



## **TARIFF ORDER**

Aggregate Revenue Requirement (ARR) for the 4<sup>th</sup> Control Period (FY 2025-26 to FY 2029-30) and Determination of Generation Tariff

Petition No. 137/2025

for

Puducherry Power Corporation Limited (PPCL)

10 July 2025

**JOINT ELECTRICITY REGULATORY COMMISSION**

**For the State of Goa and Union Territories,**

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## ***List of abbreviations***

<b>Abbreviation</b>	<b>Full Form</b>
Act	Electricity Act, 2003
AEC	Auxiliary Energy Consumption
CERC	Central Electricity Regulatory Commission
CGS	Central Generating Station
Commission/JERC	Joint Electricity Regulatory Commission for the State of Goa and Union Territories (except Delhi and Jammu & Kashmir)
EDP	Electricity Department, Puducherry
FC	Fixed charge
FY	Financial Year
GAIL (India) Ltd.	Gas Authority of India Limited
GFA	Gross Fixed Assets
GCV	Gross Calorific Value
MU	Million Unit
MW	Mega Watt
MYT	Multi-Year Tariff
NAPAF	Normative Annual Plant Availability Factor
O&M	Operation and Maintenance Expenses
PAFM	Plant Availability Factor during the month
PLF	Plant Load Factor
PPA	Power Purchase Agreement
PPCL	Puducherry Power Corporation Limited
RoE	Return on Equity
SHR	Station Heat Rate

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**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. 137/2025  
Date of Hearing: 25 April 2025

**In the matter of**

Aggregate Revenue Requirement (ARR) and Determination of Generation Tariff for the 4th Control Period (FY 2025-26 to FY 2029-30).

**And in the matter of**

Puducherry Power Corporation Ltd. (PPCL) ..... Petitioner

**ORDER**

10 July 2025

- 1) This Order is passed in respect of the Petition filed by the Puducherry Power Corporation Ltd (herein after referred to as “The Petitioner” or “PPCL” or “The Licensee”) for Aggregate Revenue Requirement (ARR) and Determination of Generation Tariff for the 4<sup>th</sup> Control Period (from FY 2025-26 to FY 2029-30) for Karaikal Gas Power Station (32.5 MW) before the Joint Electricity Regulatory Commission (herein after referred to as “The Commission” or “JERC”).
- 2) The petition has been filed under Sections 61, 62, 64 and 86 of the Electricity Act, 2003 read with Chapter-II (8) of the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024.
- 3) The Commission admitted the Petition on 28<sup>th</sup> March 2025, scrutinized the said Petition and generally found it in order. The Commission thereafter requisitioned further information/ clarifications on the data gaps observed to take a prudent view of the said Petition.

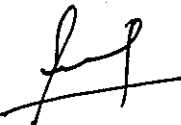


- 4) The suggestions/ comments/ views and objections were invited from the Stakeholders and Electricity Consumers. The virtual Public Hearing was held on 25<sup>th</sup> April 2025, and all the Stakeholders/Electricity Consumers attended the Public Hearing were heard.
- 5) All existing provisions that are not modified by this Order shall continue to be in force.
- 6) The Commission approves the following for PPCL Gas Power Station at Karaikal:
  - (a) Annual Fixed Cost (AFC) at INR 31.32 Cr, INR 32.24 Cr, INR 33.20 Cr, INR 34.21 Cr and INR 35.28 Cr for FY 2025-26, FY 2026-27, FY 2027-28, 2028-29 and FY 2029-30 respectively.
  - (b) In addition to the charges approved above, the Commission also allows recovery of expenses pertaining to regulatory compliance (fees paid to the Commission towards filing of Tariff Petition for the 4<sup>th</sup> MYT Control Period and related publication expenses) from the beneficiary in twelve equal monthly instalments.
- (7) The attached document giving detailed reasons, grounds and conditions are an integral part of this Order.
- (8) The approved generation tariff shall come into force from 10<sup>th</sup> July 2025.
- (9) Ordered Accordingly

Sd/-  
(Jyoti Prasad)  
Member (Law)

Sd/-  
(Alok Tandon)  
Chairperson

(Certified Copy)



(S. D. Sharma)  
Secretary, JERC

Place: Gurugram  
Date: 10 July, 2025

# ***Chapter 1: Introduction***

## ***1.1. About Joint Electricity Regulatory Commission (JERC)***

In exercise of powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all the Union Territories except Delhi to be known as “the Joint Electricity Regulatory Commission for the Union Territories” vide notification no. 23/52/2003-R&R dated 2<sup>nd</sup> 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 “the JERC” or “the Commission”) vide notification no. 23/52/2003-R&R (Vol. II) dated 30<sup>th</sup> May 2008.

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

## ***1.2. About Puducherry Power Corporation Limited (PPCL)***

Puducherry Power Corporation Limited (hereafter referred to as ‘PPCL’ or ‘Petitioner’), an undertaking of Government of Puducherry, is a Government Company within the meaning of Companies Act, 1956, as amended from time to time. Further, it is a “Generating Company”, as defined under sub-section 28 of section 2 of the Electricity Act, 2003.

PPCL was incorporated on 30<sup>th</sup> March 1993, with the objective of generating 32.5 MW of Electricity (22.9 MW from gas turbine and 9.6 MW from Steam turbine) at Karaikal which is one of the outlying regions of the Union Territory of Puducherry.

The details of Plant capacity, commercial & operation data etc. are given in the following table:

**Table 1: Details of the PPCL Gas Power Station**

S. No.	Subject	Particulars
1	Capacity	32.5 MW
1.1	- Gas Turbine	22.9 MW
1.2	- Steam Turbine	9.6 MW
2	Date of Commercial Operation	3 <sup>rd</sup> January 2000
3	Type of Fuel	Natural gas
4	Type of Cooling System	Induced draft cooling tower
5	Gas Supplier	GAIL (India) Ltd.

