

**JOINT ELECTRICITY REGULATORY COMMISSION  
For the State of Goa & UT's**



**Tariff Order**

Truing up for FY 2023-24,  
Annual Performance Review (APR) for FY 2024-25  
and  
Aggregate Revenue Requirement and Determination of Tariff  
for MYT Control Period from FY 2025-26 to FY 2029-30

**For**

**DND and DD Power Distribution Corporation Limited –  
DNDDDPDCL**

**Petition No. 145 of 2025  
25<sup>th</sup> September, 2025**

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## List of Abbreviations

Abbreviation	Full Form
A&G	Administrative and General
ACoS	Average Cost of Supply
Act	The Electricity Act, 2003
AMR	Automated Meter Reading
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal for Electricity
BOQ	Bill of Quantity
BPL	Below Poverty Line
CAGR	Compound Annualized Growth rate
Capex	Capital Expenditure
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGS	Central Generating Stations
COD	Commercial Operation Date
Cr	Crores
DD	Daman and Diu
Discom	Distribution Company
DNH	Dadra and Nagar Haveli
DNHPDCL	DNH Power Distribution Corporation Limited
DNHDDPCL	DNH and DD Power Corporation Limited
DNHDDPDCL	DNH and DD Power Distribution Corporation Limited
DSM	Deviation Settlement Mechanism
EA 2003	The Electricity Act, 2003
ED	Electricity Department
EDDD	Electricity Department of Daman and Diu
EHT	Extra High Tension
FAR	Fixed Asset Register
FPPCA	Fuel and Power Purchase Cost Adjustment
FY	Financial Year
Gadarwara	Gadarwara Super Thermal Power Plant
GFA	Gross Fixed Assets
HT	High Tension
IEX	Indian Energy Exchange Limited
IPP	Independent Power Producer
JERC	Joint Electricity Regulatory Commission for the State of Goa and Union Territories
JGPP or GGPP	NTPC Jhanor–Gandhar Gas-Based power plants
KAPS	Kakrapar Atomic Power Station
Kawas/KGPP	NTPC Kawas Gas-Based Power Station
Kharagaon/Khargone	Khargone Super Thermal Power Plant

Abbreviation	Full Form
KHSTPP	Kahalgaon Super Thermal Power Station
KSTPP	Korba Super Thermal Power Station
Lara	Lara Super Thermal Power Plant
LT	Low Tension
MSTPL	Mauda Super Thermal Power Station
MU	Million Units
MOD	Merit Order Dispatch
MYT	Multi-Year Tariff
NTPC	National Thermal Power Corporation Ltd.
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
POSOCO	Power System Operation Corporation Limited
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificate
RLDC	Regional Load Despatch Centre
RoE	Return on Equity
RPO	Renewable Purchase Obligation
SBI MCLR	SBI Marginal Cost of Lending Rate
SECI	Solar Energy Corporation of India
SERC	State Electricity Regulatory Commission
Sipat	Sipat Super Thermal Power Station
SLC	Service Line Consumer
SLDC	State Load Despatch Centre
Solapur or SLP	Solapur Super Thermal Power Station
SOP	Standard of Performance
TAPS	Tarapur Atomic Power Station
T&D	Transmission & Distribution Loss
TVS	Technical Validation Session
UI	Unscheduled Interchange
UT	Union Territory
VSTPP	Vindhyachal Super Thermal Power Station

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

**CORAM**

**Sh. Alok Tandon, Chairperson**

**Smt. Jyoti Prasad, Member (Law)**

**Petition No. 145/2025**

**Date: 25<sup>th</sup> September 2025**

**In the matter of**

Approval for the True-up of FY 2023-24, Annual Performance Review for FY 2024-25, Aggregate Revenue Requirements (ARR) for MYT Control Period from FY 2025-26 to FY 2029-30 for Distribution and Retail Tariff.

**And in the matter of**

Dadar and Nagar Haveli and Daman & Diu, Power Distribution Corporation Limited....

**Petitioner**

**ORDER**

1. This Order is passed in respect of Petition filed by the Dadar and Nagar Haveli and Daman & Diu, Power Distribution Corporation Limited (herein after referred to as "The Petitioner" or "DNHDDPDCL" or "The Licensee") for approval of True-up of FY 2023-24, Annual Performance Review for FY 2024-25, Aggregate Revenue Requirements (ARR) and determination of Retail Tariff for 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. The Commission scrutinized the said Petition and generally found it in order. The Commission admitted the Petition on 5<sup>th</sup> May, 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 were invited from the public/stakeholders. The Public Hearing was held on 18<sup>th</sup> June'2025 at Daman and on 24<sup>th</sup> June'2025 at Diu, to enable the stakeholders to comment, if any, related to the Petition filed by the Petitioner.
3. The Commission, based on the Petitioner's submission, relevant JERC MYT Tariff Regulations, 2021 and 2024, facts of the matter and after proper due diligence has

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DNH and DD Power Distribution Corporation Limited, (DNHDDPDCL)

Truing up of FY 2023-24, APR for FY 2024-25 and ARR & Tariff Determination for MYT Period from FY 2025-26 to FY 2029-30





approved the True-up of FY 2023-24, APR of FY 2024-25 and proposed ARR along with the Retail Tariff for MYT Control Period from FY 2025-26 to FY 2029-30.

4. A Summary has been provided as follows:

- The Commission in this Order has trued up for FY 2023-24 and has approved Annual Revenue Requirement of Rs. 6,070.29 Crore vis-à-vis actual revenue of Rs. 5,714.74 Crore, resulting in standalone revenue gap of Rs. 355.55 Crore for FY 2023-24. The same has been carried forward in the ARR of FY 2025-26 along with applicable carrying cost.
- Further, for FY 2024-25, the Commission has approved revised Net Revenue Requirement of Rs. 6,221.19 Crore and revenue of Rs. 6,193.34 Crore at existing tariff, which has resulted in standalone revenue gap of Rs. 27.85 Crore. The same, being still an estimation, has not been carried forward in the ARR of FY 2025-26 adhering to the JERC MYT regulations, 2021.
- The Aggregate Revenue Requirement, revenue at existing tariff and standalone gap/(surplus) as submitted by the Petitioner and approved by the Commission for FY 2023-24 and FY 2024-25 are as follows:

**Table 1-1 Aggregate Revenue Requirement (Rs. Crore)**

S. No.	Particulars	FY 2023-24		FY 2024-25	
		Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission
1	Net Revenue Requirement	6,083.66	6,070.29	6,193.69	6,221.19
2	Less: Revenue at existing tariff	5,709.62	5,714.74	6,193.34	6,193.34
3	Standalone (Gap)/Surplus	(374.03)	(355.55)	(0.35)	(27.85)

- Moreover, for MYT Control Period from FY 2025-26 to FY 2029-30, the Commission has approved Net Revenue Requirement vis-à-vis projected revenue at revised tariff, which are as follows:

Particulars	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission
Net ARR	6,104.17	6,183.64	6,430.40	6,504.72	6,657.30	6,760.48	7,058.69	7,170.74	7,385.98	7,505.53
Less: Revenue at revised tariff	6,117.43	6,156.47	6,326.04	6,485.25	6,542.50	6,742.63	6,767.19	7,146.17	7,000.53	7,477.15
Standalone (Gap)/Surplus	13.26	(27.17)	(104.36)	(19.47)	(114.80)	(17.85)	(291.50)	(24.57)	(385.45)	(28.38)

DNH and DD Power Distribution Corporation Limited, (DNHDDPDCL)

Truing up of FY 2023-24, APR for FY 2024-25 and ARR & Tariff Determination for MYT Period from FY 2025-26 to FY 2029-30



- v. 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 ~1%.
  - vi. Considering the (gap)/surplus on account of difference in Aggregate Revenue Requirement for MYT Control Period from FY 2025-26 to FY 2029-30 and the revenue from sale of power at existing tariff, the Retail Tariff have been revised and approved in "Chapter 6: Tariff Principles and Design" of this Order for the consumers.
  - vii. The open access consumers shall pay charges in accordance with charges determined in "Chapter 7: Open access charges for MYT Control Period from FY 2025-26 to FY 2029-30" of this order.
5. The Petitioner shall publish the 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 their respective areas of supply and also upload the Tariff Order on its website.
  6. This Order shall come into effect from 1<sup>st</sup> October, 2025 and shall remain applicable till further Orders.
  7. The attached documents giving detailed reasons, grounds and conditions are integral part of this Order.

Ordered accordingly.

-Sd-

(Jyoti Prasad)  
Member (Law)

-Sd-

(Alok Tandon)  
Chairperson

Place: Gurugram, Haryana

Date: 25<sup>th</sup> September 2025

**Certified Copy**



**(S.D. Sharma)**

**Secretary (I/c), JERC**



## Chapter 1: Introduction

### 1.1 About Joint Electricity Regulatory Commission

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 May 2, 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 May 30, 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 interest of consumers and ensuring uninterrupted and quality power at affordable rates to all areas under its jurisdiction.

### 1.2 About DNH and DD

The Union Territory of Dadra & Nagar Haveli and Daman & Diu (DNH-DD) has been formed by merging two erstwhile UTs, namely Dadra & Nagar Haveli (DNH) UT and Daman & Diu (DD) UT, on 26th January, 2020, through an Act passed in the Parliament of India.

Dadra and Nagar Haveli (hereinafter referred to as “DNH”) is spread over 491 sq. km, has 72 villages with a population of 3,42,853 as per Census 2011. The natural attractions of this region have made it a popular tourist destination in the Western



region of India. Additionally, due to liberalized policies of Central Government of tax benefits, the UT has also developed into a highly industrialized area.

The rapid development of the DNH has led to an increase in the demand for power. Presently, ~93% of total sales are to HT and LT industrial consumers. The peak demand of this territory was around 955 MW in FY 2021-22 as per CEA. DNH has also achieved 100% electrification which further contributes to the increasing demand for power. Daman and Diu (hereinafter referred to as “DD”) covers a total area of 112 sq. km, with the Daman District comprising of an area of 72 sq. km and Diu District of 40 sq. km. The rapid development of the DD has led to an increase in the demand for power. Presently, ~95% of total sales are to HT and LT industrial consumers. The peak demand of this territory was around 400 MW in FY 2023-24 as per CEA. DD has also achieved 100% electrification which further contributes to the increasing demand for power.

### **1.3 DNH and DD Power Distribution Corporation Ltd.**

DNH and DD Power Distribution Corporation Limited hereinafter referred to as “DNHDDPDCL” or “Utility”) has been incorporated and reconstituted from the erstwhile DNH Power Distribution Corporation Limited (hereinafter referred to as “DNHPDCL”) and the Electricity Department of Daman and Diu (hereinafter called “EDDD”). DNHDDPDCL is engaged in the electricity distribution business w.e.f. 1<sup>st</sup> April, 2022.

### **1.4 Multi Year Tariff Regulations, 2024**

DNHDDPDCL’s tariff determination is now governed by “Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024, hereinafter referred to as “JERC MYT Regulations”, 2024. The JERC MYT Regulations, 2024 provide a framework for calculating tariffs on a cost-plus basis initially for a period of five years and allow the licensee to recover operational expenses including depreciation, interest on working capital and debt, and return on equity amongst others. The JERC

MYT Regulations, 2024 segregate the items impacting tariffs into controllable and uncontrollable factors. Items that are uncontrollable are passed through to the consumers. Further, Regulation 13 of the JERC MYT Regulations, 2024 identifies the uncontrollable and controllable parameters as follows:

**Uncontrollable factors include:**

- (a) Force Majeure events;
- (b) Change in Law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- (c) Variation in number of or mix of Consumers or quantities of electricity supplied to Consumers;
- (d) .....
- (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 in the Commission;
- (f) Variation in fuel cost;
- (g) Change in power purchase mix;
- (h) Inflation;
- (i) Transmission charges for 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 realization of bad debts written off:

**Controllable parameters include:**

- (a) Variations in capitalization on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;

- (b) Variation in Interest and Finance Charges, Return on Equity, and Depreciation on account of variation in capitalization, as specified in clause (a) above;
- (c) Variations in technical and commercial losses of Distribution Licensee;
- (d) .....
- (e) .....
- (f) Variation in performance parameters;
- (g) Failure to meet the standards specified in the Joint Electricity Regulatory Commission for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015, as amended from time to time;
- (h) Variations in labour productivity;
- (i) Variation in O&M Expenses, except to the extent of inflation;
- (j) Bad debts written off, in accordance with the provisions of Regulation 63;

### **1.5 Filing and Admission of the Present Petition**

In accordance with the Regulation 9.1 of the JERC MYT Regulations, 2021 the Petitioner filed the Petition for approval of True-up of FY 2023-24, Annual Performance Review for FY 2024-25 and in accordance to Regulation 9.1 of the JERC MYT Regulations, 2024 the Petitioner filed the Petition for approval of Aggregate Revenue Requirements (ARR) for MYT Control Period from FY 2025-26 to FY 2029-30 and Distribution and Retail Tariff for MYT Period from FY 2025-26 to FY 2029-30.

After initial scrutiny/analysis, the present Petition was admitted on 5<sup>th</sup> May, 2025 and marked as Petition No. 145/2025.

### **1.6 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 informations/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 retail sales,

revenue from retail tariff, capitalization, tariff proposal etc. The Petitioner submitted its response on the issues through various letters/emails. Subsequently, the Petitioner submitted replies to the issues raised in this session 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 1-1 List of Interactions with the Petitioner**

S. No.	Subject	Date
1	Receipt of Petition by the Commission	8 <sup>th</sup> April, 2025
2	Admission of the Petition by the Commission	5 <sup>th</sup> May, 2025
3	1 <sup>st</sup> Deficiency Note issued by the Commission	28 <sup>th</sup> May, 2025
4	Reply to the 1 <sup>st</sup> Deficiency Note received by the Commission	8 <sup>th</sup> July, 2025
5	Additional information asked by the Commission	4 <sup>th</sup> July, 2025
6	Reply to the Additional information received by the Commission	11 <sup>th</sup> July, 2025

## 1.7 Notice for Public Hearing

Public notices were published by the Petitioner, inviting suggestions/comments from stakeholders on the Tariff Petition, the details of which are given below:

**Table 1-2 Details of public Notices published by the Petitioner**

S. No.	Name of Newspaper	Date
1	Financial Express (English)	13 <sup>th</sup> May, 2025
2	Silvasa Mirror (English)	13 <sup>th</sup> May, 2025
3	Times of India (Gujarati)	13 <sup>th</sup> May, 2025
4	Vartaman Pravah (Gujarati)	13 <sup>th</sup> May, 2025
5	Daman Ganga Times (Gujarati)	13 <sup>th</sup> May, 2025
6	Kesari (Gujarati)	13 <sup>th</sup> May, 2025
7	Ashali Azadi (Hindi)	13 <sup>th</sup> May, 2025
8	UT Today (Hindi)	13 <sup>th</sup> May, 2025

The Commission also placed the petition on its website ([www.jercuts.gov.in](http://www.jercuts.gov.in)) for information and study for all the stakeholders.

The Commission also issued a notice for public hearing in the following newspapers in order to solicit wider participation by the stakeholders:

**Table 1-3 LIST OF NEWSPAPERS PUBLISHED BY THE COMMISSION**

S. No.	Name of Newspaper	1 <sup>st</sup> Notice Date	2 <sup>nd</sup> Notice Date	3 <sup>rd</sup> Notice Date	Place
1	Janadesh (Gujarati)	22 <sup>nd</sup> May, 2025	6 <sup>th</sup> June, 2025	16 <sup>th</sup> June, 2025	Silvassa
2	Daman Khabar (Hindi)	22 <sup>nd</sup> May, 2025	6 <sup>th</sup> June, 2025	16 <sup>th</sup> June, 2025	Silvassa
3	Vartaman Pravah (Gujarati)	-	-	16 <sup>th</sup> June, 2025	Daman
4	Ashali Azadi (Hindi)	22 <sup>nd</sup> May, 2025	6 <sup>th</sup> June, 2025		Daman & Diu
5	Janadesh (Gujarati)	22 <sup>nd</sup> May, 2025	6 <sup>th</sup> June, 2025	16 <sup>th</sup> June, 2025	Daman & Diu

The Commission received objections/suggestions from the consumers/ stakeholders and examined the objections/suggestions received from the stakeholders and fixed the date for public hearing for the petition on 18<sup>th</sup> June, 2025 at Daman and on 24<sup>th</sup> June, 2025 in Diu.

The Commission also published the notice for Public Hearing on the Commission's website "www.jercuts.gov.in" intimating the date and venues as given below in order to solicit participation by the stakeholders who have submitted their suggestions, comments and also by other stakeholders who are interested.

## Chapter 2: Summary of Suggestions/Comments received, Response from the Petitioner and the Commission's Views

### 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 its website and also publish the same in the newspapers in abridged form inviting comments from the public as per the provisions of the JERC MYT Regulations, 2021 and 2024.

The Public hearing was held on 18<sup>th</sup> June, 2025 from 10.30 A.M in Daman and on 24<sup>th</sup> June, 2025 from 10:30 A.M in Diu on Petition for the True-up of FY 2023-24, Annual Performance Review (APR) of FY 2024-25, Aggregate Revenue Requirement (ARR) for Control Period from FY 2025-26 to FY 2029-30. During the Public Hearing, a few of the stakeholders who had submitted their comments in writing were asked to present their views in person before the Commission.

### 2.2 Suggestions/Comments, Response of the Petitioner and Commission's View

The Commission appreciates the efforts of various stakeholders in providing their suggestions/comments/observations to make the Electricity Distribution Sector responsive and efficient. The Commission has noted the concerns of all the stakeholders and has tried to address them to the extent possible in the Chapters on Tariff Design and Directives. Relevant suggestions have been suitably considered by the Commission while finalizing the Tariff Order. The submissions of the stakeholders, response of the Petitioner and views of the Commission are summarized below:

#### **Issue 1: Categorization of Ice Factories under Agricultural Tariff**

The stakeholder has contended that Ice factories in Diu are primarily established to meet the demand of fisheries. Since the Government of India recognizes fisheries as an agricultural activity, the Objector has requested that ice factories supplying ice

only for fishing purposes should be classified under the agricultural category for tariff purpose.

**Petitioner's Response:** The Petitioner submitted presently the ice factories are being billed under the industrial category. Regarding the suggestion to consider fishing-allied ice factories under the agricultural category, it is submitted that the Petitioner, being the distribution licensee, is revenue-neutral. Any relaxation in the definition or reclassification would result in a pass-through of costs into the tariff of other consumer categories and lead to the creation of a new level of cross-subsidization. Furthermore, it would be difficult to ensure or verify that an ice factory supplies ice only to cater to the demand of fisheries, and this may potentially lead to disputes in classification and billing. Therefore, the Petitioner has not accepted the reclassification suggestion.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The Commission found that the Agricultural allied services categorized in JERC (Retail Tariff Structure) Guidelines, 2024 does not contain ice factory and hence not considered.

### **Issue 2: Increase in Load Limit for LT Consumers from 99 kVA to 150 kVA**

The stakeholder has requested the Commission to increase the load limit for LT category consumers from 99 kVA to 150 kVA.

**Petitioner's Response:** The Petitioner submitted that as per the prevailing JERC Supply Code, LT consumers (except Electric Vehicle charging stations) having contract demand up to 100 kVA are supplied at LT voltage level. Consumers with contract demand above 100 kVA are supplied at HT voltage or above. Allowing supply at LT voltage level for contract demand between 100 and 150 kVA would result in increased distribution losses. Furthermore, existing HT consumers within this range are already being billed at HT tariff. These technical and commercial implications were submitted for consideration, and the Petitioner did not support the proposed change.



**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The Commission has not considered the suggestion of increasing load limit for LT connection upto 150kVA based on the fact that it would lead to increased distribution loss. Moreover, the JERC (Retail Tariff Structure) Guidelines, 2024 also categorized LT connection upto 100kVA load.

### **Issue 3: Proposed Tariff Hike and Abolition of FPPCA**

The stakeholder has opposed the proposed tariff hike in domestic and commercial categories. It was also suggested that the Fuel and Power Purchase Cost Adjustment (FPPCA) should be abolished and that the methodology of FPPCA charges is not transparent.

**Petitioner's Response:** The Petitioner submitted that for the domestic category, no tariff hike was proposed during the MYT Control Period. In fact, a reduction of 5 paise per unit was proposed in each slab starting from FY 2027-28. For the non-domestic category, no tariff hike was proposed for the period FY 2025-26 to FY 2027-28. A marginal increase of 10 paise per unit in each slab was proposed only from FY 2028-29. Regarding FPPCA, the Petitioner submitted that FPPCA charges are recovered in accordance with the mechanism specified in the MYT Regulations, and are essential to account for variations in power procurement costs.

Further, the Petitioner has submitted that it has computed the FPPCA charges as per the methodology specified in the regulation by the Commission read with tariff Order. Further, regarding levy of FPPCA charges on variable charge, the Petitioner submits that as percentage FPPAS is arrived at by using ABR (which consist of both the tariff components i.e. Fixed/Demand Charges and Energy Charge), such percentage FPPAS is required to be applied on both fixed and variable charge i.e. both components of electricity bill. Regarding the suggestion for publishing details, the Petitioner submits that all relevant details are being published by the Petitioner as part of its FPPCA submission.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner and does not find any merit as the FPPCA is

charged adhering to the mechanism specified in the MYT Regulations, 2024 and tariff increase/decrease is dependent on various factors such as (gap)/surplus assessed during ARR approval and tariff assessment at existing tariff rate, cross-subsidy trajectory, etc.

#### **Issue 4: Demonstration before Implementation of Smart Meters in Diu**

The stakeholder has suggested that demonstration of smart meters be provided at panchayat levels in Diu to establish their benefits before implementation.

**Petitioner's Response:** The Petitioner submitted that the installation of smart meters has been proposed during the MYT Control Period for both new connections and replacement of existing meters, in compliance with the Ministry of Power Rules and the CEA Metering Regulations. The Petitioner further submitted that it would explore the creation of awareness campaigns and demonstrations to help consumers understand the benefits of smart metering.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The Commission directs the Petitioner to ensure awareness campaigns including benefit of smart meters.

#### **Issue 5: Lack of Clarity in Bills Regarding Fixed and Energy Charges**

The stakeholder pointed out that electricity bills do not contain details of the applicable fixed and energy charges.

**Petitioner's Response:** The Petitioner submitted that the detailed tariff structure, including the applicable fixed and energy charges, is printed on the reverse side of electricity bills issued to consumers.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The Commission directs the Petitioner to ensure printing on the reverse side of the electricity bills all the details specified in the JERC Supply Code.

**Issue 6: 100% Undergrounding of the Existing Distribution Network**

The stakeholder has suggested that the entire HT/LT overhead network be undergrounded.

**Petitioner's Response:** The Petitioner submitted that undergrounding of the existing HT/LT network has already been proposed during the MYT Control Period as part of the capital investment plan.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

**Issue 7: Bifurcation of Energy Sales Voltage-Wise for FY 2023-24 and Exclusion of HT/EHT Sales from Energy Requirement Calculation**

The stakeholder has requested voltage-wise bifurcation of energy sales and claimed energy requirement should exclude HT/EHT sales and be based only on distribution-level sales.

**Petitioner's Response:** The Petitioner submitted that the energy sales data was presented as per consumer categorization approved by the Commission in the FY 2023-24 Tariff Order. Further, Petitioner submitted that as a distribution licensee, it is responsible for power procurement for all consumers, including HT/EHT. Therefore, total energy sales—including HT/EHT—were considered in line with established practice approved by the Commission

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner .

**Issue 8: Costly NTPC Stations – Kawas, Gandhar, RGPPL and Increase in NTPC Fixed Charges & Miscellaneous Credit**

The stakeholder has questioned continued payment to high-cost stations with little/no drawl and sought clarification on increase and credit refunds .

**Petitioner's Response:** The Petitioner submitted that it had issued termination notices for Kawas and Gandhar but NTPC continues billing under protection of an interim Supreme Court order. Payments were made under protest. For RGPPL, legacy PPA was canceled, but RGPPL continues invoicing; matter is pending before CERC. Hence, costs were included provisionally under protest. Further, Petitioner submitted that NTPC billed past period adjustments during FY 2023-24 (e.g., Khargaon, Mauda) under CERC orders. NTPC also issued miscellaneous credits for refunds. Overall, NTPC fixed charges have reduced over the past 3 years.

**Commission's View:** The stakeholder is requested to note the submission of the Petitioner.

#### **Issue 9: Prompt Payment Incentive and Supervision, Test Report & Application Fee Details**

The stakeholder has claimed prompt payment incentive (~₹87 crore) should be netted off from power purchase cost and requested disclosure of income from such fees.

**Petitioner's Response:** The Petitioner submitted that ₹55.03 crore actually availed as prompt payment rebate was disclosed under Non-Tariff Income, as per JERC MYT Regulations.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and this issue has been dealt in Chapter 4 & 5 of this Order.

#### **Issue 10: Power Purchase Quantum Discrepancy with WRLDC and Cost of Solar Power at ₹6.21/unit Unjustified**

The stakeholder has contended about the difference in power purchase quantum compared to WRLDC and claimed solar asset was consumer-funded and tariff unjustified.

**Petitioner's Response:** The Petitioner submitted that WRPC, not WRLDC, is the designated authority for energy accounting. Energy requirement of 10,502.10 MU

(FY 2023–24) was as per WRPC's REA reports. Reconciliation was provided in Annexure-1. Further, Petitioner submitted that the solar power purchase cost was as approved by the Commission.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

**Issue 11: Excessive O&M Expenses, Road Widening Network Shifting Cost Recovery, and Income Tax Pass-Through**

The stakeholder has raised concern over high O&M costs for FY 2023–25 and Claimed PWD should bear cost of road widening along with objecting to income tax being passed on to consumers.

