42, Fourth cross, Engineers colony, Mudaliarpet, Puducherry.
10	Thiru. R. Shanmugam, 46, first floor, 9 th cross, Rainbow Nagar, Puducherry.