The required gas of 1.91 lakhs cubic meter per day is obtained from the gas wells at Narimanam in the Cauvery basin under an agreement with GAIL (India) Ltd. The gas power station at Karaikal was declared ready for commercial operation on 3<sup>rd</sup> January 2000 and is supplying power to Electricity Department Puducherry (PED) under a PPA signed with them on 25<sup>th</sup> February 2002. The Electricity Department of Puducherry is the sole buyer of the electricity generated by PPCL.

### ***1.3. Regulations Governing Tariff of PPCL***

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 22<sup>nd</sup> March 2021 for the 3<sup>rd</sup> MYT Control Period comprising of three financial years from FY 2022-23 to FY 2024-25. PPCL was governed by these Regulations until the end of the Control Period i.e. 31<sup>st</sup> March 2025.

Further, 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 15<sup>th</sup> October 2024. These Regulations are applicable for the 4<sup>th</sup> 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.

#### **1.4. Filing and Admission of the Present Petition**

The present Petition was filed by the Petitioner on 24<sup>th</sup> December 2024. The Commission enquired regarding the applicability of active PPA of the Petitioner. The Commission received the reply of Electricity Department of Puducherry on 24.01.2025 and accordingly, petition was admitted by the Commission on 28<sup>th</sup> March 2025 and marked as Petition No. 137/2025.

#### **1.5. 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 were solicited from the Petitioner as and when required. The Commission and the Petitioner also discussed various concerns of the Petitioner and key data gaps, which included cost of gas, depreciation, O&M expenses, capitalization etc. The Petitioner submitted its response on the issues through various letters/emails.

The Commission has shared the discrepancies in the Petition and additional information required by the Commission. Subsequently, the Petitioner submitted replies to the issues raised and provided documentary evidence to substantiate its claims regarding various submissions. The following table provides the list of interactions with the Petitioner along with the dates:

**Table 2: List of the interaction with the Petitioner**

<b>S. No.</b>	<b>Subject</b>	<b>Date</b>
1.	Public hearing	25.04.2025
2.	Issue of First Deficiency Note	20.05.2025
3.	Replies received from Petitioner	31.05.2025

#### **1.6. 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 3: Details of Public Notices published by the Petitioner**

S. No.	Date	Name of News Paper	Language	Place of Circulation
1.	16.04.2025	New Indian Express	English	Puducherry, Karaikal, Mahe & Yanam
2.		The Hindu	English	Puducherry, Karaikal, Mahe & Yanam
3.		The Daily Thanthi	Tamil	Puducherry, Karaikal
4.		Dinakaran	Tamil	Puducherry, Karaikal
5.		Kerala Kaumudi	Malayalam	Mahe
6.	17.04.2025	Janamitra	Kannada	Yanam

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 4: Details of Public Notices published by the Commission**

S. No.	Date	Name of Newspaper	Language	Place of Circulation
1.	03-04-2025 and 23-04-2025	Dinakaran	Tamil	Puducherry
2.		Dinamalar	Tamil	Puducherry
3.		Standard Post	English	Puducherry
4.		Namathu Murasu	Tamil	Puducherry

### **1.7. Public Hearing**

The virtual Public Hearing was held on 25<sup>th</sup> April 2025 to discuss the issues, if any, related to the Petition filed by the Petitioner.

## ***Chapter 2: 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, to 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 stakeholders and the public at large as per the provisions of the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024. The virtual Public Hearing was held on 25<sup>th</sup> April 2025, related to the Petition filed by the Petitioner. The name of the Stakeholders/Public 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 Sector responsive and efficient. The relevant observations of the stakeholders have been suitably considered by the Commission while finalizing this Tariff Order. The submissions of the stakeholders, response of the Petitioner and views of the Commission are summarized below:

#### ***2.2.1 Lack of Transparency on website regarding financial performance***

##### **Stakeholder's Comment**

The consumers of electricity of Puducherry cannot comprehend the details found in the tariff petitions submitted by the PPCL, Karaikal due to lack of transparency in the data availability in the PPCL's website. The website uploaded physical achievements up to 2016-17 and financial achievements up to 2014-15. Being a Government undertaking, it could have uploaded all the audited financial statements as an evidence of its performance.

**Petitioner's Response**

In response to the Stakeholder's comment, the Petitioner has submitted that necessary steps are being taken to update the website.

**Commission's View**

The Commission has noted the concern of the stakeholders and directed the Petitioner to upload audited physical and financial performance details on the website to make necessary information available for the stakeholders.

**2.2.2      *Installation of new gas plant*****Stakeholder's Comment**

The PPCL was started with a share capital of Rs.133.04 Crores and earned a profit of Rs.92.48 crores up to 2014-15 on the sale of power. At present, it's accumulated profit could have crossed the share capital amount. If this is true, then a new gas plant may be installed from its own funds. The petition states that the corporation awaits Government approval for the rate of dividend to be declared. Hence it is construed that it is making profit, even now.

**Petitioner's Response**

The Petitioner has submitted that the decision in regards to the installation of new gas plant depends upon the policy of the Government of Puducherry.

**Commission's View**

The Commission has noted the concern of the stakeholder and the Petitioner's response. The decision to install a new gas plant depends upon the policy of the Government of Puducherry.

**2.2.3      *Useful life and depreciation*****Stakeholder's Comment**

The corporation states that it is running the gas plant for 20 years. It did not find any depreciation in the abridged public statement of the PPCL. Whereas the schedule II of the Companies Act under 'Useful lives to compute depreciation' (Part C, (8) Loggers) prescribes life period for [f] Plant & machinery used in generation, transmission & distribution of power

(NESD) as 40 years (1. Thermal/gas/combined cycle power generation plant}. The value of plant may be revalued for fixing revised life period.

### **Petitioner's Response**

The Petitioner submits that it has not claimed any depreciation during the tariff period 2025-26 in the tariff calculation, as it has completed 25 years from the date of declaration of commercial production and the life of the existing Power Plant, as per the CERC/ JERC Regulations is 25 years.