**Petitioner's Response:** The Petitioner submitted that O&M expenses were driven by safety risks due to aged assets, public exposure, and the need for preventive/predictive maintenance. Works include transformer repairs, pole maintenance, line upkeep, and fault management.

Further, Petitioner submitted that costs for last-mile shifting are recovered from PWD. However, associated upgrades/undergrounding needed for system reliability were carried out by the licensee and submitted that tax claims were as per Regulation 51 and 58 of JERC MYT Regulations 2021.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The Commission has allowed the O&M expenses for the Control Period from FY 2025-26 to FY 2029-30 on normative basis adhering the JERC MYT Tariff (Regulations), 2024 which are independent of actual O&M cost.

**Issue 12: Bad Debt Allowance and Loss Reduction Gains Should Include Transmission Losses**

The stakeholder has requested for a prudence check towards Bad Debt allowance and suggested total system loss (distribution + intra-state transmission) for gain-sharing.

**Petitioner's Response:** The Petitioner submitted that bad debt written off for FY 2023–24 was as per Regulation 63. Same value was used for FY 2024–25 APR, to be tried-up later further Petitioner submitted that intra-state transmission losses are beyond its control and not considered for gain computation. Only distribution loss gains were claimed, as per regulations and Transfer Scheme.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and this issue has been dealt in Chapter 3 of this Order.

### **Issue 13: Revenue Variation Between Petition and Audited Accounts and Territory-wise Sales Details**

The stakeholder has noted differences in revenue figures and requested disaggregated sales.

**Petitioner's Response:** The Petitioner submitted that petition data is based on actual billing, whereas audited accounts use accrual-based IndAS 115, which includes unbilled revenue/surpluses. Further, Petitioner submitted that the UT is treated as one license area since 1 April 2022, and scheduling/power purchase is done on a consolidated basis.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the Petitioner's Response. The Commission duly conduct the prudence check before recognizing any expenses.

### **Issue 14: Low Power Purchase Cost Estimate vs. FPPCA Charges and Intra-State Transmission Charges Lower Than Approved**

The stakeholder has claimed contradiction between low cost estimate and levied FPPCA and noted mismatch with Commission-approved charges.

**Petitioner's Response:** The Petitioner submitted that power purchase costs were estimated prudently using H1 FY 2024–25 data with past-period adjustments excluded. Variable costs were escalated by 2% annually. Short-term purchases were proposed for cost optimization. FPPCA methodology and levy were as per

Regulations. Further, Petitioner submitted that objector had relied on June 2024 order and missed revised charges approved in Dec 2024 (RP 127/2024). As sole LT consumer, Petitioner must bear full approved ARR of ~₹103 crore

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the Petitioner's Response. .

#### **Issue 15: Distribution Loss and Collection Efficiency Assumptions**

The stakeholder has objected to the 2.99% loss and 99% collection efficiency assumed by the Petitioner.

**Petitioner's Response:** The Petitioner submitted that 2.99% loss was approved by the Commission. LT sales expected to grow faster than HT, increasing loss. Rooftop solar growth may also increase technical loss. Collection efficiency is separate from consumer security deposit (as per Section 47 of Electricity Act).

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the Petitioner's Response. The Commission has approved AT&C loss trajectory for the Control Period from FY 2025-26 to FY 2029-30 in the Business Plan Order dated 2<sup>nd</sup> September 2025 after due deliberations.

#### **Issue 16: Revenue Surplus & Nullifying Regulatory Surcharge, Minimum Demand Charges – Reduction to 75%**

The stakeholder has computed surplus and opposed regulatory surcharge; also sought refined open access charge components and requested to reduce threshold for billing demand.

**Petitioner's Response:** The Petitioner submitted that ARR, wheeling charge, cross-subsidy surcharge and additional surcharge were computed as per Open Access Regulations and policies. Transmission charges are rightly included in fixed costs as they are capacity-based and that it proposed 85% of contract demand or actual MD, whichever is higher, in line with JERC guidelines for threshold of billing demand. Lower recovery would increase cross-subsidy .



**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

**Issue 17: Surrender Charges and Lock-in Period, Delayed Payment Surcharge – Reduce to 0.75% and ToD Tariff Removal or Continuation in Current Form**

The stakeholder has requested a month lock-in period instead of 2 years along with DPSC reduction to 0.75% and no change in ToD.

**Petitioner's Response:** The Petitioner submitted that lock-in is governed by existing regulations and outside the scope of current proceedings and the proposal for DPSC is as per JERC guidelines. Further, Petitioner submitted that proposed ToD was as per MoP's 2023 Rules and intended to incentivize solar-hour usage. ToD surcharge and rebate were designed to neutralize overall tariff impact for RTC consumers. The Petitioner submitted that the ToD tariff was proposed as per Electricity (Rights of Consumers) Amendment Rules, 2023 notified by the Ministry of Power. These Rules mandate a solar/peak hour-based ToD structure to enable better renewable energy integration. An equal surcharge and rebate were proposed, thus neutralizing impact on RTC consumers. The Petitioner further referred to supporting policy frameworks like NEP 2005 and Tariff Policy 2016, which advocate ToD as a Demand Side Management (DSM) tool.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

**Issue 18: 3% Voltage Rebate to EHV Consumers, Advance Payment Rebate Without Application and Meter Testing Fee Should Apply Only to New Connections and Validity of Test Reports and Charges for temporary erections are too high.**

The stakeholder has requested rebate for >33kV consumers, Suggested automatic application of rebate and raised concern on charging fees for meter testing further suggested reports should not be restricted to contractors.

**Petitioner's Response:** The Petitioner submitted that separate tariffs already exist for 66kV and 220kV consumers, unlike 11/33kV. Rebate not applicable and that rebate is given as per Commission's approved methodology. Further, Petitioner submitted that Supply Code allows meter testing charges according to JERC Guidelines 2024, if fault is on licensee's part, charges are refunded and Petitioner submitted that reports by registered contractors ensure safety. Covered activities and charges are already defined and that even for temporary use, the licensee must establish infrastructure. Charges are proposed as per JERC guidelines.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

#### **Issue 19: High Regulatory surcharge**

The stakeholder has submitted that Regulatory surcharge is significantly high. Further seeking justification and suggested to spread the same over 3-5 years.

**Petitioner's Response:** The Petitioner submitted that the surcharge was proposed to recover gaps from past under-recoveries (truing up of previous years) as permitted under Regulation 16.3 of JERC MYT Regulations. It was submitted for FY 2025-26 and FY 2026-27. The Petitioner also noted that the Commission may consider spreading the surcharge over 2-3 years with carrying cost to minimize burden.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and response of the Petitioner. The issue has been dealt in Chapter-6 of this Order.

#### **Issue 20: EHT and HT Tariff Parity**

The stakeholder has submitted EHT (220 kV) consumers have higher ABR compared to HT (66 kV) users.

**Petitioner's Response:** The Petitioner submitted that ABR for 220 kV consumers is ₹5.92/unit in FY 2025-26 (106% of ACoS), and the same is proposed to be reduced to ₹5.80/unit by FY 2029-30. Current fixed/demand charges do not fully

recover fixed costs. Any further reduction would deepen the under-recovery and cause additional cross-subsidization.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner and has dealt in Chapter-6 "Tariff Design".

#### **Issue 21: Category-wise Tariff issues**

The stakeholder has inquired about rationale for tariffs in categories such as Domestic, Agricultural, Religious and EV Tariff. Further suggesting that Agricultural and Religious Tariff should be zero, and Domestic Tariff should be applied to EV Charging stations.

**Petitioner's Response:** The Petitioner submitted that no hike has been proposed in Domestic Tariff for the MYT Control Period; a reduction of 5 paise/unit in each slab from FY 2027–28 further, Agricultural Tariff is already subsidized significantly and free electricity would worsen cross-subsidization. The Petitioner also submitted that Religious Institutions come under NDS-V as per JERC Tariff Structure Guidelines, 2024 and Individual EV chargers are billed under their existing category. HT/LT public chargers have a separate EV category, priced close to ACoS. Reduction below ACoS would result in burdening other consumers—contrary to the Act's objectives.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner. The issue has been dealt in Chapter-6 of this Order.

#### **Issue 22: Employee Expense and Legal/CSR Costs**

The stakeholder highlighted that employees at Executive Level are being increased and Field personnel being decreased. Further, it was contended that Petitioner has appointed extra employees, which results in incurring huge expenditure. The stakeholder further submitted that the Legal Fees of the Petitioner has increased disproportionately and the Petitioner should submit details of CSR expenses claimed in FY 2023-24.

**Petitioner's Response:** The Petitioner submitted that executive staff also perform field work. Post-privatization, more manpower is needed for system reliability, LT consumer growth, and safety. Legal fees of ₹10.53 Cr. primarily cover statutory license fees of Rs. 8.11 Crore and petition filing charges of Rs. 1.51 Crore. No CSR expense was claimed in FY 2023-24 as part of O&M Expenses.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the response of the Petitioner.

### **Issue 23: Details of RPO Compliance**

The stakeholder has referred to the cost for solar generation for FY 2023-24 and FY 2024-25 and suggested that such cost should be omitted. Further, the stakeholder has sought the details regarding RPO Compliance and suggested to review the same with respect to quantity and cost.

**Petitioner's Response:** The Petitioner submitted that the power purchase price of solar generation is considered as approved by the Hon'ble Commission. Regarding details of RPO, it may kindly be noted that the Petitioner has provided details in Table 6 of the Petition and ongoing compliance is being monitored by the Commission.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the issue has been dealt in Chapter 4 & 5 of this Order.

### **Issue 24: Income Tax Claim Despite ARR Gap**

The stakeholder has queried the justification for income tax inclusion in the Petition when there's a shortfall in the revenue for FY 2023-24.

**Petitioner's Response:** The Petitioner submitted that Income tax is claimed as per Regulations 51 and 58 of the JERC MYT Regulations, 2021.

**Commission's View:** The Commission has noted the suggestion of the stakeholder and the issue raised by the Petitioner.

## Chapter 3: Truing-Up for FY 2023-24

### 3.1 Background

The Commission had issued the APR Order which includes APR for FY 2022-23, and ARR and determination of Retail tariff for FY 2023-24 on August 1, 2023 (hereinafter referred to as the “APR Order” for the purpose of truing-Up of FY 2023-24).

As per Regulation 12 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021, the review and true-up of revenue and expenses of the Petitioner shall be carried out as follows:

***“12 Annual Performance Review, Truing-up and tariff determination during the Control Period***

*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:*

*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 financial and actual operational 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;*

*.....”*

This chapter deals with the truing-up of FY 2023-24 for DNHDDPDCL. The Commission has studied and analysed each component of the ARR for FY 2023-24 in the following paragraphs.

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

The Petitioner has submitted audited accounts for FY 2023-24 audited by the statutory auditor **M/s PwC**. The Commission has now carried out the true-up of FY 2023-24 in accordance with the principles laid down in the JERC MYT Tariff Regulations, 2021.

### 3.3 Energy Sales to Consumers

#### Petitioner's Submission:

DNHDDPDCL has submitted category-wise actual energy sales for DNH and DD area for FY 2023-24 along with the sales approved by the Commission in the APR Order as given in the Table below.

**TABLE 3-1 ENERGY SALES FOR FY 2023-24 (IN MU)**

Category	Approved in APR Order	Petitioner's Submission
Domestic	322.87	330.44
LIG/Kutirjyoti	11.15	16.44
Commercial	98.01	106.80
Agriculture	7.43	8.21
LT Industry	552.58	554.62
Public Water Work	4.46	5.06
Public Lighting	5.84	5.75
HT/EHT Industry & Commercial	9,186.97	9,159.06
LT-EV Charging Station	0.05	0.09
HT-EV Charging Station	2.08	2.32
Temporary Supply	12.39	10.12
<b>Total Sales</b>	<b>10,203.82</b>	<b>10,198.93</b>

The Petitioner has submitted that there is marginal variation in the actual sales of FY 2023-24 than the approved Sales in APR order due to seasonal variations.

**Commission's Analysis:**

The actual sales done by DNHDDPDCL during FY 2023-24 was on lower side as compared to approved in the APR Order due to seasonal variations and resumptions of economic activities under industrial and commercial activities post COVID-19 pandemic. As per the Regulation 13.1 of the JERC MYT Tariff Regulations, 2021 the variation in consumers and energy sales are uncontrollable in nature, the relevant excerpt of the aforesaid regulations is stipulated as under:

*"13.1 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;*

*..."*

In order to carry out prudence check of the energy sales within the consumers category, the Commission vide Deficiency Note has asked the Petitioner to submit the Energy Audit Report for FY 2023-24. In response, the Petitioner had submitted the Energy Audit Report. The total sales as submitted by the Petitioner have been compared and found in conformity with the sale of energy furnished in the Energy Audit Report for FY 2023-24.

In view of above, the Commission approves the energy sales as mentioned in table below for DNHDDPDCL to the tune of 10,198.93 MU for FY 2023-24.



**TABLE 3-2 ENERGY SALES FOR FY 2023-24 (IN MU)**

Category	Approved in APR Order	Petitioner's Submission	Trued-Up by Commission
Domestic	322.87	330.44	330.44
LIG/Kutirjyoti	11.15	16.44	16.44
Commercial	98.01	106.80	106.80
Agriculture	7.43	8.21	8.21
LT Industry	552.58	554.62	554.62
Public Water Works	4.46	5.06	5.06
Public Lightning	5.84	5.75	5.75
HT/EHT Industry & Commercial	9,186.97	9,159.06	9,159.06
LT-EV Charging Station	0.05	0.09	0.09
HT-EV Charging Station	2.08	2.32	2.32
Temporary Supply	12.39	10.12	10.12
<b>Total Sales</b>	<b>10,203.82</b>	<b>10,198.93</b>	<b>10,198.93</b>

### 3.4 Open Access Sales

#### Petitioner's Submission:

The Petitioner submitted NIL Open Access Sales and NIL Open Access power purchase for FY 2023-24.

#### Commission's Analysis:

The Energy Audit report submitted by the Petitioner specifies that Open Access was not operational. Accordingly, the Commission approves NIL Open Access Sales and NIL Open Access Power Purchase in the true-up of FY 2023-24.

### 3.5 Inter-State Transmission Loss

#### Petitioner's Submission:

The Petitioner has submitted for FY 2023-24 the Inter-State transmission loss of 3.52%, as against the approved value of 3.66% in the APR.

#### Commission's Analysis:

The Commission has worked out the actual transmission losses based on the actual energy scheduled for the utility by the various generating stations as per REA accounts and the actual energy received by the utility during FY 2023-24. The

computation of the same has been considered by the Commission for the purpose of truing-up.

The Commission has determined the energy requirement from tied-up sources in Energy Balance approved in the Section 3.7 of this Order. The energy available from tied-up source has been considered from the actual energy purchased as approved in Section 3.8 of this Order. The difference between the two has been considered as the Inter-State transmission loss.

The following table provides the Inter-State transmission loss approved in the APR Order, the Petitioner's submission and as Trued-up by the Commission now:

**TABLE 3-3 INTER-STATE TRANSMISSION LOSS TRUED-UP FOR FY 2023-24**

Category	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Inter-State Transmission losses (%)	3.66%	3.52%	3.52%

The Commission approves the Inter-State transmission loss of 3.52% for FY 2023-24.

### 3.6 Distribution Losses

#### Petitioner's Submission:

The Petitioner has submitted that the distribution losses for Union Territory distribution license area was specified by the Commission as per the Transfer Scheme to the tune of 3.16% as per APR Order whereas the actual distribution losses is 1.72% for FY 2023-24 as given in the Table below. DNHDDPDCL has been making consistent efforts to contain the distribution losses and consequent to the efforts made, the distribution losses of the Petitioner are one of the lowest in the country.

**TABLE 3-4 DISTRIBUTION LOSSES FOR FY 2023-24 AS SUBMITTED BY DNDDPDCL**

Category	Approved in APR Order	Petitioner's Submission
Distribution losses (%)	3.16%	1.72%

DNHDDPDCL has submitted that the variation in the distribution losses compared to the approved value may be considered accordingly.

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

The Commission vide Deficiency Note has directed the Petitioner to submit the Energy Audit Report for FY 2023-24. In response, the Petitioner had submitted the Energy Audit Report for FY 2023-24. As per the Energy Audit Report submitted by the Petitioner, the distribution loss is 1.72%.

In addition to above, the Commission has reconciled the overall transmission and distribution loss levels to address the overall transmission and distribution (T& D) loss levels within the Union Territory (UT) of Daman & Diu and Nagar Haveli. In its petition, the Distribution Company submitted an energy audit report indicating an overall T& D loss level of 3.06%, of this, 1.72% was attributed to distribution losses.

Since, the Petitioner has been able to over-achieve the distribution loss target of 1.72% for the year, the incentive for the same has been provided to the Petitioner in accordance with the JERC MYT Regulations, 2021. The calculation of the same has been discussed in detail in "Section 3.20: Incentive/Disincentive towards over/under-achievement of norms of distribution losses" of this Order.

The following table provides distribution loss approved in the APR of FY 2023-24, the Petitioner's submission and as Trued-up by the Commission now:

**TABLE 3-5 DISTRIBUTION LOSS TRUED-UP BY COMMISSION FOR FY 2023-24**

Category	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Distribution losses (%)	3.16%	1.72%	1.72%

The Commission approves Distribution losses at 1.72% in the true-up of FY 2023-24.

### 3.7 Energy Balance

#### Petitioner's Submission:

The Petitioner has submitted that the actual energy requirement for DNH and DD area licensee area furnished is based on the (i) actual energy sales, (ii) Intra-state transmission loss and (iii) distribution losses for FY 2023-24 as given in the Table below:

**TABLE 3-6 ENERGY REQUIREMENT FOR FY 2023-24 FOR DNHDDPDCL**

Particulars	Formula	Approved in APR Order	Petitioner's Submission
Retail Sales	a	10,203.82	10,198.93
Open Access Sales (MU)	b	-	-
Less: Energy Savings (MU)	c	-	-
Total Sales within UT (MU)	$d = a + b + c$	10,203.82	10,198.93
Less: Solar generation within UT (MU)	e	21.41	21.82
Net Total Sales within UT (MU)	$f = d - e$	10,182.41	10,177.11
Distribution Loss (MU)	g	331.84	177.59
Energy Required at DNHDDPDCL Periphery	$h = f + g$	10,514.25	10,354.70
Intra-State Transmission Losses (MU)	i	189.36	147.40
Energy Requirement at UT Periphery	$j = h + i$	10,703.61	10,502.10
Add: Sales to Common Pool/UI (MU)	k	-	-
Add: Sales through Power Exchange (MU)	l	-	-
<b>Total Energy Requirement at UT Periphery (MU)</b>	<b><math>m = j + k + l</math></b>	<b>10,703.61</b>	<b>10,502.10</b>

The Petitioner submitted that the total energy requirement was met through various sources as discussed in the subsequent section.

#### Commission's Analysis:

The actual energy requirement submitted by the Petitioner for FY 2023-24 along with energy requirement as per APR Order has been examined and verified by the Commission. The Commission observed that there is a reduction of 201.51 MUs in the energy requirement for the Petitioner against the quantum of 10,703.61 MU approved in APR Order.

The actual energy requirement of the Petitioner is lower than that approved in the APR Order due to lower energy sales and variation in distribution losses. Actual

energy requirement, which is the sum of energy sales, transmission losses and distribution losses, works out to 10,502.10 MUs for FY 2023-24.

**TABLE 3-7 ENERGY REQUIREMENT APPROVED BY COMMISSION FOR FY 2023-24**

Particulars	Formula	Petitioner's Submission	Approved by Commission
Retail Sales	a	10,198.93	10,198.93
Open Access Sales (MU)	b	-	-
Less: Energy Savings (MU)	c	-	-
Total Sales within UT (MU)	$d = a + b + c$	10,198.93	10,198.93
Less: Solar generation within UT (MU)	e	21.82	21.82
Net Total Sales within UT (MU)	$f = d - e$	10,177.11	10,177.11
Distribution Loss (%)		1.72%	1.72%
Distribution Loss (MU)	g	177.59	177.59
Energy Required at DNHDDPDCL Periphery	$h = f + g$	10,354.70	10,354.70
Intra-State Transmission Losses (%)		1.40%	1.40%
Intra-State Transmission Losses (MU)	i	147.40	147.40
Energy Requirement at UT Periphery	$j = h + i$	10,502.10	10,502.10
Add: Sales to Common Pool/UI (MU)	k	-	-
Add: Sales through Power Exchange (MU)	l	-	-
<b>Total Energy Requirement at UT Periphery (MU)</b>	$m = j + k + l$	<b>10,502.10</b>	<b>10,502.10</b>

The Commission accordingly approves the energy requirement at 10,502.10 MUs for truing up of FY 2023-24.

### 3.8 Power Purchase Quantum & Cost

#### Petitioner's Submission:

The Petitioner has submitted that it primarily procures power from the following sources; (a) National Thermal Power Corporation Limited (NTPC) stations, (b) NSPCL Bhilai, (c) Nuclear Power Corporation of India Limited (NPCIL) stations, (d) Independent Power Producers. The plant wise details of the power purchase quantum and total power purchase cost incurred has been provided in the Petition. The Petitioner has submitted that against the power purchase cost of Rs. 5,739.08 Crore approved by the Commission in the APR Order, it has incurred a cost of Rs. 5,821.01 Crore.

The Petitioner has submitted that the Gas based capacity of NTPC – Kawas and Gandhar has completed the contractual period. Therefore, the Petitioner has issued termination notice to NTPC – Kawas and Gandhar as per the provisions of CERC Tariff Regulations. However, NTPC has continued raising invoices referring Interim Order issued by Hon'ble Supreme Court in the Writ Petition No. 1877 of 2022 filed by NTPC against APTEL Order holding PPA termination of NTPC- Dadri- Stage-I by Delhi Discoms valid. As NTPC has continued to raise invoices whilst relying on the interim order passed by the Hon'ble Supreme Court, the Petitioner was constrained to make payment towards the invoices raised by NTPC, albeit under protest without prejudice. The Petitioner has also filed an I.A. to intervene in the Writ Petition before Hon'ble Supreme Court. However, since the Writ Petition has not been listed for hearing yet, the IA is yet to be registered by the Hon'ble Supreme Court. Similarly, RGPPL PPA with DNHDDPCL had been terminated by the erstwhile Licensee i.e. DNHPDCL. However, RGPPL has continued to raise invoices. In turn, DNHDDPDCL has filed the petition before Hon'ble CERC and same is presently sub judice. Accordingly, DNHDDPDCL is making payment under protest without prejudice.

The Petitioner has sold 39.88 MU and purchased 1,783.40 MU through UI and Open Market respectively at the cost of Rs. 14.05 Crore and Rs. 890.11 Crore to meet the energy shortfall during the year.

The Power purchase quantum and cost for FY 2023-24, as incurred by the Petitioner has been shown in the table below:

**TABLE 3-8 POWER PURCHASE COST SUBMITTED BY THE PETITIONER FOR FY 2023-24**

Particulars	Approved in APR		Actual	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
NTPC Stations	7,002.93	2,958.55	6,970.58	3,132.30
NSPCL-Bhilai	1,264.26	503.05	1,241.76	511.14
NPCIL	988.41	460.77	868.39	417.44
RGPPL	-	6.12	-	14.15
Short Term Power (IEX/Bilateral)	1,806.11	838.68	1,783.40	890.11
Solar	21.41	13.32	21.82	13.56
REC (Non-solar+ Solar)	-	95.86	-	76.08
				(12.75)

Particulars	Approved in APR		Actual	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
UI	(32.30)	(12.57)	(39.88)	(14.05)
<b>Total Power Purchase</b>	<b>11,050.81</b>	<b>4,863.78</b>	<b>10,846.08</b>	<b>5,027.99</b>
Transmission Charges				
ISTS Charges		714.92		627.63
WRLDC Charges		0.82		1.44
InSTS Charges		159.56		163.95
<b>Total</b>	<b>11,050.81</b>	<b>5,739.08</b>	<b>10,846.08</b>	<b>5,821.01</b>

### Commission's Analysis:

Regulation 13.1 of the JERC MYT Regulations, 2021 provides:

*13.1 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) Interstate 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) ....;*
- g) Change in power purchase mix;*
- h) ....;*
- i) Transmission Charges for a Distribution Licensee;*

The Petitioner procures power mainly from NTPC stations, NPCIL stations, NSPCL Bhilai and IPPs. The Petitioner submitted the overall power purchase cost as Rs. 5,821.01 Crore inclusive of transmission cost and after adjusting revenue due to sale of surplus power and DSM receipts.

The Commission after prudence check considered the power purchase quantum and cost as per the monthly station-wise bills submitted by the Petitioner for each station. The cost has been reconciled with the audited annual accounts of FY 2023-24.

The Petitioner has claimed Power Purchase through UI as 39.88 MU. The Commission verified quantum of power purchase through UI from energy audit report for FY 2023-24 and found that the power purchase through UI is same as per petitioner's submission. Hence, the Commission has approved the Power Purchase through UI as per the same.