### **Commission's View**

The Commission has noted the concern of the stakeholder and the Petitioner's response. Starting from date of commercial operation (3<sup>rd</sup> January 2000), the PPCL generating station has completed 25 years of operation on 2<sup>nd</sup> January 2025. As per Regulation 3 (87) of the CERC Tariff Regulations 2024:

“....

*(87) 'Useful Life' in relation to a unit of a generating station, integrated mines, transmission system and communication system from the date of commercial operation shall mean the following:*

- |   |                 |
|---|-----------------|
| <i>(a) Coal/Lignite based thermal generating station</i>    | <i>25 years</i> |
| <i>(b) Gas/Liquid fuel based thermal generating station</i> | <i>25 years</i> |

....”

The response by the Petitioner is in accordance with CERC Tariff Regulations 2024.



## **Chapter 3: True-up of FY 2022-23 and FY 2023-24**

### **3.1. Regulatory Provisions**

The True up for the FY 2022-23 and FY 2023-24 have to be carried out by the Commission 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 30<sup>th</sup> 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.*

*.....”*

***3.2 Approach for True-up of the FY 2022-23 and 2023-24:***

The Petitioner has submitted Unaudited Accounts for the financial years FY 2022-23 and FY 2023-24. Regulation 12 of the JERC MYT Regulations 2021 quoted above requires audited financial accounts for the FY 2022-23 and FY 2023-24 to be made available for carrying out 'Truing Up' exercise. However, the Petitioner has failed to submit audited accounts for both the financial years (i.e. FY 2022-23 and FY 2023-24). The Petitioner submitted that Accounts of the Corporation for the aforesaid financial years are not yet audited. The same would be placed before the Audit Committee for approval and thereafter it would be sent to the Statutory Auditor for their audit and report, which would take time. In absence of Audited Account for FY 2022-23 and FY 2023-24 it is not feasible for the Commission to carry out True-up exercise for the aforesaid FY 2022-23 and FY 2023-24.

Accordingly, the Commission is not carrying out the Truing Up exercise for FY 2022-23 and 2023-24 in the current Order. Further, the Commission directs the Petitioner to submit a fresh True-up petition for FY 2022-23 and FY 2023-24 along with the Audited Accounts immediately after completion of Statutory Audit.

## ***Chapter 4: Determination of AFC for 4<sup>th</sup> MYT Control Period (FY 2025-26- FY 2029-30)***

### ***4.1 Background***

In this Chapter, the Commission has determined the Annual Fixed Cost (AFC) and the normative variable cost parameters for the 4<sup>th</sup> Control Period (FY 2025-26- FY 2029-30).

### ***4.2 Regulations***

The Commission, for the purpose of calculation of AFC for each year of the 4<sup>th</sup> Control Period, has considered the JERC MYT Regulation 2024, issued by JERC vide notification no. No. JERC - 32/2024 dated 15<sup>th</sup> October 2024 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 issued by CERC vide notification no. L-1/268/2022/CERC dated 15<sup>th</sup> March 2024 (hereinafter referred to as CERC Tariff Regulations 2024).

### ***4.3 Operational Parameters***

#### ***4.3.1 Normative Annual Plant Availability Factor (NAPAF)***

##### **Petitioner's Submission**

The Petitioner has considered a Normative Plant Availability Factor (NAPAF) of 85% for each year of the 4<sup>th</sup> Control Period.

##### **Commission's Analysis**

The Commission has considered the NAPAF of 85% for each year of the 4<sup>th</sup> Control Period as per the approval of the same by the Commission in the Business Plan Order for the 4<sup>th</sup> MYT Control Period (from FY 2025-26 to FY 2029-30).

#### ***4.3.2 Auxiliary Energy Consumption (AEC)***

##### **Petitioner's Submission**

The Petitioner has considered an auxiliary energy consumption of 5.0% for operating norms for the 4<sup>th</sup> MYT control period FY 2025-26 to FY 2029-30.

**Commission's Analysis**

The Commission has considered the auxiliary energy consumption of 3.30% for each year of the 4<sup>th</sup> Control Period as per approval of the same by the Commission in the Business Plan Order for the 4<sup>th</sup> MYT Control Period (from FY 2025-26 to FY 2029-30).

**4.3.3 Station Heat Rate****Petitioner's Submission**

The Petitioner has considered Station Heat Rate of 2646 kCal/kWh under operating norms for the control period FY 2025-26 to FY 2029-30.

**Commission's Analysis**

The Commission has considered the Station Heat Rate of 2646 kCal/kWh for each year of the 4<sup>th</sup> Control Period as per approval of the same by the Commission in the Business Plan Order for the 4<sup>th</sup> MYT Control Period (from FY 2025-26 to FY 2029-30).

**4.4 Variable Cost Parameters for Working Capital**

The Commission has prescribed a formula, in line with the CERC Tariff Regulations 2024, for calculating the monthly energy (variable) charge for billing purpose in Section 4.6 of this Order. Further, in the following paragraphs, variable charges have been computed using the same formula to work out the cost of gas and receivables for 45 days (energy charge component), which are used for calculation of the working capital requirement. The same shall be revisited based on the prevalent CERC Tariff Regulations at the time of True-up of the respective years.

The details of the weighted average Gross Calorific Value (GCV) and the price of gas, as submitted by the Petitioner and the Commission's analysis, are discussed in subsequent paragraphs.

**4.4.1 Data for Calculation of Parameters (GCV and the price of gas)****Petitioner's Submission**

The Petitioner has considered a GCV of gas as 10970.03 kCal/Cu.m for FY 2025-26 to FY 2029-30 based on average data from July 2024 to October 2024. Further, the Petitioner considered the data for computation of the average cost of gas based on data from July 2024 to October 2024.