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

**TABLE 3-9 POWER PURCHASE QUANTUM AND COST APPROVED BY THE COMMISSION FOR FY 2023-24**

Particulars	Energy Units (MU)	Fixed Charges (Rs. Crore)	Variable Charges (Rs. Crore)	Total Charges (Rs. Crore)
<b>Central Generating Stations</b>				
NTPC				
KSTPP 1&2	728.82	54.08	133.04	187.12
KSTPS 3	213.13	21.86	38.39	60.25
VSTPP-I	376.68	34.41	69.64	104.05
VSTPP-II	303.42	22.84	54.75	77.58
VSTPP- III	351.49	29.34	64.15	93.49
VSTPP- IV	399.93	67.35	142.34	209.69
KGPP	-	70.79	17.72	88.51
GGPP	-	67.68	6.46	74.14
Sipat-I	737.11	97.79	138.16	235.95
Sipat-II	301.33	28.51	58.12	86.63
Mauda	255.12	45.56	96.33	141.90
VSTPS-V	231.39	39.87	60.72	100.59
Mauda 2	420.74	84.84	158.50	243.34



Particulars	Energy Units (MU)	Fixed Charges (Rs. Crore)	Variable Charges (Rs. Crore)	Total Charges (Rs. Crore)
Solapur	496.62	118.59	247.76	366.35
KHSTPP-II	33.52	3.20	10.83	14.03
LARA	627.99	108.39	124.88	233.27
Gadarwara	653.51	162.67	265.18	427.85
KHTPP	498.14	130.37	261.72	392.09
Misc.		-4.53	-	-4.53
<b>Subtotal NTPC</b>	<b>6,628.93</b>	<b>1,183.62</b>	<b>1,948.69</b>	<b>3,132.30</b>
<b>NSPCL Bhilai</b>	<b>1,180.90</b>	<b>162.94</b>	<b>348.21</b>	<b>511.14</b>
NPCIL				
KAPS 1&2	412.98	-	267.76	267.76
TAPS	412.85	-	149.69	149.69
<b>Subtotal NPCIL</b>	<b>825.83</b>	<b>-</b>	<b>417.44</b>	<b>417.44</b>
<b>IPPs/Traders (Long-Term Power)</b>				
RGPPL	-	14.15		14.15
<b>Short- Term Power</b>				
Indian Energy Exchange/Bilateral	1,783.40		890.11	890.11
<b>Renewable</b>				
Solar	21.82		13.56	13.56
Non-Solar				
REC			76.08	76.08
<b>Subtotal</b>	<b>21.82</b>	<b>-</b>	<b>89.64</b>	<b>89.64</b>
<b>SCED</b>	<b>-</b>		<b>-12.75</b>	<b>-12.75</b>
Less: sale of surplus power	-			
Less: sale through DSM	39.88		14.05	14.05
<b>Net Power Purchase</b>	<b>10,376.52</b>	<b>1,346.55</b>	<b>3,681.44</b>	<b>5,027.99</b>
<b>Transmission Charges</b>				
PGCIL Charges		627.63		627.63
WRLDC Charges		1.44		1.44
Intra-state Trans Charges		163.95		163.95
<b>Subtotal</b>		<b>793.01</b>		<b>793.01</b>
<b>Total Power Purchase</b>	<b>10,376.52</b>	<b>2,139.57</b>	<b>3,681.44</b>	<b>5,821.01</b>

The Commission approves power purchase cost of Rs. 5,821.01 Crore in the true-up of FY 2023-24.

### 3.9 Renewable Purchase Obligation

#### Petitioner's Submission:

The Petitioner has submitted the RPO obligation for FY 2023-24 as per Regulation 4.1 of the JERC Procurement of Renewable Energy (Fourth Amendment) Regulations, 2022 specifying the RPO targets for FY 2023-24.

**TABLE 3-10 RPO SUBMITTED BY PETITIONER FOR FY 2023-24 (IN MU)**

Particulars	Petitioner's Submission
Sales	10,198.93
<b>RPO Target</b>	
Non solar (@9.25%)	943.40
Solar (@10.00%)	1,019.89
Hydro (@0.66%)	67.31
<b>Total (19.91%)</b>	2,030.61
<b>Compliance (Non-Solar)</b>	
Non-Solar	51.74
Non-Solar REC	892.00
Compliance	943.74
Compliance (% of Sales)	9.25%
<b>Compliance (Solar)</b>	
Solar	101.37
Solar REC	920.00
Compliance	1,021.37
Compliance (% of Sales)	10.01%
<b>Compliance (Hydro)</b>	
Hydro	36.58
Hydro REC	31.00
Compliance	67.58
Compliance (% of Sales)	0.66%

The Petitioner has submitted that they fulfilled RPO for FY 2023-24 on standalone basis and the Commission has carried out the suo-motu proceeding vide Petition no. 61 of 2012 for status of RPO Compliance.

#### Commission's Analysis:

The Commission has specified the minimum RPO to be fulfilled by the Petitioner as per the Regulation 4.1 of the JERC Procurement of Renewable Energy (Fourth

Amendment) Regulations, 2022. The break-up of target vis-à-vis achievement is given in the Table below.

**TABLE 3-11 BREAK-UP OF PURCHASE FROM RE SOURCES FOR FY 2023-24**

S. No.	Particulars	Targeted Quantum (MU)	Achieved Quantum (MU)	% of Sales Achieved
1	Non- Solar RPO (@9.25%)	943.40	943.74	9.25%
2	Solar RPO (@10%)	1,019.89	1021.37	10.01%
3	Hydro RPO (@0.66%)	67.31	67.58	0.66%
4	<b>Total Renewable</b>	<b>2,030.61</b>	<b>2,032.69</b>	<b>19.91%</b>

The Commission, accordingly, approves the RPO compliance of 19.91% till FY 2023-24.

**TABLE 3-12 CUMULATIVE COMPLIANCE TILL FY 2023-24**

RPO	Sales for FY 2023-24 (Mus)	RPO Target	RPO Target to be met for FY 2023-24	Cumulative backlog as on 31.03.2023	Cumulative target for FY 2023-24	RPO Compliance met for FY 2023-24	Standalone (shortfall)/excess for FY (2023-24)	Standalone (shortfall)/excess for FY (2023-24)	Cumulative (shortfall)/excess for FY (2023-24)	Cumulative (shortfall)/excess for FY (2023-24)
1	2	3	4	5	(6=4+5)	7	(8=7-4)	(9=8/4)	(10=7-6)	(11=10/6)
	MU	%	MU	MU	MU	MU	MU	%	MU	%
Solar	10,198.93	9.25%	943.40	1,904.50	2,847.90	943.74	0.34	0.04%	(1,904.16)	(66.86%)
Non-Solar		10%	1,019.89	1,972.13	2,992.02	1,021.37	1.48	0.14%	(1,970.65)	(65.86%)
HPO		0.66%	67.31	(1.00)	66.31	67.58	0.27	0.40%	1.27	1.91%
Total		19.91%	2,030.61	3,875.63	5,906.24	2,032.69	2.08	0.10%	(3,873.55)	(65.58%)

### 3.10 Operation & Maintenance (O&M) Expenses

#### Petitioner's Submission:

The Petitioner has submitted that it has assumed operational control of the UT of Dadra and Nagar Haveli and Daman and Diu since April 1, 2022. Recognizing significant safety concerns for employees and the public, the Petitioner has undertaken various initiatives to ensure compliance with CEA safety norms and the Shops and Establishment Act related to Distribution Business. In addition to addressing safety concerns, the Petitioner has initiated activities such as asset survey, overhead line maintenance, Distribution Transformer Repairing, breathers installation, spacer installation, and pole repair to enhance operational

performance. The Petitioner, aligning with the responsibilities of the Distribution Licensee, has revamped outage management systems and IT support systems to effectively manage planned and unplanned outages.

Further, Petitioner submitted that during the transfer of employees from previous entities, the Petitioner has made adjustments in payouts to comply with labor laws, including the PF Act, Bonus Act, Minimum Wages, and the Shops and Establishment Act, reflecting in the Employee Expenses. These efforts aim to ensure compliance and meet required performance standards. Further as per the Transfer Scheme, all the administrative offices owned by erstwhile Discoms have been kept by UT. Accordingly, the Petitioner has arranged for rented premises at various locations within the license area in order to comply with the operational norms. Similarly, Administrative and General expenses are incurred to meet with the requirements including deployment of contractual workforce, as the case may be.

In view of above, the Petitioner submitted that the base O&M Expense did not accurately reflect the desired level of activities, necessitating additional expenditure to meet stringent performance standards outlined in the Transfer Scheme. Thus, the Petitioner, in accordance with Regulation 52 of the MYT Regulations, urges the Hon'ble Commission to evaluate O&M Expenditure on an actual basis. The Petitioner anticipates that, once O&M activities are streamlined, sufficient data will be available for the Commission to assess the base O&M Expense for subsequent periods. Additionally, the Petitioner has requested a review to rectify computational errors in the approved Employee and A&G Expenses.

Petitioner has requested the Commission to consider the actual O&M expenses and approve accordingly.

**TABLE 3-13 O&M EXPENSES CLAIMED BY DNDDDPDCL FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Operation & Maintenance Expenses	111.53	117.24

**Commission Analysis:**

As per Regulation 60 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2024:

*“60.1 The Operation and Maintenance expenses for the Distribution Wires Business shall be computed in accordance with this Regulation.*

*60.2 Operation and Maintenance (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.*

*60.3 The Distribution 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.*

*60.4 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,*

*$R\&M_n = K \times GFA_{n-1} \times (1+WPI_{inflation})$   $EMP_n = (EMP_{n-1}) \times (1+G_n) \times (1+CPI_{inflation})$   $A\&G_n = (A\&G_{n-1}) \times (1+CPI_{inflation})$*

*‘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;*

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

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

*EMP<sub>n</sub> – Employee expenses of the Distribution Licensee for the nth Year;*

*A&G<sub>n</sub> – Administrative and General expenses of the Distribution Licensee for the nth Year; R&M<sub>n</sub> – 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;*

*G<sub>n</sub> is a growth factor for the nth Year. Value of G<sub>n</sub> 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 Distribution Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, O&M Expenses shall be determined on case to case basis.*

*60.5 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.*

*60.6 For the purpose of estimation, the same value of factors – CPIinflation and WPIinflation 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 – CPIinflation and WPIinflation 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.*

*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.*

It is worthwhile to mention here that due to privatization of Utilities in Daman & Diu, the new entity DNHDDPDCL has been formed which is vested with the responsibility of distribution of power supply within the UT, thus, in absence of actual last three year audited accounts as per JERC MYT Regulations, 2021, the Commission deems it fit to consider the O&M components on actual basis in order to carry out truing-up of FY 2023-24.

As above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

### **3.10.1 Employee Expenses**

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

The Petitioner has incurred actual Employee Expense to the tune of Rs. 43.99 Crore against the approved expenses of Rs. 46.90 Crore in the APR Order.

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

The employee expenses comprises of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Commission had approved employee expenses of Rs. 46.99 Crore in the APR Order. The Petitioner has submitted actual employee cost for FY 2023-24 as Rs. 43.99 Crore.

It is worthwhile to mention here that the Electricity distribution business in the union territory of Dadar & Nagar Haveli and Daman & Diu has been privatized. Under this restructuring, DNHDDPDCL has been designated as the distribution licensee, assuming responsibility for all electricity functions including distribution and retail supply of electricity within the UT. Therefore, it is necessary to recalibrate the employee cost for DNHDDPDCL in accordance with Regulation 61.3 and 61.4 of the JERC MYT Tariff Regulations, 2021.

In view of above, in order to allow the O&M expenses for FY 2023-24, the Commission has considered Regulation 61.3 and 61.4 of the JERC MYT Regulations, 2021 which specifies the following:

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

*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 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 case to case basis:*

It is to be noted that due to restructuring, the O&M norms shall be determined on case to case basis, thus, as per the Regulations stipulated above, the Commission has considered the actual employee expenses for FY 2023-24 to be allowed in truing-up.

The following table provides the employee expenses approved by the Commission in the APR Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-14 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner’s Submission	Trued-up by Commission
Employee Expenses	46.90	43.99	43.99

Accordingly, the Commission approves Employee Expenses of Rs. 43.99 Crore for FY 2023-24.



### 3.10.2 Repair & Maintenance (R&M) Expenses

#### Petitioner's submission:

The Petitioner has incurred actual R&M Expense to the tune of Rs. 37.00 Crore against the approved expenses of Rs. 37.79 Crore in the APR Order.

#### Commission's Analysis:

As per the approach and methodology adopted while allowing employee expenses in earlier section, the Commission has considered Regulation 61.3 and 61.4 of the JERC MYT Regulations, 2021 for allowing R&M expenses which specifies the following:

*"61. Operation and Maintenance (O&M) expenses for Distribution Wires Business*

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

Therefore, in view of above, the Commission has considered the actual R&M expenses for FY 2023-24 to be allowed in truing-up.

Consequently, the Commission considered these factors for the truing-up process. The following table provides the R&M expenses approved by the Commission in the APR Order, Petitioner's submission and now trued-up by the Commission:

**TABLE 3-15 R&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2023-24 (Rs. Crore)**

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
R&M Expenses	37.79	37.00	37.00

The Commission approves R&M Expenses of Rs. 37.00 Crore for FY 2023-24.

### 3.10.3 Administrative and General (A&G) Expenses

#### **Petitioner's submission:**

The Petitioner has incurred actual A&G Expense to the tune of Rs 36.25 Crore against the approved expense of Rs. 26.85 Crore in the APR Order.

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

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc. Similar to the methodology followed for approving the Employee Expenses, the Commission verifies the A&G expenses as per the audited accounts of FY 2023-24.

It has been observed that the Petitioner has included an amount of Rs. 10.15 Crore towards the loss on the sale of discarded property under A&G expenses and an amount of Rs. 6.39 Crore as income from the same. However, the Commission opines that any loss arising from the sale of discarded property and any income in less than the salvage value of the sold discarded property/items should not be allowed as per Regulatory procedures under JERC MYT Tariff Regulations, 2021. Accordingly, the Commission has deducted Rs. 10.15 Crore from A&G expenses and has also not considered Rs. 6.39 Crore under Non-tariff Income as discussed in para 3 of this Order. Consequently, the overall allowable A&G expenses for FY 2023-24 are determined at Rs. 26.10 Crore.

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for FY 2023-24 in the previous sections, the following table provides the A&G expenses approved by the Commission in the APR Order, Petitioner's submission and now trued-up by the Commission:

**TABLE 3-16 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
A&G Expenses	26.85	36.25	26.10

The Commission approves A&G Expenses of Rs. 26.10 Crore for FY 2023-24.

### 3.10.4 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the APR Order, Petitioner's Submission, and O&M Expenses trued-up by Commission:

**TABLE 3-17 TOTAL O&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission	Trued-up by Commission
Employee Expenses	46.90	43.99	43.99
R&M Expenses	37.79	37.00	37.00
A&G Expenses	26.85	36.25	26.10
<b>Total O&amp;M Expenses</b>	<b>111.53</b>	<b>117.24</b>	<b>107.09</b>

## 3.11 Gross Fixed Assets and Capitalisation

### Petitioner's Submission:

The Petitioner has claimed Rs. 248.20 Crore towards actual capital expenditure for FY 2023-24, as against Rs. 220.42 Crore approved in the APR Order. Summary of capital expenditure incurred during FY 2023-24 is tabulated as under:

**TABLE 3-18 CAPITAL EXPENDITURE CLAIMED BY DNHDDPDCL FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
HT Network	119.83	186.10
LT Network	56.40	50.83
Meter Management	36.52	6.49
Supporting Infrastructure	2.01	0.98
IT	2.66	0.73
Miscellaneous	3.00	3.07
<b>Total Cost</b>	<b>220.42</b>	<b>248.20</b>

The petitioner has claimed actual capitalisation of Rs. 191.64 Crore for FY 2023-24, as against Rs. 182.66 Crore approved in APR Order as shown in table below:

**TABLE 3-19 CAPITALISATION CLAIMED FOR FY 2023-24 (Rs. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Opening GFA	583.52	583.52
Addition to GFA	182.66	191.68
Deletion to GFA	-	30.77
Closing GFA	766.17	744.43
SLC addition	-	0.04
Normative Debt @70%	127.86	134.15
Normative Equity @30%	54.80	57.49

### Commission's Analysis:

The Petitioner has claimed a CAPEX of Rs. 248.20 Crore in the truing-up of FY 2023-24, compared to the Rs. 220.42 Crore approved in the APR Order. The Commission asked the Petitioner to provide supporting documents for the CAPEX and capitalization detailed in the Petition. In response, the Petitioner submitted copies of Electrical Inspector certificates, in accordance with Regulation 43 of the CEA (Measures relating to Safety and Electric Supply) Regulations, 2010, for the energization of transformers, 11kV RMU, and cables. Additionally, the Petitioner explained that the CAPEX was incurred to accommodate load growth, reduce losses, comply with CEA safety regulations, enhance energy efficiency per BEE regulations, and address technology obsolescence.

The Commission has taken into account the CAPEX of Rs. 248.20 Crore as per the annual audited accounts for FY 2023-24. The Petitioner provided a detailed project-wise breakdown of the actual capitalization amounting to Rs. 191.68 Crore, including the Opening CWIP as of April 1, 2023, CAPEX during the year, and Closing CWIP as of March 31, 2024, in Form 9 of the petition.

The Commission has noted the submissions of the Petitioner regarding the capital expenditure as well as capitalisation of assets. The Commission noted that the Petitioner has upgraded and uprated some of the existing network for uninterrupted power supply to its end consumers.

The Commission opines that in order to meet the system demand and to provide 24x7 uninterrupted reliable quality power supply, necessary augmentation and upgradation of EHV / HV / LV network is required. The Petitioner had submitted the CAPEX plan for the period and accordingly CAPEX and capitalization is being undertaken and it is approved based on the yearly progress.

The Petitioner has considered opening GFA for FY 2023-24 at Rs. 583.52 Crore based on the closing GFA approved in truing-up of FY 2022-23, the same is being considered by the Commission.

The Petitioner has capitalised assets to the extent of Rs. 191.68 Crore during FY 2023-24. Hence, the Commission considers capital structure as submitted by the Petitioner which is duly verified by the Commission from transfer scheme. The Commission, accordingly approves the opening GFA, addition to GFA during the year and closing GFA for FY 2023-24 as tabulated below;

**TABLE 3-20 APPROVED CAPITALISATION FOR FY 2023-24 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	583.52	583.52
Addition to GFA	191.68	191.68
Deletion to GFA	30.77	30.77
Closing GFA	744.43	744.43
Less: SLC Addition ( <i>Consumer Contribution</i> )	0.04	0.04
Balance Capitalisation	191.64	191.64
Normative Debt @70%	134.15	134.15
Normative Equity @30%	57.49	57.49

### 3.12 Depreciation

#### Petitioner's Submission:

The Petitioner has submitted that the depreciation rates has been considered as per the JERC MYT Regulations, 2021. The Petitioner has claimed depreciation of Rs. 18.35 Crore for FY 2023-24, as against Rs. 19.09 Crore approved in the APR Order, as detailed in table below:

**TABLE 3-21 DEPRECIATION CLAIMED BY PETITIONER FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Depreciation	19.09	18.35

**Commission's Analysis:**

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2021:

*"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) percent 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, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.*

.....

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 Appendix I of these Regulations.

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 Depreciation Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan."

As per the norms specified in the JERC MYT Regulations, 2021, the Commission has verified the asset wise capitalization of the Petitioner and has accordingly derived the weighted average rate of depreciation based on the asset wise depreciation rate prescribed in the JERC MYT Regulations, 2021, provided in the following table:

**TABLE 3-22 DEPRECIATION RATES**

Description	Rate
Plant & Machinery	3.60%
Underground Cables	2.57%
Buildings	1.80%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Computers & Others	6.00%
Land	0.00%
Software-Intangible assets	15.00%

The Commission has calculated the depreciation on average Gross Fixed Assets (GFA) considering the opening and closing values approved in previous section of this Order. The net addition during the year has been calculated after deducting the value of retired assets. The following table provides the calculation of depreciation during the FY 2023-24:

**TABLE 3-23 DEPRECIATION APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Description	Petitioner's Submission	Approved by Commission
Opening Gross Fixed Assets	583.52	583.52



Description	Petitioner's Submission	Approved by Commission
Addition during the Year	191.68	191.68
Adjustment/retirement during the Year	30.77	30.77
Closing Gross Fixed Assets	544.94	544.94
Average Gross Fixed Assets	464.48	464.48
Rate of Depreciation (%)	2.76%	2.76%
Depreciation	18.35	18.35

The Commission, accordingly, approves the depreciation of Rs. 18.35 Crore for FY 2023-24.

### 3.13 Interest Expenses

#### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 24.99 Crore towards actual interest and finance expenses for FY 2023-24 on normative basis as per the JERC MYT Regulations, 2021. The Petitioner further submitted that it has considered rate of interest in line with the MYT Regulations.

**TABLE 3-24 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR	Actual
Opening Balance of Loans	189.55	189.55
Add: Loan addition during the year	127.86	134.15
Less: Outstanding Loan of decapitalised Asset	-	1.86
Less: Repayments during the year	19.09	18.35
<b>Closing balance of Loans</b>	<b>298.32</b>	<b>303.49</b>
Average Loan	243.94	246.52
Weighted Average Rate of Interest (in %)	9.50%	9.50%
<b>Interest Expense</b>	<b>23.17</b>	<b>23.42</b>
Other Borrowing Cost	-	1.57
<b>Total Interest Expenses</b>	<b>23.17</b>	<b>24.99</b>

#### Commission's Analysis:

The Commission has considered closing balance approved in truing-up of FY 2023-24 as opening normative loan balance for FY 2023-24, addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid Regulations is stipulated as under:

***“29 Interest on Loan***

*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.*

*...”*

As there is no actual loan borrowed by the Petitioner, thus, in line with the third proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2021, the Commission has considered the rate of interest of 9.50 % (Using SBI MCLR as on 01.04.2023 plus 100 basis points).

The Commission sought detailed breakup of other borrowing cost of Rs. 1.57 Crore against which the Petitioner has submitted that the other borrowing cost of Rs. 1.57 Crore is on account of Bank Guarantee and LC charges to power purchase during FY

2023-24. The Commission has duly verified the same from annual audited accounts for FY 2023-24.

The following table provides the Interest on Loan, approved by the Commission in the APR Order, Petitioner's submission and now trued-up by the Commission:

**TABLE 3-25 INTEREST APPROVED BY THE COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved in Truing-Up
Opening Balance	189.55	189.55
Less: Reduction due to Asset retired/replaced	1.86	1.86
Addition of Loan	134.15	134.15
Repayment during year	18.35	18.35
Closing Balance	303.49	303.49
Average Loan	246.52	246.52
Weighted average rate of interest (%)	9.50%	9.50%
Interest Expenses	<b>23.42</b>	23.42
Other Borrowing Costs	1.57	1.57
<b>Total Interest Cost</b>	<b>24.99</b>	<b>24.99</b>

The Commission accordingly approves the Interest on loan for FY 2023-24 as Rs. 24.99 Crore.

### 3.14 Interest on Security Deposit

#### Petitioner's Submission:

The Petitioner has claimed Rs. 12.55 Crore towards interest on security deposit in truing-up for FY 2023-24 as against Rs. 13.04 Crore approved in the APR Order. The Commission in the APR Order had approved the interest on security deposit for the Petitioner considering 6.75% interest rate on the average estimated balance of security deposit for FY 2022-23.

The Petitioner has submitted the actual interest expense on security deposit considering the rate of interest of 6.75% paid to consumers based on Bank Rate is submitted in the Table below:

**TABLE 3-26 INTEREST ON SECURITY DEPOSIT CLAIMED BY PETITIONER FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Interest Rate	6.75%	6.75%
Interest on Security Deposit	13.04	12.55

**Commission's Analysis:**

Regulation 29.11 of the JERC MYT Regulations, 2021 specifies the following:

*"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."*

From reading of above Regulation, it is crystal clear that the security deposit claimed by Petitioner shall be allowed only if the same has been paid to the consumers. The Commission has asked the Petitioner to furnish the actual interest on security deposit paid to consumers during FY 2023-24 against which the Petitioner has submitted that it has actually paid an amount of Rs. 12.02 Crore as an interest on consumer security deposit while Rs. 0.53 Crore is booked in audited accounts on accrual basis.

**TABLE 3-27 INTEREST ON SECURITY DEPOSIT APPROVED FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in the APR Order	Petitioner's Submission	Approved in Truing- Up
Opening Security Deposit	187.60	187.60	187.60
Addition	11.18	7.17	7.17
Closing Security Deposit	198.78	194.77	194.77
Average Security Deposit	193.19	191.19	191.19
Rate of Interest (%)	6.75%	6.75%	6.75%
Actual paid Interest on Security Deposit	13.04	12.55	12.02
Accrual basis Interest on Security Deposit	-	-	0.53

The Commission accordingly approves the Interest on security deposit as Rs. 12.02 Crore for FY 2023-24. The Commission further directs the Petitioner to disclose the actual interest paid on security deposits in its Balance Sheet going forward.

### 3.15 Interest on Working Capital

#### Petitioner's Submission:

The working capital requirement is arrived at as per the JERC MYT Regulations, 2021. The Petitioner has requested the Commission to approve the interest on Working Capital.

**TABLE 3-28 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
O&M Expenses for 1 month	9.29	9.77
40% of R&M expenses for one month	1.26	1.23
Receivables for 2 months	935.62	951.60
Less: Power Purchase Cost of 1 month	478.26	485.08
Less: Security Deposit	193.19	191.19
Normative Working Capital	274.73	286.34
Interest Rate (in %)	10.50%	10.50%
Interest on Working Capital	<b>28.85</b>	<b>30.07</b>

#### Commission's Analysis:

The computation of working capital requirements and the rate of interest to be considered are stipulated in the JERC MYT Regulations, 2021. Regulation 64.1 & 32 of the JERC MYT Regulations 2021 states the following:

*"64.1 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 Expense for 1 month; plus*

*(b) Maintenance spares at 40% of R&M 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) 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:

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 1<sup>st</sup> April of the Financial Year in which the Petition is filed plus 200 basis points.”