**Table 5: Details submitted by Petitioner for computation of weighted average GCV and price of gas**

S.No.	Particulars	Unit	Jul'24	Aug'24	Sep'24	Oct'24
1	Quantity of gas supplied by GAIL	Cu.m	4448111	4648365	4413014	4640810
2	Adjustment(+/-) in quantity supplied made by GAIL	Cu.m	-	-	-	-
3	Gas supplied by GAIL (1+2)	Cu.m	4,448,111	4,648,365	4,413,014	4,640,810
4	Normative Transit & Handling Losses	Cu.m	-	-	-	-
5	Net Gas Supplied (3-4)	Cu.m	4,448,111	4,648,365	4,413,014	4,640,810
6	Amount charged by the Gas Company	INR	132629422	138316839	131939229	137981562
7	Adjustment(+/-) in amount charged made by Gas Company	INR	-	-	-	-
8	Total amount charged (6+7)	INR	132,629,422	138,316,839	131,939,229	137,981,562
9	Transportation charges by rail / ship / road transport	INR	-	-	-	-
10	Adjustment (+/-) in amount charged made by Railways/Transport Company	INR	-	-	-	-
11	Demurrage Charges, if any	INR	-	-	-	-
12	Cost of diesel in transporting gas through other system, if applicable	INR	-	-	-	-
13	Total Transportation Charges (9+/-10-11+12)	INR	-	-	-	-
14	Total amount Charged for fuel supplied including Transportation (8+13)	INR	132,629,422	138,316,839	131,939,229	137,981,562
15	Average GCV of Gas as fired	kcal/Cu.m	11006.811	10969.950	10,985.21	10934.99
16	Average rate of Fuel/ 1000 Cu.m	INR/1000 Cu.m	29,817.02	29,756.02	29,897.76	29,732.22

**Commission's Analysis**

The Regulation 34 of the CERC Tariff Regulations 2024 for calculation of the working capital requirement state that:

“The cost of fuel in cases covered under sub-clauses (a) and (c) of clause (1) of this Regulation shall be based on the landed fuel cost (taking into account normative transit and handling losses in terms of Regulation 59 of these regulations) by the generating station and gross calorific value of the fuel as per actual weighted average for the preceding financial year in case of each financial year for which tariff is to be determined”

Accordingly, the Commission has considered the latest data for last 12 months (April 2024 to March 2025) as submitted by the Petitioner for determining the calorific value and price of gas for working capital. The Petitioner has submitted invoices raised by GAIL for the period from April 24 to March 2025. The data considered by the Commission for computation of weighted Average GCV and Price of gas is tabulated below:

**Table 6: Details considered by the Commission for computation of weighted average GCV and price of gas based on Petitioner's submission**

S no	Particular	Unit	Apr '24	May '24	Jun '24	Jul '24	Aug '24	Sep' 24	Oct' 24	Nov '24	Dec '24	Jan '25	Feb '25	Mar '25
1	Quantity of gas supplied by GAIL	Cu. m	4,364,285	4,625,689	4,444,658	4,448,111	4,648,365	4,413,014	4,640,810	4,301,623	3,919,763	4,407,277	3,935,233	4,074,951
2	Adjustment (+/-) in quantity supplied made by GAIL	Cu. m	-	-	-	-	-	-	-	-	-	-	-	-
3	Gas supplied by GAIL (1+2)	Cu.m	4,364,285	4,625,689	4,444,658	4,448,111	4,648,365	4,413,014	4,640,810	4,301,623	3,919,763	4,407,277	3,935,233	4,074,951
4	Normative Transit & Handling Losses	Cu.m	-	-	-	-	-	-	-	-	-	-	-	-
5	Net Gas Supplied (3-4)	Cu.m	4,364,285	4,625,689	4,444,658	4,448,111	4,648,365	4,413,014	4,640,810	4,301,623	3,919,763	4,407,277	3,935,233	4,074,951
6	Amount charged by the Gas Company	(Rs)	128,529,750	137,079,215	132,581,260	132,629,422	138,316,839	131,939,229	137,981,562	128,988,523	118,519,135	120,292,780	120,296,675	126,057,748
7	Adjustment (+/-) in amount charged made by Gas Company	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-
8	Total amount charged (6+7)	(Rs)	128,529,750	137,079,215	132,581,260	132,629,422	138,316,839	131,939,229	137,981,562	128,988,523	118,519,135	120,292,780	120,296,675	126,057,748
9	Transportation charges by rail/ ship/ road transport	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-
10	Adjustment (+/-) in amount charged made by Railways/ Transport Company	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-
11	Demurrage Charges, if any	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-
12	Cost of diesel in transporting gas through other	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-

S no	Particular	Unit	Apr '24	May '24	Jun '24	Jul '24	Aug '24	Sep' 24	Oct' 24	Nov '24	Dec '24	Jan '25	Feb '25	Mar '25
	system, if applicable													
13	Total Transportation Charges (9+/-10-11+12)	(Rs)	-	-	-	-	-	-	-	-	-	-	-	-
14	Total amount Charged for fuel supplied including Transportation (8+13)	(Rs)	128,529,750	137,079,215	132,581,260	132,629,422	138,316,839	131,939,229	137,981,562	128,988,523	118,519,135	120,292,780	120,296,675	126,057,748
15	Average GCV of Gas as fired	(kCal/Cu.m)	10,928	10,947	11,021	11,007	10,970	10,985	10,935	11,002	11,054	10,981	10,950	10,990

#### 4.4.2 Weighted Average Gross Calorific Value (GCV) of Gas

##### Petitioner's Submission

The Petitioner has considered a GCV of gas as 10970.03 kCal/Cu.m for the Control Period (from FY 2025-26 to FY 2029-30) based on average data from July 2024 to October 2024.

##### Commission's Analysis

Following Regulation 34 of the CERC Tariff Regulations 2024 as discussed in previous Para 4.4.1, the Commission has considered the average GCV of gas from April 2024 to March 2025 to compute the weighted average GCV of gas (weighted by the quantity of gas procured in respective months) for computation of working capital.

**Table 7: Computation of Weighted Average GCV of gas**

S no	Particular	Unit	Apr '24	May '24	Jun '24	Jul '24	Aug '24	Sep' 24	Oct' 24	Nov '24	Dec' 24	Jan '25	Feb '25	Mar'25
1	Quantity of gas supplied by GAIL	Cu. m	4,364,285	4,625,689	4,444,658	4,448,111	4,648,365	4,413,014	4,640,810	4,301,623	3,919,763	4,407,277	3,935,233	4,074,951
2	Weighted average GCV of Gas as fired	(kCal/Cu. m)	10,928	10,947	11,021	11,007	10,970	10,985	10,935	11,002	11,054	10,981	10,950	10,990
3	Weighted average GCV of gas (12 Months)	kcal / Cu. m	<b>10,980.02</b>											

**Accordingly, the Commission considers the Gross Calorific Value of gas as 10980.02 kcal/Cu.m for the purpose of computation of the GCV for the Working Capital requirement for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30). However, the same shall be revisited at the time of True-up.**

#### **4.4.3 Weighted Average Price of Gas**

##### **Petitioner's Submission**

The Petitioner has considered the average price of gas at INR 29800.75/ 1000 Cu.m, based on the weighted average for July 2024 to October 2024 to arrive at the fuel cost for computing the requirement of working capital.

##### **Commission's Analysis**

Following Regulation 34 of the CERC Tariff Regulations 2024 as discussed in previous Para 4.4.3, the Commission has accordingly considered fuel bills for the period from April 2024 to March 2025 (latest available bills) for computation of weighted average landed cost of fuel.

**Table 8: Computation of Weighted Average price of gas**

S n o	Particular	Unit	Apr '24	May '24	Jun '24	Jul '24	Aug '24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan '25	Feb '25	Mar' 25
1	Quantity of gas supplied by GAIL	Cu. m	4,364,285	4,625,689	4,444,658	4,448,111	4,648,365	4,413,014	4,640,810	4,301,623	3,919,763	4,407,277	3,935,233	4,074,951
2	Weighted average Rate of Fuel	INR/ 1000 Cu.m	29,450	29,634	29,829	29,817	29,756	29,898	29,732	29,986	30,236	27,294	30,569	30,935
3	Weighted average price of gas (12 Months)	INR/ 1000 Cu.m	29,741.47											

**Accordingly, the Commission considers the weighted average cost of gas at 29741.47 INR/ 1000 m<sup>3</sup> for the purpose of computation of the fuel cost for the Working Capital requirement for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30). However, the same shall be revisited at the time of True-up.**

#### **4.4.4 Energy (Variable) Charges for Working Capital requirement**

Based on the performance and cost parameters as approved in the earlier paragraphs, the fuel cost of PPCL gas station at 85% NAPAF, is worked out for each year of the 4<sup>th</sup> Control Period as given in the following table:



**Table 9: Variable Charges for Working Capital**

S no	Particular	Unit	Approved Value
1	Gross Units @85% Availability	MUs	242
2	Station Heat Rate (A)	kCal/kWh	2646.00
3	Gross Calorific Value of Gas (B)	kCal/ scm	10980.02
4	Price of gas (C)	INR/ scm	29.74
5	Fuel Cost /Gross units ( $D = A*(C/B)$ )	INR/kWh	7.167
6	Fuel Cost/Net units ( $E = D/(1 - APC(3.30\%))$ )	INR/kWh	7.412

#### **4.5 Annual Fixed Cost (AFC) approved for the 4<sup>th</sup> MYT Control Period**

The following components have been considered as part of estimation of Annual Fixed Cost (AFC) for the Aggregate Revenue Requirement for each year of the 4<sup>th</sup> Control Period as per Regulation 38.1 of the JERC MYT Regulation 2024:

- Depreciation;
- Interest on Loan and finance charges;
- Return on Equity;
- Operation and maintenance expenses;
- Interest on Working Capital;
- Income tax.

These are discussed in detail in the subsequent sections.

##### **4.5.1 Capital Expenditure and Capitalization for the 4<sup>th</sup> MYT Control Period**

The Petitioner has projected NIL additional capital expenditure for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30).

**The Commission has considered zero additional capital expenditure and capitalization for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30) as per the approval of the same by the Commission in the Business Plan Order for the 4<sup>th</sup> Control Period.**

##### **4.5.2 Capital Cost**

###### **Petitioner's Submission**

The Petitioner has considered a total opening capital cost of INR 164.44 Cr as per the Commission Order dated 10<sup>th</sup> June 2024. Further, the Petitioner has not projected any additional capital expenditure during the 4<sup>th</sup> Control Period (FY 2025-26 to FY 2029-30).

### Commission's Analysis

The Commission has considered the closing capital cost of INR 164.44 Cr approved for FY 2024-25 considering True-up of FY 2021-22 in its Order dated 10<sup>th</sup> June 2024, as opening capital cost for FY 2025-26. Further, the Commission has considered the nil additional capitalization for the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30) as approved in Business Plan Order. The approved capital cost for the 4<sup>th</sup> Control Period is shown in the following table:

**Table 10: Approved capital cost for the 4<sup>th</sup> Control Period**

Particulars	Unit	Petitioner's Submission					Now Approved by Commission				
		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
Opening capital cost	INR Cr.	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44
Additional Capitalization	INR Cr.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Capital Cost	INR Cr.	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44
Average Capital Cost	INR Cr.	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44

### 4.5.3 Depreciation

#### Petitioner's Submission

The Petitioner has projected the depreciation charge for the 4<sup>th</sup> Control Period as Nil. The Petitioner has restricted the cumulative depreciation of the assets at 90% of the capitalized value of the asset. The rate of depreciation has been considered as per the JERC MYT Regulation 2024. The Petitioner also submitted that the station has completed its useful life, and the Petitioner has calculated depreciation, accordingly, based on the same methodology as adopted for the previous years.