As above, the Commission for determination of working capital requirements of the Petitioner during the year, has considered the receivables equivalent to two months of the actual revenue requirement, the O&M Expenses for one month & Maintenance spares as 40% of R&M expenses as per the audited accounts of FY 2023-24 and has subtracted the consumer security deposit as well as one-month equivalent power purchase cost. With regards to the interest rate, the Commission has considered the SBI MCLR rates (One Year) as on April 1, 2023 plus 200 basis points which is 10.50%. The following table provides the interest on working capital approved by the Commission in the APR Order, Petitioner’s submission and now trued-up by the Commission.

**TABLE 3-29 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2023-24 (Rs. Crore)**

Particulars	Petitioner's Submission	Approved By Commission
O&M Expenses for 1 Month	9.77	8.92
40% of R&M expenses for one month	1.23	1.23
Receivables for 2 months	951.60	952.46
Less: Power Purchase Cost of 1 month	485.08	485.08
Less: Security Deposit	191.19	191.19
Normative Working Capital	286.34	<b>286.35</b>
Rate of Interest (%)	10.50%	10.50%
<b>Interest on Working Capital</b>	<b>30.07</b>	<b>30.07</b>

As indicated above, the Commission approves the interest on working capital as Rs. 30.07 Crore for FY 2023-24.

### 3.16 Return on Equity

#### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 30.97 Crore towards return on equity for FY 2023-24, as against Rs. 31.48 Crore approved in APR Order. The Petitioner submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 3-30 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Opening Equity	175.02	175.02
Equity Addition	54.80	57.49
Less: Equity decapitalised	-	9.23
Closing Equity	229.82	223.29
Average Equity	202.42	199.15
RoE for Wire @15.50% of 90% of Avg. Equity	28.24	27.78
RoE for Retail @16.00% of 10% of Avg. Equity	3.24	3.19
Total Return on Equity	31.48	30.97

#### Commission's Analysis:

Regulation 28.2 and 28.3 of the JERC MYT Regulations, 2021 specifies the following:

*"28. Return on Equity .....*

*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. ...."*

Further, in this regard, the Regulation 30(2) of the CERC (Terms and Conditions of Tariff) Regulations, 2019 stipulates the following:

*"30. Return on Equity: .....*



*30.2 Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run-of river generating station with pondage: .....” (Emphasis supplied)*

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, 2021, i.e., 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business. The Commission has considered a rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations mentioned above) and a rate of 16% for the Retail Supply Business.

It is pertinent to note that the Petitioner disposed of assets amounting to Rs. 30.77 Crore during FY 2023-24. Accordingly, in line with the JERC MYT Tariff Regulations, 2021, the Commission has reduced the equity portion i.e., 30% of the asset value from the opening equity for FY 2023-24.

The RoE has been calculated on the average of opening and closing of equity during the year at the rate of 16% on post-tax basis for Retail Supply Business and 15.50% on post-tax basis for wires business, with the opening equity considered as approved in capital structure in this Order. The following table provides the Return on Equity approved by the Commission in the APR Order, Petitioner’s submission and now trued-up by the Commission.

**TABLE 3-31 RETURN ON EQUITY APPROVED FOR FY 2023-24 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved for Truing-Up
Opening Equity	175.02	175.02
Equity Addition	57.49	57.49
Equity reduced due to retired/replaced assets	9.23	9.23
Closing Equity	223.29	223.28
Average Equity	199.15	199.15
RoE for Wire @15.50% of 90% of Avg. Equity	27.78	27.78

Particulars	Petitioner's Submission	Approved for Truing-Up
<i>RoE for Retail @16.00% of 10% of Avg. Equity</i>	3.19	3.19
<b>Total Return on Equity</b>	<b>30.97</b>	<b>30.97</b>

The Commission accordingly, approves the return on equity of Rs. 30.97 Crore for FY 2023-24.

### 3.17 Income Tax

#### Petitioner's Submission:

The Petitioner has submitted that it has taken over the operations from 1<sup>st</sup> April 2022, the Commission in its APR Order has approved NIL income tax for FY 2023-24. For FY 2023-24, the actual tax paid by the Petitioner is Rs. 35.14 Crore as tabulated below:

**TABLE 3-32 INCOME TAX CLAIMED BY PETITIONER FOR FY 2023-24 (Rs. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Income Tax	-	35.14

#### Commission's Analysis:

In this regard, Regulation 33 of the JERC MYT Regulations, 2021, states the following:

#### ***"33. Tax on Income***

*33.1 The treatment of tax on income for a Transmission Licensee shall be in accordance with the prevalent CERC Tariff Regulations.*

*33.2 The Commission in its MYT Order shall provisionally approve Income Tax payable 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 prudence check.*

*33.3 Variation between Income Tax actually paid, including cess and surcharge on the same, if any, and approved, if any, on the income stream of*

*the Licensed business of the Distribution Licensees shall be reimbursed to/recovered from the Distribution Licensees, based on the documentary evidence submitted at the time of truing up of each Year of the Control Period, subject to prudence check.*

*33.4 Under-recovery or over-recovery of any amount from the Consumers on account of such tax having been passed on to them shall be adjusted every Year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors. The Distribution Licensee may include this variation in its truing up Petition:*

*Provided that tax on any income stream other than the core business shall not be a pass-through component in tariff and tax on such other income shall be borne by the Distribution Licensee."*

It has been observed that the Petitioner has claimed an amount of Rs. 0.17 Crore under Income tax under section 234C, the Commission opines that the interest under Section 234C, arising from shortfall or deferment in advance tax payments, is compensatory/penal in nature and not considered a normal business expenditure. As per regulatory principles, the ARR permits only prudent and legitimate expenses incurred for the licensed business, and penalties, fines, or interest on delayed statutory dues are not admissible. Accordingly, interest u/s 234C is disallowed from admissible income tax expenses to ensure that consumers are not burdened with the inefficiencies arising from delayed tax compliance.

It has been observed that the Petitioner paid a total income tax of Rs. 35.14 Crore on an overall profit of Rs. 183 crore, based on a total revenue of Rs. 6,092.64 Crore. However, for truing-up purposes, the Commission considers only the revenue billed to consumers as approved by the Commission. Accordingly, the Commission has proportionately allowed income tax as a pass-through only on the regulatory revenue considered for truing-up. Based on this, the allowable income tax has been reduced to Rs. 32.18 Crore.

Accordingly, the Commission approves the income tax amount of Rs. 32.18 crore for FY 2023-24.

**TABLE 3-33 INCOME TAX APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission	Approved in Truing-Up
Income Tax	-	35.14	32.18

The Commission accordingly approves the Income Tax of Rs. 32.18 Crore for FY 2023-24.

### 3.18 Bad Debts Written Off

#### Petitioner's Submission:

The Petitioner submitted that it has written off the bad debts to the tune of Rs. 3.71 Crore during FY 2023-24 as compared to approved level of NIL vide APR Order.

**TABLE 3-34 BAD DEBTS WRITTEN OFF IN FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Bad Debts written off	-	3.71

#### Commission's Analysis:

As per Regulation 63.1 of the 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 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 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."*

As the Petitioner has claimed amount of Rs. 3.71 Crore towards Bad Debts, the Commission therefore has considered actual bad debts written off in the true-up of FY 2023-24.

### 3.19 Non-Tariff Income

#### Petitioner's Submission:

The Petitioner has claimed Rs. 65.64 Crore towards Non-Tariff Income for FY 2023-24 as against the approved value of Rs. 65.18 Crore by the Commission in its APR Order.

**TABLE 3-35 NON-TARIFF INCOME CLAIMED FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Non-Tariff Income	65.18	65.64

#### Commission's Analysis:

The Regulation 65 of the JERC MYT Regulations, 2021 stipulates the following:

#### ***"65. Non-Tariff Income***

*65.1 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.*

*65.2 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.:*

*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 49 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."*

It has been observed that the Petitioner has accounted for an amount of Rs. 6.39 crore as income from the sale of scrap under Non-Tariff Income, and a loss of Rs. 10.15 crore on the sale of such assets under A&G expenses. However, as detailed in

Para 3.10.3 of this Order, the Commission has not accepted the loss on sale of scrap to be included under A&G expenses.

In line with this approach and in accordance with the JERC MYT Tariff Regulations, 2021, the Commission finds it appropriate not to allow any income lower than its salvage value from the sale of scrap to be considered under Non-Tariff Income.

According to JERC Regulations on Income from Other Business, interest income should be categorized as Non-Tariff Income. Consequently, the Commission included this amount while approving the non-tariff income for FY 2023-24.

The Commission has included revenue from all the appropriate sources in Non-Tariff income as per Regulation 65 of the JERC MYT Regulations, 2021. Accordingly, Delayed Payment Surcharge and Interest on Fixed Deposits & other instruments have also not been considered as part of Non-Tariff Income (NTI). The NTI as claimed by the Petitioner and trued-up by the Commission is presented in the table below:

**TABLE 3-36 NON-TARIFF INCOME APPROVED FOR FY 2023-24 (Rs. Crore)**

Particulars	Approved in APR Order	Petitioner's Submission	Approved in Truing-Up
Hire of Meters	0.97	0.97	0.97
Miscellaneous Income	6.81	8.66	2.27
Interest income from financial assets at amortised cost Deposits	-	6.58	6.58
Rebate on prompt Payment	57.39	55.03	55.03
Miscellaneous Income	-	1.88	1.88
Total	65.18	73.12	66.73
Less: Interest income from financial assets at amortised cost Deposits (DPC)	-	6.58	6.58
Less: Incentive on past arrear collection	-	0.90	0.90
<b>Net Total Non-Tariff Income</b>	<b>65.18</b>	<b>65.64</b>	<b>59.25</b>

Accordingly, the Commission approves Non-Tariff Income of Rs. 59.25 Crore in the true-up of FY 2023-24.



### 3.20 Incentive towards over/under achievement of distribution losses

#### Petitioner's Submission:

The Petitioner submitted that the Commission had approved the Distribution loss level of 3.16% against which the Petitioner has achieved Distribution loss of 1.72%. As per the Clause 4.2 of Policy Direction under Transfer Scheme, two-third of the gain is to be retained by the Distribution Licensee. Accordingly, the Petitioner has computed incentive as per the MYT Regulations read with the Transfer Scheme as under:

**TABLE 3-37 COMPUTATION OF SHARING OF GAINS SUBMITTED BY PETITIONER FOR FY 2023-24**

Particulars	Formula	Normative	Actual
Retail sales within the State/UT (MU)	a	10,198.93	10,198.93
Open Access Sales (MU)	b	-	-
Less: Energy Savings (MU)	c	-	-
Total Sales within the State/UT (MU)	d=a+b-c	10,198.93	10,198.93
Less: Solar Generation within the State/UT (MU)	e	21.82	21.82
Net Total Sales within the State/UT (MU)	f=d-e	10,177.11	10,177.11
Distribution Loss (%)	g	3.16%	1.72%
Distribution Loss (MU)	h=i-f	332.09	177.59
Energy required at Distribution Periphery (MU)	i=f/(1-g)	10,509.20	10,354.70
Gain on account of Distribution Loss (MU)	j=diff. of i		154.50
Power Purchase Rate (Rs/ kWh)	k		5.37
Gain on account of Distribution Loss (Rs. Crore)	l=j*k/10		82.92
Sharing of Gains on account of Distribution Loss (Rs. Crore)	m=(2/3)*l		55.28

The Incentive towards over achievement of norms of distribution losses has been considered Rs. 55.28 Crore by the Petitioner and added to ARR.

#### Commission's Analysis:

In the transfer scheme the Government had approved the Distribution loss level of 3.16%. The Petitioner has claimed Distribution loss of 1.72% against the approved loss level of 3.16%. The Commission, in accordance with clause specified in the transfer scheme (reproduced below) has determined the incentive towards the over-achievement of the target of distribution loss for FY 2023-24 as follows:

*"4.2.(b) During this period, in the event actual T&D Loss level of the Distribution Company for any particular year as determined by the*

*Commission is better (lower) than the above target, the Distribution Company shall be entitled to retain two-thirds (2/3<sup>rd</sup>) of the additional revenue resulting from such better performance. The balance one-third (1/3<sup>rd</sup>) of additional revenue resulting from such better performance shall, however, be passed on as a benefit to consumers for the purpose of ARR and tariff determination."*

The incentive has been considered at Rs. 4.77/kWh, which is the Average Power Purchase cost (APPC) excluding cost of REC and Inter and Intra State Transmission Charges for FY 2023-24 as tabulated below:

Particulars	Approved by Commission
Total Energy within the State/UT (MU)	10,376.52
Total Power Purchase Cost for FY 2023-24 (Rs. Crore)	5,821.01
Less: REC Cost (Rs. Crore)	76.08
Less: Transmission Charges (Rs. Crore)	793.01
Net Power Purchase Cost for FY 2023-24 (Rs. Crore)	4,951.91
APPC (Rs./kWh) for consideration of Sharing of Gains/(Loss) on account of over/under-achievement of T&D Losses	4.77

The APPC has been derived at State/UT Periphery based on the Power Purchase cost approved in the true-up and the Energy at the State/UT Periphery has been computed after grossing up the retail energy sales (10,198.93 MU) with the actual Distribution Loss (1.72%). Further as per transfer scheme, stipulate the variation in distribution losses to be a controllable factor and any approved gain to the Distribution Licensee on account of controllable factors shall be shared (1/3<sup>rd</sup>) with the Consumers. The assessment of incentive for lower Distribution losses is as shown in the following table:

**TABLE 3-38 COMPUTATION OF SHARING OF GAINS APPROVED BY COMMISSION FOR FY 2023-24**

Particulars	Formula	Normative	Approved by Commission
Retail sales within the State/UT (MU)	a	10,198.93	10,198.93
Open Access Sales (MU)	b	-	-
Less: Energy Savings (MU)	c	-	-
Total Sales within the State/UT (MU)	d=a+b-c	10,198.93	10,198.93
Less: Solar Generation within the State/UT (MU)	e	21.82	21.82

Particulars	Formula	Normative	Approved by Commission
Net Total Sales within the State/UT (MU)	$f=d-e$	10,177.11	10,177.11
Distribution Loss (%)	$g$	3.16%	1.72%
Distribution Loss (MU)	$h=i-f$	332.09	177.59
Energy required at Distribution Periphery (MU)	$i=f/(1-g)$	10,509.20	10,354.70
Gain on account of Distribution Loss (MU)	$j=\text{diff. of } i$		154.50
Power Purchase Rate (Rs/ kWh)	$k$		4.77
Gain on account of Distribution Loss (Rs. Crore)	$l=j*k/10$		73.73
Sharing of Gains on account of Distribution Loss (Rs. Crore)	$m=(2/3)*l$		49.15

The Commission approves Rs. 49.15 Crore as incentive for over-achieving the distribution loss target for FY 2023-24.

### 3.21 Aggregate Revenue Requirement (ARR)

#### Petitioner's Submission:

Based on the expenses as detailed above, the Petitioner has submitted the net Aggregate Revenue Requirement of Rs. 6,083.66 Crore for approval in the True-up of FY 2023-24.

**TABLE 3-39 NET ARR SUBMITTED BY THE PETITIONER FOR FY 2023-24 (Rs. CRORE)**

Particulars	APR Order	Petitioner's Submission
Power Purchase	5,739.08	5,821.01
O&M Expense	111.53	117.24
Interest on Loans	23.16	24.99
Interest on Security Deposit	13.04	12.55
Interest on Working Capital	28.85	30.07
Depreciation	19.09	18.35
Bad Debts written off	-	3.71
Return on Equity	31.48	30.97
Income Tax	-	35.14
Less: Non-Tariff Income	65.18	65.64
Add: Sharing of Gains/(Losses)	-	55.28
<b>Net ARR</b>	<b>5,901.05</b>	<b>6,083.66</b>

#### Commission's Analysis:

The Commission on the basis of the detailed analysis of the cost parameters of the Aggregate Revenue Requirement approves the net revenue requirement in the true-up of FY 2023-24 as given in the following table:

**TABLE 3-40 NET ARR APPROVED BY COMMISSION FOR FY 2023-24 (RS. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission	Approved by Commission
Power Purchase	5,739.08	5,821.01	5,821.01
O&M Expense	111.53	117.24	107.09
Interest on Loans	23.16	24.99	24.99
Interest on Security Deposit	13.04	12.55	12.02
Interest on Working Capital	28.85	30.07	30.07
Depreciation	19.09	18.35	18.35
Bad Debts written off	-	3.71	3.71
Return on Equity	31.48	30.97	30.97
Income Tax	-	35.14	32.18
<i>Less: Non-Tariff Income</i>	<i>65.18</i>	<i>65.64</i>	<i>59.25</i>
Add: Sharing of Gains/(Losses)	-	55.28	49.15
<b>Net ARR</b>	<b>5,901.05</b>	<b>6,083.66</b>	<b>6,070.29</b>

The Commission approves net Aggregate Revenue Requirement of Rs. 6,070.29 Crore in the true-up of FY 2023-24.

### 3.22 Revenue at existing Retail Tariff

#### Petitioner's Submission:

The Petitioner has submitted actual revenue from retail sale for FY 2023-24 is Rs. 5,709.62 Crore as against Rs. 5,613.72 Crore approved by the Commission in the APR Order.

#### Commission's Analysis:

The Commission observed that the Petitioner has claimed revenue from the sale of power amounting to Rs. 5,709.62 Crore, whereas the annual audited accounts for FY 2023-24 reflect revenue of Rs. 6,087.52 Crore. The Commission directed the Petitioner to reconcile this difference and clarify the treatment of the unbilled amount of Rs. 377.90 Crore as per the audited accounts for FY 2023-24. In response, the Petitioner submitted that the provisional revenue of Rs. 377.90 Crore booked for FY 2023-24 on an accrual basis includes unbilled amounts of Rs. 483.25 Crore towards the estimated Revenue Gap/(Surplus) for FY 2023-24, along with an adjustment of Rs. 105.35 Crore towards past period FPPCA under-recovery. Accordingly, DNHDDPDCL has billed total FPPCA revenue of Rs. 498.69 Crore

against the FPPCA of Rs. 393.34 Crore for FY 2023-24. The reconciliation of revenue shown in the accounts, including the booking of provisional revenue on an accrual basis, is presented in the following table:

**TABLE 3-41 RECONCILLATION OF REVENUE ACCOUNTS VIS-À-VIS PETITION FOR FY 2023-24 (RS. CRORE)**

Particulars	FY 2023-24 (Rs. Crore)
Revenue from Sales as per approved Tariff	5,216.05
Revenue from FPPCA - FY 23-24 as per approved FPPCA	393.34
Revenue from FPPCA - Past Period as per approved FPPCA	105.35
<b>Total</b>	<b>5,714.74</b>
<i>Less: Prompt Payment Rebate</i>	<i>5.12</i>
<b>Revenue Claimed in Petition</b>	<b>5,709.62</b>
Provision for Estimated Gap/(Surplus)	483.25
Provision Under recovery / (Over recovery) of FPPCA	-105.35
<b>Revenue booked in Audited Accounts</b>	<b>6,087.52</b>

The Commission not being convinced with the petitioner's reply, arranged a meeting on 17<sup>th</sup> September 2025 for one to one interaction to understand the issue regarding difference between Revenue stated in the Financial Statement vis-à-vis Revenue considered in the truing-up petition for FY 2023-24. The petitioner during discussion explained that the revenue in financial accounts is booked as per IndAS 115 following the revenue recognition, and matching principle i.e., expenses and related revenue are recorded in the same accounting year. The Petitioner has also submitted the certificate of Statutory Auditor for reconciliation of the revenue stated in the Accounts vis-à-vis revenue considered in the truing-up petition for FY 2023-24. In the above certificate, the accrued revenue is mentioned as Rs. 377.90 Crore, which includes other than FPPCA {i.e., unbilled amounts towards revenue gaps/surplus} amount of Rs. 483.25 Crore and reversal of Rs. 105.35 Crore pertaining to past period FPPCA considered on accrual basis in FY 2022-23. The Petitioner in its written submission submitted that the Revenue of Rs. 483.25 Crore is recognised on accrual basis as per management view in line with the revenue recognition accounting policy followed by the Company already disclosed in note 2.5 of the Financial Statements of the Company for the year ended March 31, 2024. Furthermore, the Petitioner has submitted that the above referred accrued amount of Rs. 483.25 Crore is considered as Revenue in Accounts and shall be given necessary treatments in the Accounts as per the provisions of the applicable Accounting Standards read with Orders to be issued by the Hon'ble Commission to

give fair view about the Financials of the Company to the stakeholders. The Petitioner further emphasized that the tariff is being determined as per the provisions of the applicable Tariff Regulations notified under the provisions of the Electricity Act, 2003 and accordingly, treatments being given in Accounts in respect of the Accrued Revenue will not have any bearing on tariff determination by the Hon'ble Commission as the Hon'ble Commission considers the revenue billed to the consumers as per the tariff approved in the Tariff Order(s). The Commission finds that the booking of provision on the gap/surplus, without specific approval of the Commission is not appropriate as the true-up exercise is carried out by the Commission after prudence check of the audited accounts as per the provision of the relevant regulation.

The Commission further observes that the Petitioner has considered revenue from sale of power Rs. 5,709.62 Crore after deducting prompt payment rebate of Rs. 5.12 Crore which is not in conformity to the JERC MYT tariff Regulations, 2021. As per the Regulations, the total revenue from sale of power for the purpose of truing-up shall be billed amount which does not include prompt payment rebate. Accordingly, the Commission has approved a sum of Rs. 5,714.74 Crore for truing up for FY 2023-24.

### 3.23 Standalone Revenue Gap/(Surplus)

#### Petitioner's Submission:

Based on the ARR and the revenue from retail tariff, the standalone revenue gap of Rs. 374.03 Crore is arrived in the true-up of FY 2023-24.

**TABLE 3-42 GAP/(SURPLUS) SUBMITED BY PETITIONER FOR FY 2023-24 (RS. CRORE)**

Particulars	APR Order	Petitioner's Submission
Net ARR	5,901.05	6,083.66
Less: Revenue	5,613.72	5,709.62
Gap/(Surplus)	287.34	374.03

**Commission's Analysis:**

The Commission based on the approved ARR and retail tariff has arrived at the Revenue Gap/(Surplus) as follows:

**TABLE 3-43 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2023-24 (Rs. Crore)**

Particulars	Approved in APR Order	Petitioner's Submission	Approved by Commission
Net Revenue Requirement	5901.05	6083.66	6,070.29
Revenue from Retail Sales at Existing Tariff	5613.72	5709.62	5,714.74
<b>Net Revenue (Gap)/Surplus</b>	<b>(287.34)</b>	<b>(374.03)</b>	<b>(355.55)</b>

Accordingly, the Commission, in the true-up of FY 2023-24 approves a gap of Rs. 355.55 Crore. This gap has been carried over in the ensuing years FY 2025-26 along with carrying cost and has been dealt with while determining the tariff for FY 2025-26.



## Chapter 4: Annual Performance Review for FY 2024-25

### 4.1 Background

The Commission had issued the ARR Order which includes APR for FY 2023-24, and ARR and determination of Retail tariff for FY 2024-25 on June 13, 2024 (hereinafter referred to as the “ARR Order” for the purpose of APR of FY 2024-25).

As per Regulation 12 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021, the review and true-up of revenue and expenses of the Petitioner shall be carried out as follows:

***“12 Annual Performance Review, Truing-up and tariff determination during the Control Period***

*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:*

*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 financial and actual operational 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;*

*.....”*

This chapter deals with the APR of FY 2024-25 for DNHDDPDCL. The Commission has studied and analysed each component of the APR for FY 2024-25 in the following paragraphs.

## 4.2 Approach for the APR of FY 2024-25

The review of the Aggregate Revenue Requirement 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 sales projected by the Petitioner based on actual data for 6 months and revised estimates for the remaining six months of FY 2024-25. The various cost elements constituting the Aggregate Revenue Requirement have been approved based on the information submitted by the Petitioner for FY 2024-25, the JERC MYT Regulations, 2021 and on the basis of the norms approved in the ARR Order dated June 13, 2024.

## 4.3 Energy Sales to Consumers

### Petitioner's Submission:

The Petitioner has submitted that it has considered actual sales for H1 of FY 2024-25 and projection for H2 of FY 2024-25, the Petitioner has projected the sales by applying 5-year CAGR on H2 of FY 2023-24. DNHDDPDCL has submitted category-wise projected energy sales for DNH and DD area for FY 2024-25 along with the sales approved by the Commission in the ARR Order as given in the Table below.

**TABLE 4-1 ENERGY SALES FOR FY 2024-25 (IN MU)**

Category	Approved in ARR Order	Petitioner's Submission
Domestic	338.88	345.86

Category	Approved in ARR Order	Petitioner's Submission
LIG/Kutirjyoti	11.15	16.44
Commercial	98.50	111.15
Agriculture	7.43	8.21
LT Industry	594.52	588.05
Public Water Works	4.46	5.06
Public Lightning	5.84	5.75
HT/EHT Industry & Commercial	9,608.48	9,481.94
LT-EV Charging Station	2.02	2.41
HT-EV Charging Station	-	0.03
Temporary Supply	15.79	12.57
<b>Total Sales</b>	<b>10,687.06</b>	<b>10,577.48</b>

### Commission's Analysis:

The Commission has noted the audited figures for FY 2023-24 and provisional information provided by the Petitioner of FY 2024-25. However, the Commission has computed the category-wise CAGR in order to approve energy sales.