#### Commission's Analysis

The Commission observed that the instant gas plant has already completed its useful life on 2<sup>nd</sup> January 2025 itself and has already been fully depreciated up to 90% of the capital cost. Further, additional capitalization for the 4<sup>th</sup> Control Period has been submitted as nil by the Petitioner. The average capital cost of INR 164.44 crore for each year of the 4<sup>th</sup> Control Period as described in the previous section less the cost of the freehold land of INR 7.93 Cr comes to INR 156.51 Crore.

The cumulative depreciation recovered so far up to FY 2024-25 is already INR 140.86 Cr and there is no remaining depreciable value.

Accordingly, the depreciation for the 4<sup>th</sup> Control Period is approved as Nil as shown in the following table:

**Table 11: Depreciation considered by the Petitioner and Approved by the Commission for 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30) (in INR Cr)**

S No.	Particulars	Petitioner's Submission					Now Approved by Commission				
		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
1	Opening capital cost	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44	164.44
2	Cost of Freehold Land	7.93	7.93	7.93	7.93	7.93	7.93	7.93	7.93	7.93	7.93
3	Capital cost excluding FH Land	156.51	156.51	156.51	156.51	156.51	156.51	156.51	156.51	156.51	156.51
4	Cap on Depreciation (@90% of SI 3)	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86
5	Cumulative Depreciation upto the previous year	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86	140.86
6	Balance depreciation to be recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Balance useful Life (Years)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Depreciation for the year (Years)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**The Commission approves Nil depreciation for each year of the 4<sup>th</sup> Control Period (FY 2025-26 – FY 2029-30).**

#### **4.5.4 Interest on Loan**

##### **Petitioner's Submission**

The Petitioner has claimed NIL interest charges for each year of the 4<sup>th</sup> MYT Control Period (2025-26 to 2029-30).

##### **Commission's Analysis**

The Commission observes that the cumulative depreciation recovered so far is higher than the gross normative loan amount, and accordingly there is no loan outstanding for the period. In the absence of any outstanding loan amount, the interest charges for the 4<sup>th</sup> MYT Control Period (FY 2025-26 – FY 2029-30) are approved as NIL.

**The Commission approves the interest charges on normative loan as NIL for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 – FY 2029-30).**

#### **4.5.5      *Return on Equity***

##### **Petitioner's Submission**

Since the entire capital cost for PPCL has been financed through its own funds, the equity has been considered at the normative level of 30% of the Average Capital Cost and the balance 70% has been considered as normative loan for calculation of Interest on Loan component of capacity charges.

The return on Equity has been calculated @ 20.713% (base rate of return of 15.50% grossed up by the corporate tax rate of 25.17%) as per Regulation 28 of the JERC MYT Regulation 2024. Accordingly, the Petitioner has claimed a return on equity of INR 10.22 Cr for the 4<sup>th</sup> MYT Control Period (FY 2025-26 – FY 2029-30).

##### **Commission's Analysis**

Regulation 27 of the JERC MYT Regulations 2024 specifies that normative equity be capped at 30% of the capital cost. Further, Regulation 41 (1) of the JERC MYT Regulations 2024 specifies the rate of return on equity shall be at 15.50% for thermal stations and Regulation 41 (2) specifies that the RoE shall be grossed up with the effective tax rate of the respective financial year. The effective tax rate shall be calculated at the beginning of every financial year.

Accordingly, the Commission for the purpose of computation of Return on Equity has considered 30% of the average capital cost as equity (amounting to INR 49.33 Cr) and the rate of return on equity at 15.50%.

The Commission has considered the effective tax rate based on the prevailing corporate tax rates, with effective tax rate of 25.17% (corporate tax rate of 22%, surcharge of 10% and cess of 4%) resulting in the grossed-up rate of return on equity as 20.713% for the 4<sup>th</sup> MYT Control Period (FY 2025-26 – FY 2029-30). The detailed computation is shown in the following table:

**Table 12: Return on Equity considered by the Petitioner and Approved by the Commission for 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30)**

S. No	Particulars	Petitioner's Submission					Now Approved by Commission				
		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
1	Equity Capital	49.33	49.33	49.33	49.33	49.33	49.33	49.33	49.33	49.33	49.33
2	Rate of Return on Equity	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
3	Effective Rate of Corporate Tax	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
4	Effective Rate of Return on Equity	20.713%	20.713%	20.713%	20.713%	20.713%	20.713%	20.713%	20.713%	20.713%	20.713%
5	<b>Return on Equity (INR)</b>	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22

The effective rate of return on equity shall be reviewed at the time of True-up. Accordingly, the Petitioner is directed to provide the necessary details at the time of the True-up for calculation of effective tax rate.

**The Commission approves a return on equity of INR 10.22 Cr for each year of the 4<sup>th</sup> MYT Control Period (FY 2025-26 – FY 2029-30). However, the same shall be revisited at the time of True-up.**

#### **4.5.6 Operation and Maintenance (O&M) Expenses**

##### **Petitioner's Submission**

The Petitioner has considered INR 68.95 lakh/MW as amounting to INR 22.41 Cr, based on observed O&M expenses. It is further escalated at an average rate of 6.80% per annum for the 4<sup>th</sup> MYT Control Period.