**TABLE 4-2 HISTORICAL ENERGY SALES FOR DNHDDPDCL (IN MU)**

S. No.	Category	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2 Year	3 Year	4 Year	5 Year
<b>LT</b>											
1	Domestic	263.07	297.45	289.01	302.11	303.46	330.44	5%	5%	3%	5%
2	Commercial	87.47	88.03	74.55	84.47	92.74	106.80	12%	13%	5%	4%
3	LIG/Kutirjyoti	-	-	7.28	460.51	2.58	16.44	-81%	31%	0%	0%
4	Public Lighting	14.06	9.38	4.91	7.50	6.05	5.75	-12%	5%	-12%	-16%
5	Agricultural Pumpsets	12.18	10.08	8.46	7.58	7.29	8.21	4%	-1%	-5%	-8%
6	Industry	413.93	427.27	371.96	460.51	525.48	554.62	10%	14%	7%	6%
7	Public Water Work	9.92	7.82	7.76	7.83	4.31	5.06	-20%	-13%	-10%	-13%
8	EV Charging Station	-	-	-	-	0.01	0.09	0%	0%	0%	0%
	<b>Total</b>	<b>800.63</b>	<b>840.03</b>	<b>763.93</b>	<b>1,330.51</b>	<b>941.92</b>	<b>1,027.43</b>				
<b>HT</b>											
9	Industry	7,702.29	7,939.18	6,611.62	8,252.82	8,679.94	9,159.06	5%	11%	4%	4%
10	EV Charging Station	-	-	-	-	1.51	2.32	0%	0%	0%	0%
	<b>Total</b>	<b>7,702.29</b>	<b>7,939.18</b>	<b>6,611.62</b>	<b>8,252.82</b>	<b>8,681.45</b>	<b>9,161.38</b>				
11	Temporary Supply	3.43	4.45	3.83	8.02	11.42	10.12	12%	38%	23%	24%
<b>12</b>	<b>Grand Total</b>	<b>8,506.35</b>	<b>8,783.66</b>	<b>7,379.38</b>	<b>9,591.35</b>	<b>9,634.79</b>	<b>10,198.93</b>				

The Commission has computed the category-wise energy sales for FY 2024-25 based upon the CAGR as shown in the table below:

**TABLE 4-3 CAGR SELECTED FOR FY 2024-25 (%)**

S. No.	Category	CAGR Selected
<b>LT</b>		
1	Domestic	5%
2	Commercial	5%
3	LIG/Kutirjyoti	3%
4	Public Lighting	0%
5	Agricultural Pumpsets	0%
6	Industry	7%
7	Public Water Work	0%
8	EV Charging Station	50%
<b>Total</b>		
<b>HT</b>		
9	Industry	4%
10	EV Charging Station	50%
<b>Total</b>		
11	Temporary Supply	25%
12	<b>Grand Total</b>	

The table below provides the energy sales approved by the Commission in the ARR Order, the Petitioner's submission and now approved by the Commission for FY 2024-25.

**TABLE 4-4 ENERGY SALES APPROVED BY COMMISSION FOR FY 2024-25 (IN MU)**

Category	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Domestic	338.88	345.86	345.86
LIG/Kutirjyoti	11.15	16.44	16.94
Commercial	98.50	111.15	112.08
Agriculture	7.43	8.21	8.21
LT Industry	594.52	588.05	592.00
Public Water Works	4.46	5.06	5.06
Public Lightning	5.84	5.75	5.75
HT/EHT Industry & Commercial	9,608.48	9,481.94	9481.94
LT-EV Charging Station	2.02	2.41	3.48
Signboard and Hoarding	-	0.03	0.14
Temporary Supply	15.79	12.57	12.65
<b>Total Sales</b>	<b>10,687.06</b>	<b>10,577.48</b>	<b>10584.12</b>

The Commission approves the energy sales of 10,584.12 MU in APR for FY 2024-25.

#### 4.4 Inter-State Transmission Loss

##### Petitioner's Submission:

The Petitioner has considered the Inter-State transmission loss as 3.03% for FY 2024-25.

##### Commission's Analysis:

The Commission in the APR of FY 2024-25 considers the Inter-State transmission losses in line with those approved for truing-up of FY 2023-24 in this Order. The same shall be revised based on actuals during the true-up exercise of FY 2024-25.

The following table provides the Inter-State transmission loss submitted and now approved by the Commission.

**TABLE 4-5 INTER-STATE TRANSMISSION LOSS APPROVED FOR FY 2024-25**

Category	Approved in ARR Order	Petitioner's Submission	Trued-up by Commission
Inter-State Transmission losses (%)	3.66%	3.03%	3.50%

The Commission approves the Inter-State transmission loss of 3.50% in APR for FY 2024-25.

#### 4.5 Distribution Losses

##### Petitioner's Submission:

The Petitioner has submitted that the distribution loss trajectory has been specified for the Union Territory for the control period in the Policy Direction under Transfer Scheme. In turn, the Hon'ble Commission has also considered the distribution loss trajectory as per the Policy Direction issued under Transfer Scheme. For FY 2024-25, the Petitioner has considered the distribution losses as approved by the Hon'ble Commission.

**TABLE 4-6 DISTRIBUTION LOSSES FOR FY 2024-25 AS SUBMITTED BY PETITIONER**

Category	Approved in ARR Order	Petitioner's Submission
Distribution losses (%)	2.99%	2.99%

**Commission's Analysis:**

Regulation 13.2 (c) of the JERC, MYT Regulations, 2021, provides as follows:

*"13.2 For the purpose of these Regulations, the term "controllable factors" for a Transmission or Distribution Licensee shall comprise of the factors which were within the control of the Licensee, shall inter-alia include:*

*.....*

*c) Variations in technical and commercial losses of Distribution Licensee;  
....."*

As per Regulation 13.2 (c) of the JERC, MYT Regulations, 2021, distribution loss is a controllable factor. Further, in accordance to Regulation 15 of the JERC, MYT Regulations, 2021, mechanism for sharing of gains or losses on account of controllable factors, the Petitioner shall be allowed an incentive/disincentive in the true-up Order considering the actual distribution loss achieved by the Petitioner in the year. The following table provides the Distribution loss approved in the ARR Order, the Petitioner's submission and now approved by the Commission.

**TABLE 4-7 DISTRIBUTION LOSS APPROVED BY COMMISSION FOR FY 2024-25**

Category	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Distribution losses (%)	2.99%	2.99%	2.99%

The Commission approves Distribution loss at 2.99% in the APR of FY 2024-25.

**4.6 Energy Balance****Petitioner's Submission:**

The Petitioner has submitted that the energy requirement for DNH and DD licensee area furnished is based on the (i) projected energy sales, (ii) Intra-state

transmission loss and (iii) distribution losses for FY 2024-25 as given in the Table below:

**TABLE 4-8 ENERGY REQUIREMENT SUBMITTED BY PETITIONER FOR FY 2024-25 (MU)**

Particulars	Formula	Approved in ARR Order	Petitioner's Submission
Retail Sales	a	10,687.06	10,577.48
Open Access Sales	b	-	-
Less: Energy Savings	c	-	-
Total Sales within UT	d=a+b-c	10,687.06	10,577.48
Less: Solar generation within UT	e	22.43	21.83
Net Total Sales within UT	f=d-e	10,664.63	10,555.65
Distribution Loss	g	328.18	325.34
Energy Required at DNHDDPDCL Periphery	h=f+g	10,992.81	10,880.99
Intra-State Transmission Loss	i	190.97	189.03
Energy Requirement at UT Periphery	j=h+i	11,183.78	11,070.02
Add: Sales to Common Pool/UI	k	-	-
Add: Sales through Power Exchange	l	-	-
Total Energy Requirement at UT periphery	m=j+k+l	11,183.78	11,070.02
Inter-State Transmission Loss	n	-	345.56
Total Energy Requirement	o = m+n		11,415.58

The Petitioner has estimated the total energy requirement from the tied-up sources & UI at generator end as 11,415.58 MU in the APR of FY 2024-25.

#### Commission's Analysis:

The energy requirement at State/UT Periphery is derived based on the energy sales estimate and the Intra-State transmission losses and Distribution losses approved for FY 2023-24, as shown in the following Table:

**TABLE 4-9 ENERGY REQUIREMENT APPROVED BY COMMISSION FOR FY 2024-25 (MU)**

Particulars	Formula	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Retail Sales	a	10,687.06	10,577.48	10,584.12
Open Access Sales (MU)	b	-	-	-
Less: Energy Savings (MU)	c	-	-	-
Total Sales within UT (MU)	d = a + b + c	10,687.06	10,577.48	10,584.12
Less: Solar generation within UT (MU)	e	22.43	21.83	22.25



Particulars	Formula	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Net Total Sales within UT (MU)	$f = d - e$	10,664.63	10,555.65	10,561.69
Distribution Loss (%)		2.99%	2.99%	2.99%
Distribution Loss (MU)	$g$	328.18	325.34	325.34
Energy Required at DNHDDPDCL Periphery	$h = f + g$	10,992.81	10,880.99	10,887.03
Intra-State Transmission Losses (%)		1.71%	1.71%	1.71%
Intra-State Transmission Losses (MU)	$i$	190.97	189.03	189.03
Energy Requirement at UT Periphery	$j = h + i$	11,183.78	11,070.02	11,076.06
Inter-State Transmission Losses (%)		-	3.03%	3.50%
Inter-State Transmission Losses (MU)	$k$	-	345.56	401.72
Total Energy Requirement at UT Periphery (MU)	$m = j + k$ $+ l$	11,183.78	11,415.58	11,077.78

The Commission approves the total Energy requirement at UT level to the tune of 11,077.78 MU in the APR for FY 2024-25.

#### 4.7 Power Purchase Quantum & Cost

##### Petitioner's Submission:

The Petitioner has submitted that based on the revised quantum of energy and actual power purchase rates of H1 of FY 2024-25 for the approved sources along with approved Interstate and Intra-state Transmission charges, the revised power purchase cost for FY 2024-25 has been worked out. For estimation of H2 FY 2024-25, the Petitioner has removed adjustments related to past period and aberrations such as performance gains, compensation for lower PLF, Ash Transportation charges etc. from actuals for H1 of FY 2024-25.

Further, the Petitioner submitted that the Energy Charges for Gas based capacity from NTPC – Kawas and Gandhar was exorbitantly high. Also, this capacity has completed the contractual period, thus, the Petitioner has not scheduled the Energy in FY 2024-25. The Petitioner has issued termination notice as per the provisions of CERC Tariff Regulations. However, NTPC has disputed the termination and

continued raising invoices referring Interim Order issued by Hon'ble Supreme Court in the Writ Petition No. 1877 of 2022 filed by NTPC against APTEL Order holding termination by Delhi Discoms valid. As NTPC has continued to raise invoices, the Petitioner has no option but to make payment under protest. The Petitioner has also filed an I.A. to intervene in the Writ Petition before Hon'ble Supreme Court. However, since the Writ Petition has not been listed for hearing yet, the IA is yet to be registered by the Hon'ble Supreme Court. In the circumstances, without prejudice, the Petitioner has considered NTPC- Kawas and Gandhar in power purchase projection for FY 2024-25. Similarly, RGPPL PPA with DNHDDPCL had been terminated by the erstwhile Licensee i.e. DNHPDCL. However, RGPPL has continued to raise invoices. In turn, DNHDDPDCL has filed the petition before Hon'ble CERC and same is presently pending. Accordingly, DNHDDPDCL is making payment under protest without prejudice.

Further, as per the directions of the Hon'ble Commission vide Order dated 21st January 2025 in Suo-moto Petition no. 61 of 2012, to fulfil RPO the Petitioner has considered purchase of REC corresponding to RPO for FY 2024-25 based on revised sales estimates and about 50% backlog RPO as on 31st March, 2024. Revised estimates of Power Purchase Cost for FY 2024-25 as shown in the table below:

**TABLE 4-10 POWER PURCHASE COST SUBMITTED BY THE PETITIONER FOR FY 2024-25**

	Approved in ARR		Revised Estimates	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
NTPC Stations	7,002.93	2,674.41	6,793.51	2,996.07
NSPCL-Bhilai	1,264.26	502.06	1,205.28	520.92
NPCIL	988.41	368.13	1,197.99	481.85
RGPPL			-	63.99
Short Term Power (IEX/Bilateral)	2,253.98	1,046.66	2,202.26	1,046.38
Solar	22.43	13.95	21.83	13.53
REC (Non-solar+ Solar)		114.19	-	180.02
UI/Surplus sales	-	-	(5.29)	(2.59)
Total Power Purchase	11,532.01	4,719.40	11,415.57	5,300.17
Transmission Charges				
ISTS Charges incl. WRLDC charges	-	714.92	-	535.82
InSTS Charges & Other Charges	-	160.38	-	101.86
Total	11,532.01	5,594.93	11,415.57	5,937.85

**Commission's Analysis:**

The Petitioner procures power mainly from NTPC stations, NPCIL stations, NSPCL Bhilai and IPPs. The Petitioner submitted that the overall power purchase cost is being estimated at the actual rates for H1 of FY 2024-25, while estimating power purchase cost for H2 for FY 2024-25, the Petitioner has removed adjustments related to past period and aberrations from actuals of H1.

The Commission has asked the Petitioner to submit the source-wise actual power purchase cost along with quantum incurred during FY 2024-25 against which the Petitioner has furnished the same which is tabulated as under:

**TABLE 4-11 POWER PURCHASE QUANTUM AND COST APPROVED BY THE COMMISSION FOR FY 2024-25**

Particulars	Energy Units (Mus)	Fixed Charges (Rs. Crore)	Variable Charges (Rs. Crore)	Other Charges (Rs. Crore)	Total Charges (Rs. Crore)
<b>NTPC Stations</b>					
KSTPS	766.96	62.86	110.77	4.52	178.15
KSTPS-3	192.67	22.93	26.80	0.01	49.75
VSTPP-1	357.99	36.05	67.73	0.01	103.79
VSTPP-2	292.53	23.60	53.61	0.15	77.37
VSTPP-3	339.48	29.90	61.03	1.60	92.53
VSTPP-4	440.88	67.57	80.34	2.49	150.40
MSTPS1	258.78	42.69	91.28	4.95	138.91
KGPS	-	70.69	-	0.68	71.36
JGPS	-	67.15	-	0.84	68.00
Sipat-1	786.22	101.99	128.87	1.73	232.59
Sipat-2	304.24	30.76	52.39	0.59	83.74
VSTPS5	256.30	39.72	47.89	0.93	88.55
MST-2	500.28	80.70	174.08	2.14	256.92
Solapur	504.50	134.73	226.13	128.17	489.04
KHSTPP-2	36.36	3.20	9.42	0.40	13.03
GSTPS	699.73	156.03	232.35	5.00	393.38
LARA	673.94	141.98	87.69	183.66	413.33
Kharagaon	545.10	130.94	221.59	3.01	355.54
Misc					-
<b>Subtotal - NTPC</b>	<b>6,955.97</b>	<b>1,243.50</b>	<b>1,671.99</b>	<b>340.89</b>	<b>3,256.38</b>
		1.79			
<b>NSPCL - Bhilai</b>	<b>1,247.29</b>	<b>174.83</b>	<b>355.92</b>	<b>2.42</b>	<b>533.17</b>
<b>NPCIL</b>					
KAPS	689.62	0.00	293.64	1.48	295.12

Particulars	Energy Units (Mus)	Fixed Charges (Rs. Crore)	Variable Charges (Rs. Crore)	Other Charges (Rs. Crore)	Total Charges (Rs. Crore)
TAPS	427.19	0.01	146.98	3.64	150.63
<b>Subtotal NPCIL</b>	<b>1,116.81</b>	<b>0.02</b>	<b>440.62</b>	<b>5.12</b>	<b>445.75</b>
<b>RGPPPL</b>		40.84	-	24.65	65.49
<b>TOTAL</b>	<b>9,320.07</b>	<b>1,459.19</b>	<b>2,468.52</b>	<b>373.08</b>	<b>4,300.79</b>
<b>Balance</b>					
IEX	1,795.92		834.87		834.87
Solar	22.25	-	13.65		13.65
REC			180.02		180.02
Less: Revenue from DSM	8.99	-	-28.36		-28.36
<b>Total</b>	<b>1,809.18</b>	<b>-</b>	<b>1,056.90</b>	<b>-</b>	<b>1,056.90</b>
<b>Total</b>	<b>11,129.25</b>	<b>1,459.19</b>	<b>3,525.42</b>	<b>373.08</b>	<b>5,357.68</b>
<b>Transmission</b>					
PGCIL/POSOCO/WRLDC		550.26			550.26
Intra-state Trans		114.12			114.12
Reactive & Others				-2.81	-2.81
SCED				-8.92	-8.92
<b>Total</b>	<b>11,129.25</b>	<b>2,123.57</b>	<b>3,525.42</b>	<b>364.16</b>	<b>6,010.34</b>

The Petitioner has incurred REC cost in order to meet RPO obligation for FY 2024-25 to the tune of Rs. 180.02 Crore against the 3,164 MU.

The Commission has considered the power purchase quantum and cost for the APR of FY 2024-25 as submitted by the Petitioner subject to truing-up. The Commission approves power purchase cost of Rs. 6,010.34 Crore in the APR of FY 2024-25.

#### 4.8 Renewable Purchase Obligation

##### Petitioner's Submission:

The Petitioner has submitted that as per the directions of the Hon'ble Commission vide Order dated 21st January 2025 in Suo-moto Petition no. 61 of 2012, to fulfil RPO the Petitioner has considered purchase of REC corresponding to RPO for FY 2024-25 based on revised sales estimates and about 50% backlog RPO as on 31st March, 2024.

**Commission's Analysis:**

The Commission has specified the minimum RPO to be fulfilled by the Petitioner as per the Regulation 4.1 of the JERC Procurement of Renewable Energy (Fourth Amendment) Regulations, 2022. The break-up of target vis-à-vis achievement is given in the Table below.

**TABLE 4-12 RPO TARGET APPROVED BY COMMISSION FOR FY 2024-25 (IN MU)**

Particulars	Approved by Commission
Sales	10,584.12
<b>RPO Target</b>	
Wind RPO (@0.67%)	70.91
HPO(@0.38%)	40.22
Distributed Renewable Energy (@1.50%)	158.76
Other Renewable Energy (@27.35%)	2,894.76
<b>Total (@29.90%)</b>	<b>3,164.65</b>

**4.9 Operation & Maintenance (O&M) Expenses****Petitioner's Submission:**

The Petitioner has submitted that it has assumed operational control of the UT of Dadra and Nagar Haveli and Daman and Diu since April 1, 2022. It is observed that the network needs regular preventive maintenance in addition to predictive and breakdown maintenance. Accordingly, the Petitioner has continued the various activities for improvement of performance as carried out during FY 2023-24.

Further, Petitioner submitted that Regulation 52 of the MYT Regulations also provides for consideration of O&M expenses for Distribution Licensee on case to case basis. Accordingly, the Petitioner requests the Hon'ble Commission to consider O&M Expenditure on actual basis as above. Once the O&M activities gets streamlined, necessary data will be available for the Hon'ble Commission to consider base O&M Expense for subsequent period. Further, the Petitioner has also sought review to rectify the inadvertent computational errors in the approved Employee and A&G Expenses.

The Petitioner has submitted the estimates of O&M expenses for FY 2024-25 as tabulated below.

**TABLE 4-13 O&M EXPENSES CLAIMED BY PETITIONER FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner's Submission
Operation & Maintenance Expenses	111.08	115.67

### Commission's Analysis:

As per Regulation 61 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2021:

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

*61.2 Operation and Maintenance (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  $n^{th}$  year of the Control Period shall be approved based on formula given below:*

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

*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 for 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 Wholesale Price Index (WPI) 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 & General expenses of the Distribution Licensee for the  $n^{th}$  Year;

$R\&M_n$  Repair & Maintenance expenses of the Distribution Licensee for the  $n^{th}$  Year;

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

$X_n$  is an efficiency factor for the  $n^{th}$  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  $n^{th}$  Year. Value of  $G_n$  shall be determined by the Commission 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 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 case to case basis.*

It is worthwhile to mention here that due to privatization of Utilities in Daman & Diu, the new entity DNHDDPDCL has been formed which is vested with the responsibility of distribution of power supply within the UT, thus, in absence of actual last three year audited accounts as per JERC MYT Regulations, 2021, based on new asset base, it is imperative and Commission deems it fit to consider the O&M expenses as submitted by the Petitioner in order to approve the APR of FY 2024-25.

As above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

#### **4.9.1 Employee Expenses**

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

The Petitioner has projected Employee Expense to the tune of Rs. 46.85 Crore against the approved expenses of Rs. 46.76 Crore in the ARR Order.

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

The employee expenses comprises of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Commission had approved employee expenses of Rs. 46.76 Crore in the ARR Order. The Petitioner has submitted its revised estimates for employee cost for FY 2024-25 as Rs. 46.85 Crore.

It is to mention here that as part of the Aatmanirbhar Bharat Abhiyaan, the power departments/utilities in Union Territories (UTs) have been privatized. Under this initiative, DNHDDPDCL has been designated as the distribution licensee, assuming responsibility for all electricity functions including distribution and retail supply of electricity within the UT. Therefore, it is necessary to recalibrate the employee cost

for DNHDDPDCL in accordance with Regulation 61.2 and 61.3 of the JERC MYT Tariff Regulations, 2021.

In view of above, in order to allow the O&M expenses for FY 2024-25, the Commission has considered Regulation 61.3 and 61.4 of the JERC MYT Regulations, 2021 which specifies the following:

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

*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 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 case to case basis:*

It is to be noted that due to restructuring, the O&M norms shall be determined on case to case basis, thus, as per the Regulations stipulated above, the Commission has considered the projected employee expenses for FY 2024-25 to be allowed in APR subject to truing-up.

The following table provides the employee expenses approved by the Commission in the ARR Order, Petitioner’s submission and now approved by the Commission:

**TABLE 4-14 EMPLOYEE EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner’s Submission	Approved by Commission
Employee Expenses	46.76	46.85	46.85

Accordingly, the Commission approves Employee Expenses of Rs. 46.85 Crore in APR for FY 2024-25.

#### 4.9.2 Repair & Maintenance (R&M) Expenses

##### **Petitioner's submission:**

The Petitioner has projected R&M Expense to the tune of Rs. 34.00 Crore against the approved expenses of Rs. 39.89 Crore in the ARR Order.

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

As per the approach and methodology adopted while allowing employee expenses in earlier section, the Commission has considered Regulation 61.3 and 61.4 of the JERC MYT Regulations, 2021 for allowing R&M expenses which specifies the following:

*"61. Operation and Maintenance (O&M) expenses for Distribution retail Supply Business*

*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 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 case to case basis:*

Therefore, in view of above, the Commission has considered the projected R&M expenses for FY 2024-25 to be allowed in APR of FY 2024-25 subject to truing-up.

The following table provides the R&M expenses approved by the Commission in the ARR Order, Petitioner's submission and now approved by the Commission:

**TABLE 4-15 R&M EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
R&M Expenses	39.89	34.00	34.00

The Commission approves R&M Expenses of Rs. 34.00 Crore in APR for FY 2024-25.

#### **4.9.3 Administrative and General (A&G) Expenses**

##### **Petitioner's submission:**

The Petitioner has projected A&G Expense to the tune of Rs 34.82 Crore against the approved expense of Rs. 24.42 Crore in the ARR Order.

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

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc. Similar to the methodology followed for approving the Employee Expenses, the Commission has considered the projected A&G expenses for the APR of FY 2024-25.

It has been observed that the Petitioner has included an amount of Rs. 3.31 Crore towards the loss on the sale of discarded property under A&G expenses. However, the Commission opines that any loss arising from the sale of discarded property should not be allowed as O&M expenses as per JERC MYT Tariff Regulations, 2021. Accordingly, the Commission has deducted Rs. 3.31 Crore from A&G expenses. Consequently, the overall allowable A&G expenses for FY 2024-25 are determined at Rs. 31.51 Crore.

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for FY 2024-25 in the previous sections, the following table provides the A&G expenses approved by the Commission in the ARR Order, Petitioner's submission and now approved by the Commission:

**TABLE 4-16 A&G EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
A&G Expenses	24.42	34.82	31.51

The Commission approves A&G Expenses of Rs. 31.51 Crore in APR for FY 2024-25.

#### 4.9.4 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the APR Order, Petitioner's Submission, and O&M Expenses now approved by the Commission:

**TABLE 4-17 TOTAL O&M EXPENSES APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Employee Expenses	46.76	46.85	46.85
R&M Expenses	39.89	34.00	34.00
A&G Expenses	24.42	34.82	31.51
<b>Total O&amp;M Expenses</b>	<b>111.08</b>	<b>115.67</b>	<b>112.36</b>

#### 4.10 Gross Fixed Assets and Capitalisation

##### Petitioner's Submission:

The Petitioner has claimed Rs. 193.48 Crore towards revised estimated for capital expenditure for FY 2024-25, as against Rs. 400.22 Crore approved in the ARR Order. Summary of capital expenditure projected for FY 2024-25 is tabulated as under:

**TABLE 4-18 CAPITAL EXPENDITURE CLAIMED BY PETITIONER FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
HT Network	178.91	116.48
LT Network	71.77	68.08
Meter Management	48.35	5.36
Supporting Infrastructure	1.45	0.65
Power Supply Centre and Call Centre	96.18	0.50
IT	0.50	0.25
Miscellaneous	3.07	2.16
<b>Total Cost</b>	<b>400.22</b>	<b>193.48</b>

The Petitioner has submitted the detailed revised capital expenditure and reasons for the variation from approved capital expenditure as under:

**a) HT Network** - For HT Network, the Petitioner has projected the revised capital expenditure for FY 2024-25 as Rs. 116.48 Crore. The details are as under:

- **Normal Load Growth** – In order to cater the existing and future load growth at 11kV level, it is proposed to install underground HT network, Ring Main Unit, Bulk Metering Cubicles, etc. Further, to relieve overloaded Distribution Transformers, it is proposed to upgrade the existing Distribution Transformer and/or establish additional Distribution Transformers considering the load in surrounding areas and based on LT network loading and network length.