##### **Commission's Analysis**

Regulation 39.1 of the JERC MYT Regulation 2024, already specifies O&M expenses for small gas turbine power generating plants for FY 2025-26 to FY 2029-30, as tabulated below has been considered for the 4<sup>th</sup> Control Period:

**Table 13: O&M Norms for Small gas turbine power generating stations as per the JERC MYT Regulation 2024**

Regulations	Unit	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
JERC MYT Regulation 2024	Lakh/MW	50.37	53.02	55.80	58.73	61.81

Accordingly, the O&M expenses for PPCL (32.5 MW) gas plant have been worked out for the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30) as shown in the following table:

**Table 14: O&M Expenses considered by the Petitioner and Approved by the Commission for 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30)**

Particulars	Petitioner's Submission					Now Approved by Commission				
	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
O&M Expenses	22.41	23.94	25.56	27.30	29.16	16.37	17.23	18.14	19.09	20.09
Additional Expenditure Claimed/Allowed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total O&M Expenses	22.41	23.94	25.56	27.30	29.16	16.37	17.23	18.14	19.09	20.09

#### **4.5.7 Interest on Working Capital**

##### **Petitioner's Submission**

For computing the Interest on Working Capital (IWC), the Petitioner has considered the rate of interest as 'Bank Rate' as applicable on 1st April 2024. The energy charges considered while working out IWC are based on average actual fuel consumption and payments made pertaining the period of July '24, August '24, September'24 and October'24.

Accordingly, the Petitioner has claimed interest on working capital of INR 5.97 Cr for FY 2025-26, INR 6.04 Cr for FY 2026-27, INR 6.11 Cr for FY 2027-28, INR 6.19 Cr for FY 2028-29 and INR 6.28 Cr for FY 2029-30.

##### **Commission's Analysis**

Regulation 40.1 and 40.2 of the JERC MYT Regulations 2024 governing procedures for the computation of the working capital for a gas turbine generating station are as reproduced below:

*“40.1 The Generating Company shall be allowed interest on the working capital for a gas turbine generating station on the estimated level of the financial year computed as follows:*

- (a) Fuel cost for 15 days corresponding to the normative annual plant availability factor, duly taking into account the mode of operation of the generating station on gas fuel and liquid fuel;*
- (b) Liquid fuel stock for 15 days corresponding to the normative annual plant availability factor, and in case of use of more than one liquid fuel, cost of main liquid fuel duly taking into account mode of operation of the generating stations of gas fuel and liquid fuel; Provided that the above shall only be allowed to generating stations that have facilities to store liquid fuel.*
- (c) Maintenance spares @ 30% of operation and maintenance expenses, including water charges and security expenses;*
- (d) Receivables equivalent to 45 days of capacity charge and energy charge for the sale of electricity calculated on the normative plant availability factor, duly taking into account the mode of operation of the generating station on gas fuel and liquid fuel;*
- (e) Operation and maintenance expenses, including water charges and security expenses, for one month.*

*40.2 The Rate of interest on working capital shall be equal to one (1) year State Bank of India 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 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.”*

It has been observed that the Petitioner has considered the fuel cost for 30 days while as per Regulation 40.1.(a) of the JERC MYT Regulations 2024, the fuel cost for 15 days is to be considered. Hence the Commission has calculated working capital considering the fuel cost for 15 days.

Further, the Commission has considered the latest available SBI one-year MCLR of 9.00% (effective from 15<sup>th</sup> March 2025) plus 325 basis points and has arrived at the working capital interest rate of 12.25% (9.00% + 3.25%) for computation of the IWC for the 4<sup>th</sup> MYT Control Period (FY 2025-26 to FY 2029-30).



The energy charges considered while calculating working capital are based on average actual fuel consumption and payments made between April'24 and March'25. The weighted average GCV and weighted average cost of gas for calculating the fuel requirement/cost are discussed in previous Sections. Energy charges for working capital purposes have been worked out corresponding to generation at NAPAF of 85%.

The Commission has considered the working capital and interest thereon, as per the Regulations mentioned above at an interest rate of 12.25% per annum. The detailed computation is shown in the following table:

**Table 15: Computation of Cost of Gas for a month**

S. No.	Particulars		MOU	Computation
1	Weighted Average GCV of Gas (As computed in above section)	A	kcal/scm	10,980.02
2	PLF	B		85%
3	Capacity	C	MW	32.5
4	Generation	$D=(365*24*C*1000*B/10^6)$	MU	242.00
5	SHR	E	kcal/kWh	2,646
6	Sp. gas consumption	$F=E/G$	scm/kWh	0.241
7	Weighted Average Price of Gas (As computed in above section)	G	Rs./1000 scm	29,741.47
8	Cost of gas (15 days)	$H=D*F*(G/10^4)/12$	in INR Cr	7.13

**Table 16: Interest on working capital approved by the Commission for the 4<sup>th</sup> MYT Control Period (In INR Cr)**

Particulars	Petitioner's Submission					Now Approved by Commission				
	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
Cost of gas (one month)	14.60	14.60	14.60	14.60	14.60	7.13	7.13	7.13	7.13	7.13
Maintenance spares (30% of O&M)	6.72	7.18	7.67	8.19	8.75	4.91	5.17	5.44	5.73	6.03
Receivables (45 days)	26.55	26.55	26.55	26.55	26.55	25.25	25.36	25.48	25.60	25.73
O&M expenses (one month)	1.87	2.00	2.13	2.28	2.43	1.36	1.44	1.51	1.59	1.67
Total Working Capital	49.74	50.33	50.95	51.62	52.33	38.65	39.09	39.56	40.05	40.56
Rate of Interest	12.000 %	12.000 %	12.000 %	12.000 %	12.000 %	12.250 %	12.250 %	12.250 %	12.250 %	12.250 %
<b>Interest on Working Capital</b>	<b>5.97</b>	<b>6.04</b>	<b>6.11</b>	<b>6.19</b>	<b>6.28</b>	<b>4.73</b>	<b>4.79</b>	<b>4.85</b>	<b>4.91</b>	<b>4.97</b>



#### 4.5.8 Annual Fixed Cost (AFC) Approved for the 4<sup>th</sup> MYT Control Period

The Commission based on the analysis of the AFC parameters in the above paragraphs approves the Annual Fixed Cost for the 4<sup>th</sup> MYT Control period as shown in the following table:

**Table 17: Annual Fixed Cost approved by the Commission for the 4<sup>th</sup> MYT Control period (In INR Cr)**

Particulars	Petitioner's Submission					Now Approved by Commission				
	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
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Return on Equity	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22	10.22
Operation and Maintenance Expenses	22.41	23.94	25.56	27.30	29.16	16.37	17.23	18.14	19.09	20.09
Interest on Working Capital	5.97	6.04	6.11	6.19	6.28	4.73	4.79	4.85	4.91	4.97
Annual Fixed Charges	38.60	40.20	41.89	43.71	45.66	31.32	32.24	33.20	34.21	35.28

#### 4.6 Energy/ Variable Charge (Net)

The Commission approves the computation of energy charge for the 4<sup>th</sup> Control Period based on the following formula specified in the CERC Tariff Regulations 2024:

$$\text{ECR} = \text{SHR} \times \text{LPPF} \times 100 / \{(\text{CVPF}) \times (100 - \text{AUX})\}$$

Where,

**ECR**= Energy Charge Rate, in INR per kWh, sent out upto three decimal places

**SHR**= Gross Station Heat Rate in kcal/kWh

**LPPF**= Weighted average landed price of gas in INR/Cu.m, during the month

**CVPF**= Weighted average Gross Calorific Value of gas, in kCal per Cu.m

**AUX**= Normative Auxiliary Energy Consumption in percentage

As the energy charges shall be computed and billed based on the above formula, there will be no need for any adjustment in True-up on this account.

Based on the parameters above, an illustrative example is as shown below:

Assuming,

SHR = 2,646 kCal/kWh for FY 2025-26

LPPF = INR 29.741/ Cu.m

CVPF = 10,980.02 kCal/ Cu.m

AUX = Normative Auxiliary Energy Consumption, at 3.30% for FY 2025-26

ECR =  $2646 \times 29.741 \times 100 / ((10980.02 \times (100 - 3.3))) = \text{INR } 7.412/\text{kWh}$

So, it can be observed from the above example that the energy charge for the month works out to be INR 7.412/kWh based on approved normative parameters.

**The above calculations are for illustration purpose only. The actual billing every month shall be based on the formula prescribed in the prevalent CERC Tariff Regulations based on actual values for gross calorific value and price of gas and normative values of gross station heat rate and auxiliary energy consumption.**

## ***Chapter 5: Annual Fixed Cost (AFC) and other charges for the 4th MYT Control Period (FY 2025-26- FY 2029-30)***

In view of the workings in the previous sections, the Commission now approves the following:

- Annual Fixed Cost (AFC) at INR 31.32 Cr, INR 32.24 Cr, INR 33.20 Cr, INR 34.21 Cr and INR 35.28 Cr for FY 2025-26, FY 2026-27, FY 2027-28, 2028-29 and FY 2029-30 respectively.
- The formula for computation of energy charge (net) to be billed per month shall be considered as per the prevalent CERC Tariff Regulations.
- In addition to the charges approved above, the Commission also allows recovery of expenses pertaining to regulatory compliance (fees paid to the Commission towards filing of Tariff Petition for the 4<sup>th</sup> Control Period and related publication expenses) from the beneficiary in twelve equal monthly instalments.
- The approved generation tariff shall come into force from 10<sup>th</sup> July 2025.

## ***Chapter 6: Directives***

The Commission directs the utility to comply with the directions mentioned below in the given timeframe, failing which the Commission shall be constrained to take appropriate action under the Electricity Act 2003 and the Regulations framed by JERC.

### ***6.1 Directives issued in Previous Tariff Order***

#### ***6.1.1 Filing of the True-up Petitions for FY 2022-23***

**Directive in previous Tariff Order:** The Commission directs the Petitioner to complete the audit of FY 2022-23 by the Statutory Auditor and submit the True-up Petition accordingly.

**Compliance:** The financial statement of the Corporation for the Financial year 2022-23 has been submitted to the statutory auditors for their audit and report.

**Commissions Directives in current Tariff Order:** The Commission has noted the same and directs the petitioner to file the True-up petition for FY 2022-23 with audited accounts as soon as possible.

#### ***6.1.2 Details of Plant Availability Factor (PAF)***

**Directive in previous Tariff Order:** The Petitioner is directed to maintain the details of backing down of the power plant as may be required by PED, actual shutdown schedules and other uncontrollable factors affecting the operations of the plant and submit the same for review of the Commission along with the filing of the True-up of the respective years.

**Compliance:** The Petitioner has submitted the details of backing down of the power plant as may be required by PED, actual shutdown schedules and other uncontrollable factors affecting the operations of the plant with the current petition.

**Commissions Directives in current Tariff Order:** The Commission directs the Petitioner to regularly maintain the details of backing down of the power plant as may be required by PED, actual shutdown schedules and other uncontrollable factors affecting the operations of the plant and submit the same along with the petitions for True-up of the respective year.

## ***6.2 New Directives issued in this Order***

### ***6.2.1 Filing of the True-up Petitions up to FY 2023-24***

**Directive:** The Commission directs the Petitioner to complete the filing of the True-up Petitions up to FY 2023-24 along with audited accounts and details of backing down of the power plant as may be required by PED, actual shutdown schedules and other uncontrollable factors affecting the operations of the plant by 30<sup>th</sup> November 2025.

### ***6.2.2 Submission of day ahead Availability Schedule***

**Directive:** The Commission directs the PPCL as well as EDP to adhere to its day ahead schedule, based upon availability declaration & draw scheduled considering PPCL as must run plant.

# Annexures

## ***Annexures- 1: List of Stakeholders***

**Table 18 List of Stakeholders present during Public Hearing**

List of Stakeholders present during Public Hearing on 25.04.2025	
1	Shri. Ashok Kumar Athikesavan
2	Shri T.Chanemougam (Electricity Department, Government of Puducherry)
3	Shri Rajesh Sanyal (Electricity Department, Government of Puducherry)

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