Additionally, it is proposed to incur capital expenditure towards electrification of HT customers. Further, capex is also proposed towards replacement of outdoor type Current Transformer/Potential Transformer (CT/PT) units of 11 kV HT consumers, which are majorly very old, obsolete, and prone to major breakdown with state-of-the-art Bulk Metering Cubicles having accuracy class of 0.2S which is mandatory for metering as per the CEA. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Normal Load Growth</b>	
New DT/ Augmentation	34.44
11 kV UG New feeder cost	2.00
11 kV New HT Customers	0.02
11 kV HT customer existing CT/PT unit replacement	0.15
<b>Total</b>	<b>36.62</b>

- **Reliability, Renovation, Loss Reduction** – Due to overhead line, higher number of 11 kV feeder interruptions are observed, which leads to higher SAIFI and SAIDI. To overcome the same, it is proposed to carry out undergrounding of existing overhead HT network in a phased manner. Due to Overhead to Underground conversion, the number of tripping shall reduce, and distribution losses will also be optimized due to optimal loading of network. This new underground network will also be utilized for mitigation of future load growth.

Additionally, capex is also proposed towards Distribution Transformer Metering & Automatic Meter Reading system, installation of Automatic Power Factor Control panels, interconnection of substations, Fuse Section Pillar replacement, Faulty Transformer replacement, and installation of Ring Main Unit.

Further, due to Infrastructure development such as bridges/ drainage line/ water pipeline by local authority & Government agencies, existing HT network are required to be modified/upgraded. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Reliability, Renovation, Loss Reduction</b>	
11 kV OH to UG Conversion	31.92
11 kV OH line Augmentation	2.31
DT Metering & AMR System	0.03
Faulty DT replacement	4.06
Interconnection of feeders for Load balancing, etc.	5.06
Installation of RMU on Pad Mounted DT	3.16
FSP replacement	2.87
Installation of APFC on DT	0.60
HT Network Shifting for Infrastructure works	1.00
<b>Total</b>	<b>51.01</b>

- **Technological Upgradation** - Under the head of Technological Upgradation it is proposed to incur capex towards Distribution Automation System including Advanced Distribution Management System (ADMS).

With the help of Distribution Automation System, nos. of affected consumers and time of interruption to affected consumers will reduce which in turn will improve reliability of the distribution network. Distribution Automation System will allow remote sectionalisation and load transfer would be possible from one feeder to another feeder as compared to manual operation at site.

It is also proposed to implement Geographical Information System from consumer to 11 kV feeder level including consumer indexing and network hierarchy. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Technological Upgradation</b>	
Distribution Automation System incl. ADMS	22.66
GIS	0.12
<b>Total</b>	<b>22.78</b>

- **Safety** - Based on Condition Based Monitoring survey of existing overhead line/structure and for enhancement of safety and reliability, it is proposed to replace 11kV poles and DT structure, provide guard wire in existing overhead lines, carry out fencing of Distribution Transformers/substations, and ensure adequate earthing of all 11kV structures. It is also proposed to procure various safety tools & personal protective equipments. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Safety</b>	
11 kV Pole Replacement	0.33
Guarding & Earthing of Pole & 11 KV line	0.74
DT Earthing	0.40
DT/Structure Refurbishment	0.40
Civil work/fencing for Dist. SS	4.05
Safety Tools/PPEs	0.14
<b>Total</b>	<b>6.07</b>

**b) LT Network-** For LT Network, the Petitioner has revised capital expenditure during FY 2023-24 as Rs. 49.02 Crore. The details are as under:

- **Normal Load Growth** – The existing LT network is not sufficient to meet with the increasing demand of existing consumers and release connections to new LT consumers. Accordingly, it is proposed to create new LT network which will be ready-to-serve the new consumers and cater the increasing demand of the existing consumers. Further, to release new connections to LT consumers laying of LT services cables, installation of meter box and Mini Section Pillars are also required. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Normal Load Growth</b>	
LT New Customers	6.23
LT Network	3.99
<b>Total</b>	<b>10.22</b>

- **Reliability, Renovation, Loss Reduction** – During survey, it was observed that most of LT network is overhead network with bare conductors which are prone to major network failures, can hamper safety and are vulnerable to direct theft. To overcome these drawbacks of overhead network



conversion of existing overhead network to safe, reliable and less theft prone underground network is planned. Also, LT underground network will improve system reliability, safety and help in loss minimization.

Further, during survey it was also observed that consumer installations require revamping for enhancement of protection system and safety and accordingly revamping activity is proposed. Also, interlinking of Distribution Transformers on LT side has been proposed with new distributors.

Additionally, due to Infrastructure development such as bridges/ drainage line/ water pipeline by local authority & Government agencies, existing LT network are required to be modified/upgraded. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Reliability, Renovation, Loss Reduction</b>	
LT OH to UG Conversion	49.77
LT Bare Conductor to OH Cable	1.11
LT Customer Meter Box Revamping	2.81
LT Relieving of Overload Distributor/Interlinking	1.64
LT Network Shifting for Infrastructure works	1.22
<b>Total</b>	<b>56.55</b>

- **Safety** – Based on Condition Based Monitoring survey of existing overhead line/structure and for enhancement of safety and reliability, it is proposed to replace LT poles, provide guard wire in existing overhead lines, and ensure adequate earthing of all LT structures. Further, corroded and unsafe Mini Section Pillars will also be replaced, which will help improve system reliability and safety to the public. The details of scheme-wise expenditure are as under:

All Figures in Rs. Crore	Petitioner's Submission
<b>Safety</b>	
LT Pole Replacement	0.39
Guarding & Earthing of Pole & LT Line	0.30
MSP Replacement	0.63
<b>Total</b>	<b>1.31</b>

**c) Meter Management** - For Meter Management, the revised capital expenditure during FY 2024-25 is Rs. 5.36 Crore. The details are as under:

- **Normal Load Growth & Meter Replacement** - For releasing new

connections & replacement of faulty and defective meters, energy meters are required to be installed for metering and billing of each consumer. During H1 FY 2024-25, DNHDDPDCL has released connections using electronic meters. The Petitioner is in process of evaluating smart metering technology as per MOP and CEA Notifications. However, the same is at nascent stage and finalisation of technology is expected to take some time for 100% implementation of smart metering in Union Territory in phased manner. Accordingly for FY 2024-25, the Petitioner has proposed capex for new load growth and meter replacement with respect to electronic meters.

- **Metering Infrastructure** – During FY 2024-25, DNHDDPDCL proposes to incur capex for establishment of Automatic Meter Reading/ Automatic Metering Infrastructure with respect to hardware, software, communication equipment and integration with IT system.

The summary of expenditure planned for the above described items is provided in the table below.

All Figures in Rs. Crore	Petitioner's Submission
<b>Meter Management</b>	
Normal Load Growth	3.10
Meter Replacement	2.26
Metering Infrastructure	-
<b>Total</b>	<b>5.36</b>

**d) Supporting Infrastructure** - For Supporting Infrastructure, the revised capital expenditure during FY 2024-25 is Rs. 0.65 Crore. The details are as under:

- **Testing Equipments:** Testing, monitoring and measuring equipment are required to monitor and measure network parameters. Capex is proposed for procurement of required tools tackles and testing & measuring equipment to carry out various activities for HT & LT network.
- **Meter Testing Laboratory:** Provision for establishment of state-of-the-art meter testing laboratory to carry out testing of LT-HT energy meters and CT/PT units which inter-alia includes automated meter testing bench, reference standard meter, meter sealing mechanism, etc.

Accordingly, the total capital expenditure proposed towards Supporting Infrastructure is as under:

All Figures in Rs. Crore	Petitioner's Submission
Testing Equipments	0.64
Meter Testing Laboratory	0.01
Total	0.65

**e) Power Supply Centre and Call Centre** – Under the head of Power Supply Centre & Call Centre, the Hon'ble Commission directed the Petitioner to file separate petition. In turn, the Petitioner has filed the requisite petition. Accordingly, the Petitioner has proposed capex for Power Supply Centres (PSC) at strategic locations across the UT to improve efficiency in operation and to improve services i.e. attending complaints, releasing connections, and attending to consumer's request.

PSC will facilitate customers for various activities i.e. registration of applications, bill payment collection, alongwith registration of no power complaints, meter and billing related complaints, and for other consumer interactions. Capex is also proposed towards establishment of centralized call centre for on-line registration and in compliance to the Rules.

During FY 2024-25, capex is proposed for procurement of land at Silvassa and Moti Daman for setting up the PSC alongwith minor civil works. Accordingly, the total capital expenditure proposed towards Power Supply Centre and Call Centre during the year is as under:

All Figures in Rs. Crore	Petitioner's Submission
PSC & Call Center	-
Other Civil Construction	0.50
Total	0.50

#### **f) IT & Related Expenditure**

For IT & Related Expenditure, the revised capital expenditure during FY 2024-25 is Rs. 0.25 Crore. The details are as under:

- For efficient system working and system data monitoring, capex has been proposed towards procurement of Network switches, routers, firewall, servers, new Laptop, Desktop, establishment of LAN connectivity, and other associated equipment / infrastructure.

**g) Miscellaneous**

Under the head of Miscellaneous, the capital expenditure during FY 2024-25 is Rs. 2.16 Crore towards basic infrastructure of office premises like furniture, fixtures, and other facilities along with vehicles for attending faults and transporting material and manpower on site.

The Petitioner has claimed projected capitalisation of Rs. 220.40 Crore for FY 2024-25, as against Rs. 277.11 Crore approved in ARR Order as shown in table below:

**TABLE 4-19 CAPITALISATION CLAIMED FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Opening GFA	766.17	744.43
Addition to GFA	277.11	220.40
Deletion to GFA	-	-
Closing GFA	1,043.29	964.83
SLC addition	-	0.51
Capitalisation of Debt	277.11	219.89
Capitalisation of Equity	193.98	153.92
Normative Debt @70%	83.13	65.97
Normative Equity @30%	766.17	744.43

**Commission's Analysis:**

The Petitioner has claimed a CAPEX of Rs. 193.48 Crore in the APR of FY 2024-25, compared to the Rs. 400.22 Crore approved in the ARR Order. Accordingly, the Commission has approved the capital expenditure of Rs 193.48 Crore and capitalization to the tune of Rs 220.40 Crore for the APR of FY 2024-25 which shall be trued up based on actuals. The Commission has considered the Closing GFA for true-up of FY 2023-24 as the Opening GFA for FY 2024-25.

Hence, the Commission considers capital structure as submitted by the Petitioner which is subject to true-up. The Commission, accordingly approves the opening GFA, addition to GFA during the year and closing GFA for FY 2024-25 as tabulated below;

**TABLE 4-20 APPROVED CAPITALISATION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	744.43	744.43
Addition to GFA	220.40	220.40
Deletion to GFA	-	-
Closing GFA	964.83	964.83
Less: SLC Addition	0.51	0.51
Balance Capitalisation	219.89	219.89
Normative Debt @70%	153.92	153.92
Normative Equity @30%	65.97	65.97

#### 4.11 Depreciation

##### Petitioner's Submission:

The Petitioner has submitted that the depreciation rates have been considered as per the JERC MYT Regulations, 2021. The Petitioner has claimed depreciation of Rs. 24.82 Crore for FY 2024-25, as against Rs. 28.32 Crore approved in the ARR Order, as detailed in table below:

**TABLE 4-21 DEPRECIATION CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Depreciation	28.32	24.82

##### Commission's Analysis:

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2021:

*"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) percent 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, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.*

*.....*

*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 Appendix I of these Regulations.*

*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 Depreciation Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan."*

The Commission has considered the opening GFA for computation of depreciation as per Section 3.12 of this Order, addition during the year and closing GFA as approved in Section 4.10 of this Order. The depreciation has been computed on average Gross Fixed Assets (GFA). Effective Depreciation rate has been considered as per JERC MYT Tariff Regulations, 2021 for FY 2024-25. The following table provides the calculation of depreciation during the FY 2024-25:

**TABLE 4-22 DEPRECIATION APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Description	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Opening Gross Fixed Assets	566.58	744.43	744.43
Addition during the Year	277.11	220.40	220.40
Adjustment/retirement during the Year	-	-	-
Closing Gross Fixed Assets	843.69	964.83	964.83
<b>Average Gross Fixed Assets</b>	<b>705.13</b>	<b>854.63</b>	<b>854.63</b>
Rate of Depreciation (%)	4.02%	2.90%	3.26%
<b>Depreciation</b>	<b>28.32</b>	<b>24.82</b>	<b>27.83</b>

The Commission, accordingly, approves the depreciation of Rs. 27.83 Crore for FY 2024-25.

#### 4.12 Interest Expenses

##### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 39.54 Crore towards interest and finance expenses for FY 2024-25 on normative basis as per the JERC MYT Regulations, 2021. The Petitioner further submitted that it has considered rate of interest in line with the MYT Regulations.

**TABLE 4-23 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Opening Balance of Loans	298.32	303.49
Add: Loan addition during the year	193.98	153.92
Repayment during the year	28.32	24.82
Closing balance of Loans	463.98	432.59
Average loan	381.15	368.04
Weighted Average Rate of Interest (%)	9.50%	9.65%
Interest Expense	36.21	35.52
Other Borrowing Cost	-	4.02
Total Interest Expenses	36.21	39.54

##### Commission's Analysis:

The Commission has considered closing balance approved in truing-up of FY 2023-24 as opening normative loan balance for FY 2024-25, addition to loan during the

year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid Regulations is stipulated as under:

***“29 Interest on Loan***

*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.*

*...”*

As there is no actual loan borrowed by the Petitioner, thus, in line with the third proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2021, the Commission has considered the rate of interest of 9.50 % (Using SBI MCLR as on 01.04.2024 plus 100 basis points).



The following table provides the Interest on Loan, as submitted by Petitioner and now approved by the Commission:

**TABLE 4-24 INTEREST APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening Balance	303.49	303.49
Addition of Loan	153.92	153.92
Repayment during year	24.82	27.83
Closing Balance	432.59	429.59
Average Loan	368.04	366.54
Weighted average rate of interest (%)	9.65%	9.50%
<b>Interest Expenses</b>	<b>35.52</b>	<b>34.82</b>

#### 4.13 Interest on Security Deposit

##### Petitioner's Submission:

The Petitioner has claimed Rs. 13.55 Crore towards interest on security deposit in APR for FY 2024-25 as against Rs. 13.74 Crore approved in the ARR Order. The Commission in the ARR Order had approved the interest on security deposit for the Petitioner considering 6.75% interest rate, on the average estimated balance of security deposit for FY 2023-24.

The Petitioner has submitted the revised estimates of interest expense on security deposit considering the rate of interest of 6.75% based on Bank Rate as submitted in the Table below:

**TABLE 4-25 INTEREST ON SECURITY DEPOSIT CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Interest Rate	6.75%	6.75%
Interest on Security Deposit	13.74	13.55

##### Commission's Analysis:

Regulation 29.11 of the JERC MYT Regulations, 2021 specifies the following:

*“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 considered the actual security deposit of Rs. 860 per kW for FY 2023-24, and the same has been adopted for the APR of FY 2024-25. The total security deposit at the end of FY 2024-25 has been assessed based on the approved connected load for FY 2024-25, the variation in the closing balance of security deposit for FY 2023-24, and the computed requirement for FY 2024-25. The resulting addition to the security deposit during FY 2024-25 has been factored in, and an interest rate of 6.75% as per the JERC MYT Regulations, 2021, has been applied. This results in an interest on security deposits of Rs. 13.41 Crore for FY 2024-25.

The Commission has computed the interest on consumer security deposits based on the connected load considered in the APR for FY 2024-25, in line with the applicable regulations, prevailing norms, and prescribed methodology. The approved amount shall, however, be subject to truing-up based on actual figures to be submitted by the Petitioner at the time of final true-up. Accordingly, the Commission approves the interest on security deposits at Rs. 13.41 Crore for FY 2024-25.

**TABLE 4-26 INTEREST ON SECURITY DEPOSIT APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the ARR Order	Petitioner's Submission	Approved by Commission
Total Load (kW)	-	-	23,57,178
Deposit per kW (Rs.)	-	-	860
Opening Security Deposit	198.78	194.77	194.77
Addition	9.52	11.84	7.89
Closing Security Deposit	208.30	206.61	202.66
Average Security Deposit	203.54	200.69	198.71
Rate of Interest (%)	6.75%	6.75%	6.75%
Interest on Security Deposit	13.74	13.55	13.41

#### 4.14 Interest on Working Capital

##### Petitioner's Submission:

The working capital requirement is arrived at as per the JERC MYT Regulations, 2021. The Petitioner has requested the Commission to approve the interest on Working Capital.

**TABLE 4-27 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
O&M Expenses for 1 Month	9.26	9.64
40% of R&M expenses for one month	1.33	1.13
Receivables for 2 months	917.93	1032.22
Less: Power Purchase Cost of 1 month	466.22	494.82
Less: Security Deposit	203.54	200.69
Normative Working Capital	258.75	347.49
Rate of Interest (%)	10.50%	10.65%
<b>Interest on Working Capital</b>	<b>27.17</b>	<b>37.01</b>

##### Commission's Analysis:

The computation of working capital requirements and the rate of interest to be considered are stipulated in the JERC MYT Regulations, 2021. Regulation 64.1 & 32 of the JERC MYT Regulations 2021 states the following:

*"64.1 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 Expense for 1 month; plus*

*(b) Maintenance spares at 40% of R&M 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) 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:*

*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 1<sup>st</sup> April of the Financial Year in which the Petition is filed plus 200 basis points.”*

As above, the Commission for determination of working capital requirements of the Petitioner during the year, has considered the receivables equivalent to two months of the revenue requirement, the O&M Expenses for one month & Maintenance spares as 40% of R&M expenses as per the JERC MYT Regulations, 2021 and has subtracted the consumer security deposit as well as one-month equivalent power purchase cost. With regards to the interest rate, the Commission has considered the SBI MCLR rates (One Year) as on April 1, 2024 plus 200 basis points which is 10.50%. The following table provides the interest on working capital as per Petitioner’s submission and now approved by the Commission.

**TABLE 4-28 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved By Commission
O&M Expenses for 1 Month	9.64	9.36
40% of R&M expenses for one month	1.13	1.13
Receivables for 2 months	1032.22	1,032.22
Less: Power Purchase Cost of 1 month	494.82	500.86
Less: Security Deposit	200.69	198.71
<b>Normative Working Capital</b>	<b>347.49</b>	<b>343.15</b>
Rate of Interest (%)	10.65%	10.50%
<b>Interest on Working Capital</b>	<b>37.01</b>	<b>36.03</b>

As indicated above, the Commission approves the interest on working capital as Rs. 36.03 Crore for FY 2024-25.

#### **4.15 Return on Equity**

##### **Petitioner’s Submission:**

The Petitioner has claimed a sum of Rs. 39.85 Crore towards return on equity for FY 2024-25, as against Rs. 42.20 Crore approved in ARR Order. The Petitioner

submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 4-29 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Opening Equity	229.82	223.29
Equity Addition	83.13	65.97
Closing Equity	312.95	289.25
Average Equity	271.38	256.27
RoE for Wire @15.50% of 90% of Avg. Equity	37.86	35.75
RoE for Retail @16.00% of 10% of Avg. Equity	4.34	4.10
<b>Total Return on Equity</b>	<b>42.20</b>	<b>39.85</b>

### Commission's Analysis:

Regulation 28.2 and 28.3 of the JERC MYT Regulations, 2021 specifies the following:

*"28. Return on Equity .....*

*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. ...."*

Further, in this regard, the Regulation 30(2) of the CERC (Terms and Conditions of Tariff) Regulations, 2019 stipulates the following:

*"30. Return on Equity: .....*

*30.2 Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped*

*storage hydro generating stations and run-of river generating station with pondage: .....” (Emphasis supplied)*

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, 2021, i.e., 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business. The Commission has considered a rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations mentioned above) and a rate of 16% for the Retail Supply Business.

The RoE has been calculated on the average of opening and closing of equity during the year at the rate of 16% on post-tax basis for Retail Supply Business and 15.50% on post-tax basis for wires business, with the opening equity considered as approved in capital structure in this Order. The following table provides the Return on Equity as per Petitioner’s submission and now approved by the Commission.

**TABLE 4-30 RETURN ON EQUITY APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved by Commission
Opening Equity	223.29	223.28
Equity Addition	65.97	65.97
Closing Equity	289.25	289.25
Average Equity	256.27	256.26
RoE for Wire @15.50% of 90% of Avg. Equity	35.75	35.75
RoE for Retail @16.00% of 10% of Avg. Equity	4.10	4.10
<b>Total Return on Equity</b>	<b>39.85</b>	<b>39.85</b>

The Commission accordingly, approves the return on equity of Rs. 39.85 Crore in APR for FY 2024-25.

#### **4.16 Income Tax**

##### **Petitioner’s Submission:**

The Petitioner has submitted that as per the MYT Regulations, income tax shall be computed 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 prudence check. For FY 2023-24, the actual income tax paid was Rs. 35.14 Crore. The same has been considered for FY 2024-25 on estimate basis:

**TABLE 4-31 INCOME TAX CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Income Tax	-	35.14

### Commission's Analysis:

In this regard, Regulation 33 of the JERC MYT Regulations, 2021, states the following:

#### ***"33. Tax on Income***

*33.1 The treatment of tax on income for a Transmission Licensee shall be in accordance with the prevalent CERC Tariff Regulations.*

*33.2 The Commission in its MYT Order shall provisionally approve Income Tax payable 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 prudence check.*

*33.3 Variation between Income Tax actually paid, including cess and surcharge on the same, if any, and approved, if any, on the income stream of the Licensed business of the Distribution Licensees shall be reimbursed to/recovered from the Distribution Licensees, based on the documentary evidence submitted at the time of truing up of each Year of the Control Period, subject to prudence check.*

*33.4 Under-recovery or over-recovery of any amount from the Consumers on account of such tax having been passed on to them shall be adjusted every Year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors. The Distribution Licensee may include this variation in its truing up Petition:*

*Provided that tax on any income stream other than the core business shall not be a pass-through component in tariff and tax on such other income shall be borne by the Distribution Licensee.”*

Regulation 33 of the MYT Regulations, 2021 provides for allowance of provisional Income Tax based on the actual Income Tax paid in previous year, if any, as per the latest audited accounts available. However, the Commission is of the view that the same will be considered based on actuals, thus, the Commission has not considered any income tax expenses for APR purpose and the same shall be revisited at the time of truing-up. The Commission accordingly approves NIL income tax for FY 2024-25.

**TABLE 4-32 INCOME TAX APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission	Approved by Commission
Income Tax	-	35.14	-

#### 4.17 Bad Debts Written Off

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

The Petitioner submitted that MYT Regulation, 2021 provides that the Hon'ble Commission may allow bad debts written off as a pass through in the ARR based on the trend of amount written off of bad debts in previous years.

Accordingly, the Petitioner has considered the bad debts for FY 2024-25 equal to actual bad debts written-off during FY 2023-24.

**TABLE 4-33 BAD DEBTS WRITTEN OFF IN FY 2024-25 (Rs. CRORE)**

Particulars	Approved in APR Order	Petitioner's Submission
Bad Debts	-	3.71

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

As per Regulation 63.1 of the 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 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 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.”*

As the Petitioner has claimed Rs. 3.71 Crore towards Bad Debts. However, the Commission is of the view that the same will be considered based on actuals, thus, the Commission has not considered any provision for bad & doubtful debts for APR purpose and the same shall be revisited at the time of truing-up. The Commission accordingly approves NIL provision for bad & doubtful debts for FY 2024-25.

#### **4.18 Non-Tariff Income**

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

The Petitioner has claimed Rs. 53.45 Crore towards Non-Tariff Income for FY 2024-25 as against the approved value of Rs. 61.99 Crore by the Commission in its ARR Order.

**TABLE 4-34 NON-TARIFF INCOME CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission
Non-Tariff Income	61.99	53.45

**Commission's Analysis:**

The Regulation 65 of the JERC MYT Regulations, 2021 stipulates the following:

***“65. Non-Tariff Income***

*65.1 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.*

*65.2 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.:*

*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 49 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 approved Non-Tariff Income for FY 2024-25 by considering the submission made by the Petitioner including the rebate on power purchase @1% and the same has been considered as part of NTI:

**TABLE 4-35 NON-TARIFF INCOME APPROVED FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Hire of Meters	-	0.02	0.02
Miscellaneous Income	-	52.46	52.46
Rebate on prompt Payment	-	1.31	1.31
Less: Incentive on past arrear collection	-	0.34	0.34
<b>Total Non-Tariff Income</b>	<b>6.05</b>	<b>53.45</b>	<b>53.45</b>

Accordingly, the Commission approves Non-tariff income of Rs. 53.45 Crore in the APR of FY 2024-25.

#### 4.19 Aggregate Revenue Requirement (ARR)

##### Petitioner's Submission:

Based on the expenses as detailed above, the Petitioner has submitted the net Aggregate Revenue Requirement of Rs. 6,193.69 Crore for approval in the APR of FY 2024-25.

**TABLE 4-36 AGGREGATE REVENUE REQUIREMENT SUBMITTED BY PETITIONER FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner Submission
Power Purchase	5,594.93	5,937.85
O&M Expense	111.08	115.67
Interest on Loans	36.21	39.54
Interest on Security Deposit	13.74	13.55
Interest on Working Capital	27.17	37.01
Depreciation	28.32	24.82
Bad Debts written off	-	3.71
Return on Equity	42.20	39.85
Income Tax	-	35.14
Less: Non-Tariff Income	61.99	53.45
<b>Net ARR</b>	<b>5,791.42</b>	<b>6,193.69</b>

##### Commission's Analysis:

The Commission on the basis of the detailed analysis of the cost parameters of the Aggregate Revenue Requirement approves the net revenue requirement in the APR of FY 2024-25 as given in the following table:

**TABLE 4-37 AGGREGATE REVENUE REQUIREMENT APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Power Purchase	5,594.93	5,937.85	6,010.34
O&M Expense	111.08	115.67	112.36
Interest on Loans	36.21	39.54	34.82
Interest on Security Deposit	13.74	13.55	13.41
Interest on Working Capital	27.17	37.01	36.03
Depreciation	28.32	24.82	27.83
Bad Debts written off	-	3.71	-
Return on Equity	42.20	39.85	39.85
Income Tax	-	35.14	-

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
<i>Less: Non-Tariff Income</i>	61.99	53.45	53.45
<b>Net ARR</b>	<b>5,791.42</b>	<b>6,193.69</b>	<b>6,221.19</b>

The Commission approves net Aggregate Revenue Requirement of Rs. 6,221.19 Crore in the APR of FY 2024-25.

#### 4.20 Revenue at existing Retail Tariff

##### Petitioner's Submission:

The Petitioner has submitted projected revenue from retail sale for FY 2024-25 is Rs. 6,193.34 Crore as against Rs. 5,908.36 Crore approved by the Commission in the ARR Order.

##### Commission's Analysis:

The Commission has observed that the Petitioner has estimated the revenue from the sale of power for FY 2024-25 at Rs. 6,193.34 Crore. The Commission has independently undertaken a detailed slab-wise and category-wise assessment of the revenue based on the existing approved tariff rates for the same period. Upon verification, the Commission's computation also aligns with the Petitioner's estimation, amounting to Rs. 6,193.34 Crore. Accordingly, the Commission hereby approves the revenue from the sale of power at Rs. 6,193.34 Crore for the purpose of the APR for FY 2024-25.

#### 4.21 Standalone Revenue Gap/(Surplus)

##### Petitioner's Submission:

Based on the ARR and the revenue from retail tariff, the standalone revenue gap of Rs. 0.35 Crore is arrived in the APR of FY 2024-25.

**TABLE 4-38 GAP/(SURPLUS) SUBMITTED BY PETITIONER FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner's Submission
Net ARR	5,791.42	6,193.69

Particulars	Approved in ARR Order	Petitioner's Submission
Less: Revenue	5,908.36	6,193.34
Gap/(Surplus)	(116.94)	0.35

### Commission's Analysis:

The Commission based on the approved ARR and retail tariff has arrived at the Revenue Gap/(Surplus) as follows:

**TABLE 4-39 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2024-25 (Rs. Crore)**

Particulars	Approved in ARR Order	Petitioner's Submission	Approved by Commission
Net Revenue Requirement	5,791.42	6,193.69	6,221.19
Revenue from Retail Sales at Existing Tariff	5,908.36	6,193.34	6,193.34
<b>Net Revenue (Gap)/Surplus</b>	<b>116.94</b>	<b>(0.35)</b>	<b>(27.85)</b>

Accordingly, the Commission, in the APR of FY 2024-25 approves a gap of Rs. 27.85 Crore.

As per Regulation 12.5 of the JERC (MYT Tariff) Regulations, 2021, the gap/(surplus) of the trued-up year only shall be carried forward in the tariff for the year for which tariff is to be determined. The relevant excerpt of the aforesaid regulation is stipulated as under:

*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:*

Thus, in accordance with above clause, the Commission has not considered the gap/(surplus) for the APR of FY 2024-25 to be carried forward in the ARR of FY 2025-26.

## Chapter 5: Determination of ARR for FY 2025-26 to FY 2029-30

### 5.1 Background

In this Chapter the Commission has determined the ARR for the MYT Control Period from FY 2025-26 to FY 2029-30 in accordance with the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024 (hereinafter referred to as “JERC MYT Regulations, 2024”).

This chapter deals with the ARR of FY 2025-26 to FY 2029-30 for DNHDDPDCL. The Commission has studied and analysed each component of the ARR for FY 2025-26 to FY 2029-30 in the following paragraphs.

### 5.2 Approach for the ARR of MYT Period from FY 2025-26 to FY 2029-30

The Aggregate Revenue Requirement requires assessment of the quantum of energy sales, transmission & distribution 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 various cost elements constituting the Aggregate Revenue Requirement have been approved based on the information submitted by the Petitioner for MYT Control Period from FY 2025-26 to FY 2029-30, the JERC MYT Regulations, 2024 and the prudence check.

### 5.3 Forecast of Energy Sales, Connected Load and Number of Consumers

#### Petitioner’s Submission:

The Petitioner has considered the projections for number of consumers, connected load and energy sales for the 4<sup>th</sup> Multi-Year Tariff Control Period as submitted in the Business Plan petition for the 4<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 based on the JERC (Retail Supply Tariff Structure Guideline) 2024. The projections submitted by the Petitioner for number of consumers, connected load and energy sales are as follows:

**TABLE 5-1 CATEGORY WISE ENERGY SALES SUBMITTED BY PETITIONER (IN MUS)**

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>LT Supply Category</b>					
Domestic (LTDS-I)	16.44	16.44	16.44	16.44	16.44
Domestic (LTDS-II)	365.03	382.65	401.24	420.87	441.64
Domestic (LTDS-III)	-	-	-	-	-
Non-Domestic (NDS-I)	106.48	112.92	120.12	128.25	137.49
Non-Domestic (NDS-II)	10.88	11.37	11.90	12.46	13.07
Non-Domestic (NDS-III)	0.03	0.03	0.03	0.03	0.03
Non-Domestic (NDS-IV)	8.55	8.90	9.26	9.64	10.03
Non-Domestic (NDS-V)	0.71	0.79	0.88	0.98	1.11
Agricultural Service (LTAS-I)	8.07	8.08	8.08	8.09	8.10
Agricultural Service (LTAS-II)	0.16	0.16	0.16	0.16	0.16
Agricultural Service (LTAS-III)	-	-	-	-	-
Industrial Service (LTIS-I)- up to 20 HP	9.14	9.70	10.29	10.92	11.58
Industrial Service (LTIS-I)- above 20 HP	615.94	653.34	693.07	735.28	780.13
Public Utility Service (LTPS-I)	5.07	5.07	5.08	5.08	5.09
Public Utility Service (LTPS-II)	5.75	5.75	5.75	5.75	5.75
Public Utility Service (LTPS-III)	-	-	-	-	-
Electric Vehicle (LTEV)	0.09	0.09	0.09	0.09	0.09
<b>Total LT Category</b>	<b>1,152.36</b>	<b>1,215.30</b>	<b>1,282.40</b>	<b>1,354.06</b>	<b>1,430.74</b>
<b>HT Supply Category (at 11/33 KV)</b>					
Domestic (HTS-I)	-	-	-	-	-
Non-Domestic (HTS-II)	20.48	21.20	21.94	22.72	23.52
Agricultural Service (HTS-III)	-	-	-	-	-
Industrial Service (HTS-IV)	4,796.16	4,965.24	5,140.27	5,321.48	5,509.07
Public Utility Service (HTS-V)	0.83	0.86	0.89	0.92	0.95
Electric Vehicle (HTEV)	2.32	2.32	2.32	2.32	2.32
<b>Total HT Category</b>	<b>4,819.78</b>	<b>4,989.61</b>	<b>5,165.42</b>	<b>5,347.43</b>	<b>5,535.86</b>
<b>EHT Supply Category (at 66 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	2,914.17	3,016.90	3,123.26	3,233.36	3,347.34
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 66 KV)</b>	<b>2,914.17</b>	<b>3,016.90</b>	<b>3,123.26</b>	<b>3,233.36</b>	<b>3,347.34</b>
<b>EHT Supply Category (at 220 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	2,084.57	2,158.06	2,234.13	2,312.89	2,394.43
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 220 KV)</b>	<b>2,084.57</b>	<b>2,158.06</b>	<b>2,234.13</b>	<b>2,312.89</b>	<b>2,394.43</b>
<b>Grand Total</b>	<b>10,970.88</b>	<b>11,379.87</b>	<b>11,805.21</b>	<b>12,247.74</b>	<b>12,708.37</b>



**TABLE 5-2 CONNECTED LOAD AND CONTRACTED DEMAND SUBMITTED BY PETITIONER (IN kW)**

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>LT Category</b>					
Domestic (LTDS-I)	1,436	1,436	1,436	1,436	1,436
Domestic (LTDS-II)	2,39,877	2,45,535	2,51,329	2,57,262	2,63,336
Domestic (LTDS-III)	-	-	-	-	-
Non-Domestic (NDS-I)	57,741	60,953	64,347	67,935	71,727
Non-Domestic (NDS-II)	6,166	6,503	6,858	7,233	7,629
Non-Domestic (NDS-III)	15	15	15	15	15
Non-Domestic (NDS-IV)	5,989	6,307	6,641	6,994	7,365
Non-Domestic (NDS-V)	219	232	246	261	276
Agricultural Service (LTAS-I)	7,776	7,777	7,779	7,780	7,781
Agricultural Service (LTAS-II)	879	879	879	879	879
Agricultural Service (LTAS-III)	-	-	-	-	-
Industrial Service (LTIS-I) (upto 20 HP)	6,268	6,477	6,693	6,917	7,148
Industrial Service (LTIS-I) (above 20 HP)	2,56,465	2,65,034	2,73,890	2,83,044	2,92,505
Public Utility Service (LTPS-I)	5,473	5,804	6,156	6,528	6,923
Public Utility Service (LTPS-II)	3,920	3,922	3,924	3,927	3,929
Public Utility Service (LTPS-III)	-	-	-	-	-
Electric Vehicle (LTEV)	384	384	384	384	384
<b>Total LT Category</b>	<b>5,92,607</b>	<b>6,11,258</b>	<b>6,30,578</b>	<b>6,50,594</b>	<b>6,71,334</b>
<b>HT Category (at 11 &amp; 33 KV)</b>					
Domestic (HTS-I)	-	-	-	-	-
Non-Domestic (HTS-II)	13,099	13,353	13,611	13,875	14,143
Agricultural Service (HTS-III)	-	-	-	-	-
Industrial Service (HTS-IV)	11,28,098	11,49,937	11,72,198	11,94,891	12,18,023
Public Utility Service (HTS-V)	829	845	862	878	895
Electric Vehicle (HT-VI)	1,170	1,170	1,170	1,170	1,170
<b>Total HT Category</b>	<b>11,43,196</b>	<b>11,65,305</b>	<b>11,87,841</b>	<b>12,10,814</b>	<b>12,34,232</b>
<b>EHT Category (at 66 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	3,65,462	3,72,537	3,79,749	3,87,101	3,94,595
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 66 KV)</b>	<b>3,65,462</b>	<b>3,72,537</b>	<b>3,79,749</b>	<b>3,87,101</b>	<b>3,94,595</b>
<b>EHT Category (at 220 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	2,64,110	2,69,223	2,74,435	2,79,748	2,85,163
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 220 KV)</b>	<b>2,64,110</b>	<b>2,69,223</b>	<b>2,74,435</b>	<b>2,79,748</b>	<b>2,85,163</b>
<b>Grand Total</b>	<b>23,65,375</b>	<b>24,18,322</b>	<b>24,72,603</b>	<b>25,28,256</b>	<b>25,85,324</b>

**TABLE 5-3 CATEGORY WISE NUMBER OF CONSUMERS SUBMITTED BY PETITIONER (Nos.)**

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>LT Supply Category</b>					
Domestic (LTDS-I)	18,042	18,042	18,042	18,042	18,042
Domestic (LTDS-II)	1,28,739	1,34,444	1,40,400	1,46,621	1,53,119
Domestic (LTDS-III)	-	-	-	-	-
Non-Domestic (NDS-I)	16,313	16,501	16,691	16,888	17,087
Non-Domestic (NDS-II)	290	294	298	302	306

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Non-Domestic (NDS-III)	1	1	1	1	1
Non-Domestic (NDS-IV)	924	932	941	949	958
Non-Domestic (NDS-V)	53	54	56	56	57
Agricultural Service (LTAS-I)	2,529	2,529	2,530	2,530	2,530
Agricultural Service (LTAS-II)	49	49	49	49	49
Agricultural Service (LTAS-III)	-	-	-	-	-
Industrial Service (LTIS-I)- up to 20 HP	624	644	664	684	705
Industrial Service (LTIS-I)- above 20 HP	4,080	4,205	4,335	4,469	4,608
Public Utility Service (LTPS-I)	601	609	618	627	635
Public Utility Service (LTPS-II)	1,115	1,127	1,139	1,151	1,164
Public Utility Service (LTPS-III)	-	-	-	-	-
Electric Vehicle (LTEV)	9	9	9	9	9
<b>Total LT Category</b>	<b>1,73,369</b>	<b>1,79,440</b>	<b>1,85,773</b>	<b>1,92,378</b>	<b>1,99,270</b>
<b>HT Supply Category (at 11/33 KV)</b>					
Domestic (HTS-I)	-	-	-	-	-
Non-Domestic (HTS-II)	50	50	50	50	50
Agricultural Service (HTS-III)	-	-	-	-	-
Industrial Service (HTS-IV)	1,558	1,558	1,558	1,558	1,558
Public Utility Service (HTS-V)	4	4	4	4	4
Electric Vehicle (HTEV)	1	1	1	1	1
<b>Total HT Category</b>	<b>1,613</b>	<b>1,613</b>	<b>1,613</b>	<b>1,613</b>	<b>1,613</b>
<b>EHT Supply Category (at 66 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	35	35	35	35	35
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 66 KV)</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>
<b>EHT Supply Category (at 220 KV)</b>					
Non-Domestic (EHTS-I)	-	-	-	-	-
Industrial Service (EHTS-II)	4	4	4	4	4
Public Utility Service (EHTS-III)	-	-	-	-	-
<b>Total EHT Category (at 220 KV)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Grand Total</b>	<b>1,75,021</b>	<b>1,81,092</b>	<b>1,87,425</b>	<b>1,94,030</b>	<b>2,00,922</b>

### Commission's Analysis:

The Commission has approved the number of consumers, connected load and category-wise energy sales for the 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30 in the Business Plan Order dated 2<sup>nd</sup> September 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 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30 as shown in the table below:

**TABLE 5-4 CATEGORY WISE ENERGY SALES APPROVED BY COMMISSION (IN MUS)**

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>1</b>	<b>LT Category</b>					
1.01	Domestic (LTDS-I)	16.47	17.09	17.75	18.43	19.15
1.02	Domestic (LTDS-II)	365.51	379.44	393.98	409.19	425.14
1.03	Domestic (LTDS-III)	-	-	-	-	-
1.04	Non-Domestic (NDS-I)	106.62	110.68	114.93	119.36	124.01
1.05	Non-Domestic (NDS-II)	10.89	11.30	11.74	12.19	12.67
1.06	Non-Domestic (NDS-III)	0.03	0.03	0.03	0.04	0.04
1.07	Non-Domestic (NDS-IV)	8.56	8.89	9.23	9.58	9.96
1.08	Non-Domestic (NDS-V)	0.71	0.74	0.77	0.80	0.83
1.09	Agricultural Service (LTAS-I)	8.08	8.39	8.71	9.05	9.40
1.10	Agricultural Service (LTAS-II)	0.16	0.17	0.18	0.18	0.19
1.11	Agricultural Service (LTAS-III)	-	-	-	-	-
1.12	Industrial Service (LTIS-I) (upto 20 HP)	9.16	9.51	9.87	10.25	10.65
1.13	Industrial Service (LTIS-I) (above 20 HP)	616.76	640.25	664.79	690.46	717.36
1.14	Public Utility Service (LTPS-I)	5.08	5.27	5.47	5.68	5.91
1.15	Public Utility Service (LTPS-II)	5.76	5.98	6.21	6.45	6.70
1.16	Public Utility Service (LTPS-III)	-	-	-	-	-
1.17	Electric Vehicle (LTEV)	0.09	0.10	0.10	0.11	0.11
	<b>Total LT Category</b>	<b>1,153.88</b>	<b>1,197.85</b>	<b>1,243.75</b>	<b>1,291.77</b>	<b>1,342.11</b>
<b>2</b>	<b>HT Category (at 11 &amp; 33 KV)</b>					
2.1	Domestic (HTS-I)	-	-	-	-	-
2.2	Non-Domestic (HTS-II)	20.50	21.28	22.10	22.95	23.85
2.3	Agricultural Service (HTS-III)	-	-	-	-	-
2.4	Industrial Service (HTS-IV)	4,802.53	4,985.50	5,176.56	5,376.41	5,585.93
2.5	Public Utility Service (HTS-V)	0.83	0.86	0.89	0.93	0.96
2.6	Electric Vehicle (HT-VI)	2.32	2.41	2.50	2.60	2.70
	<b>Total HT Category</b>	<b>4,826.18</b>	<b>5,010.05</b>	<b>5,202.05</b>	<b>5,402.88</b>	<b>5,613.44</b>
<b>3</b>	<b>EHT Category (at 66 KV)</b>					
3.1	Non-Domestic (EHTS-I)	-	-	-	-	-
3.2	Industrial Service (EHTS-II)	2,918.04	3,029.21	3,145.30	3,266.73	3,394.04
3.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 66 KV)</b>	<b>2,918.04</b>	<b>3,029.21</b>	<b>3,145.30</b>	<b>3,266.73</b>	<b>3,394.04</b>
<b>4</b>	<b>EHT Category (at 220 KV)</b>					
4.1	Non-Domestic (EHTS-I)	-	-	-	-	-
4.2	Industrial Service (EHTS-II)	2,087.34	2,166.86	2,249.90	2,336.77	2,427.83
4.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 220 KV)</b>	<b>2,087.34</b>	<b>2,166.86</b>	<b>2,249.90</b>	<b>2,336.77</b>	<b>2,427.83</b>
	<b>Grand Total</b>	<b>10,985.44</b>	<b>11,403.97</b>	<b>11,841.01</b>	<b>12,298.15</b>	<b>12,777.43</b>

**TABLE 5-5 CONNECTED LOAD AND CONTRACTED DEMAND APPROVED BY COMMISSION (IN kW)**

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>1</b>	<b>LT Category</b>					
1.01	Domestic (LTDS-I)	1,489	1,550	1,614	1,681	1,751
1.02	Domestic (LTDS-II)	2,48,760	2,58,922	2,69,576	2,80,779	2,92,611

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.03	Domestic (LTDS-III)	-	-	-	-	-
1.04	Non-Domestic (NDS-I)	59,879	62,325	64,890	67,586	70,435
1.05	Non-Domestic (NDS-II)	6,394	6,655	6,929	7,217	7,521
1.06	Non-Domestic (NDS-III)	16	16	17	18	18
1.07	Non-Domestic (NDS-IV)	6,211	6,464	6,730	7,010	7,306
1.08	Non-Domestic (NDS-V)	227	236	246	256	267
1.09	Agricultural Service (LTAS-I)	8,064	8,394	8,739	9,102	9,486
1.10	Agricultural Service (LTAS-II)	911	949	988	1,029	1,072
1.11	Agricultural Service (LTAS-III)	-	-	-	-	-
1.12	Industrial Service (LTIS-I) (upto 20 HP)	6,500	6,765	7,044	7,336	7,645
1.13	Industrial Service (LTIS-I) (above 20 HP)	2,65,963	2,76,828	2,88,218	3,00,196	3,12,846
1.14	Public Utility Service (LTPS-I)	5,676	5,908	6,151	6,406	6,676
1.15	Public Utility Service (LTPS-II)	4,065	4,231	4,405	4,588	4,782
1.16	Public Utility Service (LTPS-III)	-	-	-	-	-
1.17	Electric Vehicle (LTEV)	398	414	432	449	468
	<b>Total LT Category</b>	<b>6,14,553</b>	<b>6,39,659</b>	<b>6,65,978</b>	<b>6,93,655</b>	<b>7,22,885</b>
<b>2</b>	<b>HT Category (at 11 &amp; 33 KV)</b>					
2.1	Domestic (HTS-I)	-	-	-	-	-
2.2	Non-Domestic (HTS-II)	13,584	14,139	14,721	15,333	15,979
2.3	Agricultural Service (HTS-III)	-	-	-	-	-
2.4	Industrial Service (HTS-IV)	11,69,874	12,17,666	12,67,767	13,20,453	13,76,097
2.5	Public Utility Service (HTS-V)	860	895	932	971	1,012
2.6	Electric Vehicle (HT-VI)	1,213	1,263	1,315	1,370	1,427
	<b>Total HT Category</b>	<b>11,85,532</b>	<b>12,33,963</b>	<b>12,84,735</b>	<b>13,38,126</b>	<b>13,94,514</b>
<b>3</b>	<b>EHT Category (at 66 KV)</b>					
3.1	Non-Domestic (EHTS-I)	-	-	-	-	-
3.2	Industrial Service (EHTS-II)	3,78,996	3,94,479	4,10,710	4,27,778	4,45,805
3.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 66 KV)</b>	<b>3,78,996</b>	<b>3,94,479</b>	<b>4,10,710</b>	<b>4,27,778</b>	<b>4,45,805</b>
<b>4</b>	<b>EHT Category (at 220 KV)</b>					
4.1	Non-Domestic (EHTS-I)	-	-	-	-	-
4.2	Industrial Service (EHTS-II)	2,73,891	2,85,079	2,96,809	3,09,144	3,22,171
4.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 220 KV)</b>	<b>2,73,891</b>	<b>2,85,079</b>	<b>2,96,809</b>	<b>3,09,144</b>	<b>3,22,171</b>
	<b>Grand Total</b>	<b>24,52,972</b>	<b>25,53,180</b>	<b>26,58,232</b>	<b>27,68,703</b>	<b>28,85,375</b>

TABLE 5-6 NUMBER OF CONSUMERS APPROVED BY COMMISSION (IN Nos.)

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>1</b>	<b>LT Category</b>					
1.01	Domestic (LTDS-I)	18,208	18,866	19,552	20,268	21,014
1.02	Domestic (LTDS-II)	1,29,922	1,34,620	1,39,517	1,44,622	1,49,947
1.03	Domestic (LTDS-III)	-	-	-	-	-
1.04	Non-Domestic (NDS-I)	16,463	17,058	17,679	18,326	19,000
1.05	Non-Domestic (NDS-II)	293	303	314	326	338
1.06	Non-Domestic (NDS-III)	1	1	1	1	1
1.07	Non-Domestic (NDS-IV)	932	966	1,001	1,038	1,076
1.08	Non-Domestic (NDS-V)	53	55	57	60	62
1.09	Agricultural Service (LTAS-I)	2,552	2,645	2,741	2,841	2,946
1.10	Agricultural Service (LTAS-II)	49	51	53	55	57
1.11	Agricultural Service (LTAS-III)	-	-	-	-	-
1.12	Industrial Service (LTIS-I) (upto 20 HP)	630	653	676	701	727

DNH and DD Power Distribution Corporation Limited, (DNHDDPDCL)

Truing up of FY 2023-24, APR for FY 2024-25 and ARR &amp; Tariff Determination for MYT Period from FY 2025-26 to FY 2029-30

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.13	Industrial Service (LTIS-I) (above 20 HP)	4,117	4,266	4,422	4,583	4,752
1.14	Public Utility Service (LTPS-I)	607	628	651	675	700
1.15	Public Utility Service (LTPS-II)	1,125	1,166	1,208	1,253	1,299
1.16	Public Utility Service (LTPS-III)	-	-	-	-	-
1.17	Electric Vehicle (LTEV)	9	9	10	10	10
	<b>Total LT Category</b>	<b>1,74,962</b>	<b>1,81,289</b>	<b>1,87,884</b>	<b>1,94,759</b>	<b>2,01,929</b>
<b>2</b>	<b>HT Category (at 11 &amp; 33 KV)</b>					
2.1	Domestic (HTS-I)	-	-	-	-	-
2.2	Non-Domestic (HTS-II)	50	52	54	56	58
2.3	Agricultural Service (HTS-III)	-	-	-	-	-
2.4	Industrial Service (HTS-IV)	1,572	1,629	1,688	1,750	1,815
2.5	Public Utility Service (HTS-V)	4	4	4	4	5
2.6	Electric Vehicle (HT-VI)	1	1	1	1	1
	<b>Total HT Category</b>	<b>1,628</b>	<b>1,687</b>	<b>1,748</b>	<b>1,812</b>	<b>1,879</b>
<b>3</b>	<b>EHT Category (at 66 KV)</b>					
3.1	Non-Domestic (EHTS-I)	-	-	-	-	-
3.2	Industrial Service (EHTS-II)	35	37	38	39	41
3.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 66 KV)</b>	<b>35</b>	<b>37</b>	<b>38</b>	<b>39</b>	<b>41</b>
<b>4</b>	<b>EHT Category (at 220 KV)</b>					
4.1	Non-Domestic (EHTS-I)	-	-	-	-	-
4.2	Industrial Service (EHTS-II)	4	4	4	4	5
4.3	Public Utility Service (EHTS-III)	-	-	-	-	-
	<b>Total EHT Category (at 220 KV)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>
	<b>Grand Total</b>	<b>1,76,630</b>	<b>1,83,017</b>	<b>1,89,674</b>	<b>1,96,614</b>	<b>2,03,853</b>

## 5.4 Inter-State Transmission Loss

### Petitioner's Submission:

The Petitioner has considered the Inter-State transmission loss as 3.52% for FY MYT Control Period from FY 2025-26 to FY 2029-30.

### Commission's Analysis:

The Commission for the purpose of ARR for MYT Control Period from FY 2025-26 to FY 2029-30 considers the Inter-State transmission losses approved in APR for FY 2024-25 at the level of 3.50% for each year of the MYT Control Period from FY 2025-26 to FY 2029-30.

## 5.5 Aggregate Technical and Commercial Losses

### Petitioner's Submission:

The Petitioner has proposed the AT&C loss trajectory for the 4<sup>th</sup> MYT Control Period in the Business Plan Petition and proposes the same in the MYT Petition determining ARR for the Control Period. the AT&C Loss trajectory submitted by the Petitioner is as follows:

**TABLE 5-7 DISTRIBUTION LOSSES AS SUBMITTED BY PETITIONER**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss	2.99%	2.99%	2.99%	2.99%	2.99%
Collection Efficiency	99%	99%	99%	99%	99%
AT&C Loss	3.96%	3.96%	3.96%	3.96%	3.96%

### Commission's Analysis:

The Commission has approved Distribution Loss, Collection Efficiency and AT&C Loss trajectory for the 4<sup>th</sup> MYT Control Period in the Business Plan Order dated 2<sup>nd</sup> September 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 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30 as shown in table below:

**TABLE 5-8 DISTRIBUTION LOSS APPROVED BY COMMISSION FOR MYT CONTROL PERIOD (%)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss	1.62%	1.59%	1.56%	1.53%	1.50%
Collection Efficiency	100%	100%	100%	100%	100%
AT&C Loss	1.62%	1.59%	1.56%	1.53%	1.50%

The Commission approves losses for the MYT Control period for FY 2025-26 to FY 2029-30 according to the table above.

## 5.6 Energy Balance

### Petitioner's Submission:

The Petitioner has submitted that the energy requirement for DNH and DD area licensee area furnished is based on the (i) projected energy sales, (ii) Intra-state

transmission loss and (iii) distribution losses for FY 2025-26 to FY 2029-30 as given in the Table below:

**TABLE 5-9 ENERGY REQUIREMENT SUBMITTED BY PETITIONER FOR FY 2025-26 TO FY 2029-30 (MU)**

Particulars	Formula	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Retail Sales	a	10,970.88	11,379.87	11,805.21	12,247.74	12,708.37
Open Access Sales	b	-	-	-	-	-
Less: Energy Savings	c	-	-	-	-	-
Total Sales within UT	d=a+b-c	10,970.88	11,379.87	11,805.21	12,247.74	12,708.37
Less: Solar generation within UT	e	22.05	22.27	22.49	22.72	22.95
Net Total Sales within UT	f=d-e	10,948.83	11,357.60	11,782.72	12,225.02	12,685.42
Distribution Loss	g	337.93	350.54	363.66	377.31	391.52
Energy Required at DNHDDPDCL Periphery	h=f+g	11,286.75	11,708.14	12,146.38	12,602.34	13,076.94
Intra-State Transmission Loss	i	158.50	161.76	165.17	169.83	175.02
Energy Requirement at UT Periphery	j=h+i	11,445.25	11,869.90	12,311.56	12,772.17	13,251.96
Add: Sales to Common Pool/UI	k	-	-	-	-	-
Add: Sales through Power Exchange	l	-	-	-	-	-
Total Energy Requirement at UT periphery	m=j+k+l	11,445.25	11,869.90	12,311.56	12,772.17	13,251.96

### Commission's Analysis:

Based on the sales projections approved by the Commission and the Distribution losses approved by the Commission, the energy requirement estimated by the Commission for the upcoming Control Period is as given below:

**TABLE 5-10 ENERGY REQUIREMENT APPROVED BY COMMISSION FOR MYT CONTROL PERIOD (MU)**

Particulars	Formula	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Retail Sales	a	10,985	11,404	11,841	12,298	12,777
Open Access Sales	b	-	-	-	-	-
Less: Energy Savings	c	-	-	-	-	-
Total Sales within UT	d=a+b-c	10,985	11,404	11,841	12,298	12,777
Less: Solar generation within UT	e	22	22	22	23	23
Net Total Sales within UT	f=d-e	10,963	11,382	11,819	12,275	12,754
Distribution Loss (%)		1.62%	1.59%	1.56%	1.53%	1.50%
Distribution Loss (MU)	g	181	184	187	191	194
Energy Required at UT Periphery	h=f+g	11,144	11,566	12,006	12,466	12,949
Intra-State Transmission Loss (%)		1.41%	1.41%	1.41%	1.41%	1.41%

DNH and DD Power Distribution Corporation Limited, (DNHDDPDCL)

Truing up of FY 2023-24, APR for FY 2024-25 and ARR & Tariff Determination for MYT Period from FY 2025-26 to FY 2029-30



Particulars	Formula	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Intra-State Transmission Loss (MU)	i	159	165	172	178	185
Energy Requirement at UT Periphery	j=h+i	11,303	11,731	12,178	12,644	13,134
Add: Sales to Common Pool/UI	k	-	-	-	-	-
Add: Sales through Power Exchange	l	-	-	-	-	-
<b>Total Energy Requirement at UT periphery</b>	<b>m=j+k+l</b>	<b>11,303</b>	<b>11,731</b>	<b>12,178</b>	<b>12,644</b>	<b>13,134</b>
Inter-State Transmission Loss (%)		3.50%	3.50%	3.50%	3.50%	3.50%
Inter-State Transmission Loss (MU)	n	410	425	442	459	476
<b>Total Energy Requirement</b>	<b>o = m+n</b>	<b>11,713</b>	<b>12,156</b>	<b>12,619</b>	<b>13,103</b>	<b>13,610</b>

The Commission approves the Total Energy Requirement at the UT Periphery for each year of the Control Period as shown in the table above.

## 5.7 Renewable Purchase Obligation

### Petitioner's Submission:

The Petitioner has submitted that as per the directions of the Hon'ble Commission vide Order dated 21<sup>st</sup> January, 2025 in Suo- moto Petition no. 61 of 2012, Petitioner has considered procurement of REC in FY 2025-26 to fulfil backlog RPO mainly pertaining to past period. Further, in order to fulfil standalone RPO for MYT Control Period, the Petitioner has considered purchase of RE-power & REC.

### Commission's Analysis:

The Commission has specified the minimum RPO to be fulfilled by the Petitioner as per the Regulation 4.1 of the JERC Procurement of Renewable Energy (Fifth Amendment) Regulations, 2024. The break-up of target vis-à-vis achievement is given in the Table below.

**TABLE 5-11 RPO TARGET APPROVED BY COMMISSION FOR MYT CONTROL PERIOD(IN MU)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sales	10,985.44	11,403.97	11,841.01	12,298.15	12,777.43
Wind RPO (%)	1.45%	1.97%	2.45%	2.95%	3.48%
HPO (%)	1.22%	1.34%	1.42%	1.42%	1.33%
Distributed RE RPO (%)	2.10%	2.70%	3.30%	3.90%	4.50%
Other RE RPO (%)	28.24%	29.94%	31.64%	33.10%	34.02%
<b>RPO Target (%)</b>	<b>33.01%</b>	<b>35.95%</b>	<b>38.81%</b>	<b>41.37%</b>	<b>43.33%</b>
Wind RPO (MU)	159.29	224.66	290.10	362.80	444.65
HPO (MU)	134.02	152.81	168.14	174.63	169.94
Distributed RE RPO (MU)	230.69	307.91	390.75	479.63	574.98



Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Other RE RPO (MU)	3,102.29	3,414.35	3,746.49	4,070.69	4,346.88
<b>Total (MU)</b>	<b>3,626.29</b>	<b>4,099.73</b>	<b>4,595.50</b>	<b>5,087.74</b>	<b>5,536.46</b>
<b>RPO Compliance (MU)</b>					
Wind RPO (MU)	-	-	-	-	-
HPO (MU)	-	-	-	-	-
Distributed RE RPO (MU)	22.05	22.27	22.49	21.41	21.41
Other RE RPO (MU)	-	-	2,396.88	5,387.40	5,387.40
<b>Total (MU)</b>	<b>22.05</b>	<b>22.27</b>	<b>2,419.37</b>	<b>5,408.81</b>	<b>5,408.81</b>
<b>Net Shortfall to be met through REC</b>					
Wind RPO (MU)	1,012.56	224.66	290.10	362.80	444.65
HPO (MU)	134.02	152.81	168.14	174.63	169.94
Distributed RE RPO (MU)	208.64	285.64	368.26	458.22	553.57
Other RE RPO (MU)	4,170.55	3,414.35	1,349.61	-1,316.71	-1,040.52
<b>Total (MU)</b>	<b>5,525.77</b>	<b>4,077.46</b>	<b>2,176.13</b>	<b>321.07</b>	<b>127.65</b>

In view of the above, the Commission directs the Petitioner to comply with the RPO targets as provided above in accordance with the JERC (Procurement of Renewable Energy) (Fifth Amendment) Regulations, 2024. The same shall be reviewed at the time of truing-up. The Commission has considered the REC cost @Rs. 0.212/kWh in order to meet RPO obligation through REC cost as proposed by the Petitioner.

## 5.8 Power Purchase Quantum & Cost

### 5.8.1 Peak Demand

#### Petitioner's Submission:

The Petitioner has proposed the peak load trajectory for the 4<sup>th</sup> MYT Control Period in the Business Plan petition. However, the same has not been proposed in the MYT Petition. The trajectory proposed in the Business Plan petition for the 4<sup>th</sup> MYT Control Period is as given below:

**TABLE 5-12 PEAK DEMAND SUBMITTED BY PETITIONER (IN MW)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Peak Electricity Demand @UT Periphery (in MW)	1,647	1,726	1,809	1,895	1,988

**Commission's Analysis:**

The Commission has approved peak load trajectory and peak power availability along with respective gap/surplus for the 4<sup>th</sup> MYT Control Period in the Business Plan Order dated 2<sup>nd</sup> September 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 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30 as shown in the table below:

**TABLE 5-13 PEAK DEMAND V/S POWER AVAILABLE AT PERIPHERY OF THE UNION TERRITORY**

Particular	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Peak Electricity Demand @UT Periphery worked-out (in MW)	1,380	1,449	1,521	1,597	1,677
Power Available @ UT Periphery worked-out (net of losses) (in MW)	1,099.93	1,099.93	1,384.60	1,693.40	1,693.40
(Gap)/Surplus	(280.07)	(349.07)	(136.40)	96.40	16.40

**5.8.2 Power Purchase Quantum and Cost****Petitioner's Submission:**

The Petitioner has submitted that it has estimated the power purchase cost for the MYT Control Period FY 2025-26 to FY 2029-30 based on the estimated quantum of energy as mentioned in the table above and the approved fixed cost of Central Generating Stations along with actual variable cost of H1 FY 2024-25 for the approved sources along with projection for Transmission charges as per the latest approved figures. For estimation of variable charges from FY 2025-26 to FY 2029-30, the Petitioner has worked out station wise per unit variable charges by removing adjustments related to past period cost and aberrations such as compensation charges, etc. from variable cost of H1 FY 2024-25, and same is considered as variable charges of FY 2025-26. For the subsequent period, variable charges are worked out by escalating the variable charges of FY 2025-26 at 2% for each year of the Control Period. The above worked out variable charges are then applied on the energy as above to project the variable cost.

Further, the Petitioner has submitted the Gas based capacity of NTPC- Kawas and Gandhar has completed the contractual period. Therefore, the Petitioner has issued

termination notice to NTPC- Kawas and Gandhar as per the provisions of CERC Tariff Regulations. However, NTPC has continued raising invoices referring Interim Order issued by Hon'ble Supreme Court in the Writ Petition No. 1877 of 2022 filed by NTPC against APTEL Order holding PPA termination of NTPC- Dadri- Stage-I by Delhi Discoms valid. As NTPC has continued to raise invoices whilst relying on the interim order passed by the Hon'ble Supreme Court, the Petitioner was constrained to make payment towards the invoices raised by NTPC, albeit under protest without prejudice. The Petitioner has also filed an I.A. to intervene in the Writ Petition before Hon'ble Supreme Court. However, since the Writ Petition has not been listed for hearing yet, the IA is yet to be registered by the Hon'ble Supreme Court. In the circumstances, without prejudice, the Petitioner has considered NTPC- Kawas and Gandhar in power purchase projection for the MYT Control Period FY 2025-26 to FY 2029-30. Similarly, RGPPL PPA with DNHDDPCL had been terminated by the erstwhile Licensee i.e. DNHPDCL. However, RGPPL has continued to raise invoices. In turn, DNHDDPDCL has filed the petition before Hon'ble CERC and same is presently pending. Accordingly, DNHDDPDCL is making payment under protest without prejudice.

Further, as per the directions of the Hon'ble Commission vide Order dated 21<sup>st</sup> January, 2025 in Suo-moto Petition no. 61 of 2012, Petitioner has considered procurement of REC in FY 2025-26 to fulfil backlog RPO mainly pertaining to past period. Further, in order to fulfil standalone RPO for MYT Control Period, the Petitioner has considered purchase of RE-power & REC. Details of Power Purchase Cost estimated for MYT Control Period FY 2025-26 to FY 2029-30 as projected by the Petitioner has been shown in the table below:

**TABLE 5-14 POWER PURCHASE COST SUBMITTED BY THE PETITIONER FOR FY 2025-26 TO FY 2029-30**

	FY 2025-26		FY 2026-27		FY 2027-28	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
NTPC Stations	7,248.78	2,969.31	7,145.08	2,964.11	7,102.01	2,978.10
NSPCL-Bhilai	1,148.24	511.51	1,136.98	514.83	1,138.51	521.99
NPCIL	1,301.58	521.41	1,301.58	531.83	1,305.14	543.96
RGPPL	-	39.35	-	39.35	-	39.35
IEX/Bilateral	2,088.05	992.12	2,623.61	1,271.51	789.39	390.22

DNH and DD Power Distribution Corporation Limited, (DNHDDPDCL)

Truing up of FY 2023-24, APR for FY 2024-25 and ARR & Tariff Determination for MYT Period from FY 2025-26 to FY 2029-30

	FY 2025-26		FY 2026-27		FY 2027-28	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
Solar with State	22.05	13.66	22.27	13.92	22.49	14.06
RE-RTC			-	-	2,177.28	1,001.55
New Solar			-	-	219.60	57.75
REC (Non- solar+ Solar)	-	117.27	-	86.42	-	45.93
Total Power Purchase	11,808.70	5,164.63	12,229.52	5,421.97	12,754.43	5,592.91
Transmission Charges						
ISTS charges incl. WRLDC Charges		535.82		554.56		577.94
InSTS Charges		101.65		101.65		101.65
<b>Total</b>	<b>11,808.70</b>	<b>5,802.09</b>	<b>12,229.52</b>	<b>6,078.18</b>	<b>12,754.43</b>	<b>6,272.50</b>

	FY 2028-29		FY 2029-30	
	Quantum (MUs)	Cost (Rs. Crore)	Quantum (MUs)	Cost (Rs. Crore)
NTPC Stations	5,362.23	2,289.54	5,786.80	2,487.40
NSPCL-Bhilai	1,009.46	489.27	1,067.15	513.50
NPCIL	1,301.58	553.32	1,301.58	564.38
RGPPPL	-	39.35	-	39.35
IEX/Bilateral	171.24	86.34	185.74	95.53
Solar with State	22.72	14.20	22.95	14.34
RE-RTC	4,730.40	2,270.59	4,730.40	2,270.59
New Solar	657.00	172.79	657.00	172.79
REC (Non-solar+ Solar)	-	-	-	-
Total Power Purchase	13,254.62	5,915.40	13,751.62	6,157.89
Transmission Charges				
ISTS charges incl. WRLDC Charges		600.23	-	622.36
InSTS Charges		101.65	-	101.65
<b>Total</b>	<b>13,254.62</b>	<b>6,617.28</b>	<b>13,751.62</b>	<b>6,881.90</b>

### Commission's Analysis:

The Commission has applied the following approach and assumptions to forecast the power purchase from tied-up sources for the upcoming Control Period:

- Allocation from Central Generating Stations (CGS): The firm allocation and allocation from the unallocated quota from the various generating stations has been considered based on the actual allocation for FY 2023-24. The same share of allocation has been assumed for all the years of the upcoming Control Period.
- Plant Load Factor (PLF): For CGS plants the Commission has considered the PLF based on actual PLF achieved during the previous three years.

- iii. Auxiliary consumption: The Commission has considered an auxiliary consumption of 5.75% and 2.75% for coal and gas based generating stations, respectively as per CERC Tariff Regulations, 2024.
- iv. Power Purchase from IEX/Bilateral Sources: In order to meet the total energy requirement, the Commission has considered the balance energy requirement after availability from firm sources to be procured from IEX/Bilateral sources.

The Quantum of power procurement approved by the Commission for the upcoming Control Period is given as under:

TABLE 5-15 POWER PURCHASE PLAN APPROVED BY THE COMMISSION FOR THE UPCOMING MYT CONTROL PERIOD

S. No.	Station	Capacity (MW)	Weighted average allocation to Licensee (%)	Capacity (MW)	PLF (%)	Gross Generation (MU)	Aux Consumption (%)	Net Generation (MU)	2025-26 (MU)	2026-27 (MU)	2027-28 (MU)	2028-29 (MU)	2029-30 (MU)
<b>A</b>	<b>NTPC</b>												
1	KSTPS -I&II	2100	4.84%	101.64	93.47%	832.18	5.75%	784.33	784.33	784.33	786.48	784.33	784.33
2	KSTPS 3	500	5.39%	26.94	93.83%	221.43	5.75%	208.69	208.69	208.69	209.27	208.69	208.69
3	VSTPP-I	1260	4.28%	53.96	88.67%	419.15	5.75%	395.04	395.04	395.04	396.13	395.04	395.04
4	VSTPP-II	1000	4.08%	40.80	90.51%	323.49	5.75%	304.89	304.89	304.89	305.73	304.89	304.89
5	VSTPP- III	1000	4.48%	44.80	91.62%	359.56	5.75%	338.88	338.88	338.88	339.81	338.88	338.88
6	VSTPP- IV	1000	5.57%	55.72	92.91%	453.49	5.75%	427.42	427.42	427.42	428.59	427.42	427.42
7	KGPP	-		-	0.00%	-	5.75%	-	-	-	-	-	-
8	GGPP	-		-	0.00%	-	5.75%	-	-	-	-	-	-
9	Sipat-I	1980	5.49%	108.64	88.00%	837.48	5.75%	789.33	789.33	789.33	791.49	789.33	789.33
10	Sipat-II	1000	4.03%	40.25	93.10%	328.25	5.75%	309.37	309.37	309.37	310.22	309.37	309.37
11	Mouda	1000	3.73%	37.32	86.50%	282.79	5.75%	266.53	266.53	266.53	267.26	266.53	266.53
12	VSTPS-V	500	6.51%	32.56	90.88%	259.21	5.75%	244.31	244.31	244.31	244.98	244.31	244.31
13	Mouda 2	1320	5.66%	74.76	85.00%	556.66	5.75%	524.65	524.65	524.65	526.09	524.65	524.65
14	SLP	1320	7.36%	97.19	85.00%	723.68	5.75%	682.07	682.07	682.07	683.93	682.07	682.07
15	KHSTPP-II	1500	0.33%	5.00	85.00%	37.23	5.75%	35.09	35.09	35.09	35.19	35.09	35.09
16	Lara	1600	5.70%	91.24	87.59%	700.05	5.75%	659.80	659.80	659.80	661.61	659.80	659.80
17	Gadarwara	1600	6.87%	109.91	85.00%	818.39	5.75%	771.33	771.33	771.33	773.45	771.33	771.33
18	KHTPP	1320	6.82%	90.06	85.00%	670.59	5.75%	632.03	632.03	632.03	633.76	632.03	632.03
	<b>Subtotal NTPC</b>												
b	NSPCL Bhillai	500	34.00%	170.00	91.03%	1,355.65	9.00%	1,233.64	1,233.64	1,233.64	1,237.02	1,233.64	1,233.64
<b>c</b>	<b>NPCIL</b>												
1	KAPS			119.69	85.00%	891.21	0.00%	891.21	891.21	891.21	893.65	891.21	891.21
2	TAPS			61.67	90.00%	486.21	0.00%	486.21	486.21	486.21	487.54	486.21	486.21
<b>B</b>	<b>Short- Term Power</b>												
1	Indian Energy Exchange			-					1,706.39	2,149.39	187.64	-	-
<b>C</b>	<b>Renewable</b>												
1	Solar			-	0.00%	-	0.00%	-	22.05	22.27	22.49	21.41	21.41

S. No.	Station	Capacity (MW)	Weighted average allocation to Licensee (%)	Capacity (MW)	PLF (%)	Gross Generation (MU)	Aux Consumption (%)	Net Generation (MU)	2025-26 (MU)	2026-27 (MU)	2027-28 (MU)	2028-29 (MU)	2029-30 (MU)
2	Solar New			100.00	25.00%	219.00	0.00%	219.00	-	-	219.60	657.00	657.00
3	RE RTC			300.00	90.00%	2,365.20	0.00%	2,365.20	-	-	2,177.28	4,730.40	4,730.40

The Petitioner primarily procures power from NTPC stations, NPCIL stations, and NSPCL Bhilai. The Commission has estimated the overall power purchase cost for FY 2024-25 based on actual rates. While projecting the power purchase cost for the MYT Control Period, the Commission has excluded adjustments related to past periods and anomalies from the FY 2024-25 actuals.

Further, the Commission has conducted a trend analysis of fixed and variable costs for all power sources from which DNHDDPDCL procures electricity to meet its supply obligations. Based on this analysis, the Commission considers it appropriate to assume an annual increase of 2% in both fixed and energy charges for each year of the MYT Control Period, i.e., from FY 2025-26 to FY 2029-30, to project the power purchase cost.

The following table provides the summary of the power purchase quantum and the cost approved by the Commission for the ARR purpose of the MYT Control Period:



TABLE 5-16 POWER PURCHASE QUANTUM AND COST APPROVED BY THE COMMISSION FOR MYT CONTROL PERIOD FROM FY 2025-26 TO FY 2029-30

S. No.	Station	2025-26 (MU)	2025-26 (Fixed Cost Rs. Crore)	2025-26 (Variable Cost Rs. Crore)	2025-26 (Total Cost Rs. Crore)	2026-27 (MU)	2026-27 (Fixed Cost Rs. Crore)	2026-27 (Variable Cost Rs. Crore)	2026-27 (Total Cost Rs. Crore)	2027-28 (MU)	2027-28 (Fixed Cost Rs. Crore)	2027-28 (Variable Cost Rs. Crore)	2027-28 (Total Cost Rs. Crore)
A	NTPC												
1	KSTPS -I&II	784.33	64.12	115.54	179.66	784.33	65.40	117.86	183.25	786.48	66.71	120.54	187.25
2	KSTPS 3	208.69	23.39	29.61	53.00	208.69	23.86	30.20	54.06	209.27	24.34	30.89	55.23
3	VSTPP-I	395.04	36.77	76.24	113.01	395.04	37.51	77.76	115.27	396.13	38.26	79.54	117.79
4	VSTPP-II	304.89	24.08	56.99	81.07	304.89	24.56	58.13	82.69	305.73	25.05	59.46	84.51
5	VSTPP- III	338.88	30.50	62.14	92.64	338.88	31.11	63.39	94.49	339.81	31.73	64.83	96.56
6	VSTPP- IV	427.42	68.92	79.44	148.36	427.42	70.30	81.03	151.33	428.59	71.70	82.88	154.58
7	KGPP	-	70.69	-	70.69	-	70.69	-	70.69	-	70.69	-	70.69
8	GGPP	-	67.15	-	67.15	-	67.15	-	67.15	-	67.15	-	67.15
9	Sipat-I	789.33	104.03	131.97	236.00	789.33	106.11	134.60	240.72	791.49	108.24	137.67	245.91
10	Sipat-II	309.37	31.38	54.34	85.72	309.37	32.00	55.43	87.43	310.22	32.64	56.69	89.34
11	Mouda	266.53	43.54	95.89	139.43	266.53	44.41	97.81	142.22	267.26	45.30	100.03	145.33
12	VSTPS-V	244.31	40.52	46.56	87.08	244.31	41.33	47.50	88.82	244.98	42.16	48.58	90.73
13	Mouda 2	524.65	82.31	186.21	268.52	524.65	83.96	189.94	273.89	526.09	85.64	194.27	279.90
14	SLP	682.07	137.43	311.84	449.27	682.07	140.18	318.08	458.25	683.93	142.98	325.33	468.31
15	KHSTPP-II	35.09	3.27	9.28	12.54	35.09	3.33	9.46	12.79	35.19	3.40	9.68	13.08
16	Lara	659.80	144.82	87.57	232.39	659.80	147.72	89.32	237.04	661.61	150.67	91.36	242.03
17	Gadarwara	771.33	159.16	261.25	420.40	771.33	162.34	266.47	428.81	773.45	165.59	272.55	438.13
18	KHTPP	632.03	133.56	262.06	395.62	632.03	136.23	267.31	403.54	633.76	138.95	273.40	412.35
19	RGPPL	-	40.84	-	40.84	-	40.84	-	40.84	-	40.84	-	40.84
<b>Subtotal NTPC</b>													
B	NSPCL Bhillai	1,233.64	178.33	359.06	537.39	1,233.64	181.90	366.24	548.14	1,237.02	185.53	374.59	560.13
C	NPCIL												
1	KAPS	891.21	0.01	387.06	387.07	891.21	0.01	394.80	394.81	893.65	0.01	403.80	403.81
2	TAPS	486.21	0.01	170.63	170.64	486.21	0.01	174.04	174.05	487.54	0.01	178.01	178.02
D	Short- Term Power												
1	Indian Energy Exchange	1,706.39		793.25	793.25	2,149.39		999.19	999.19	187.64		87.23	87.23
E	Renewable												
1	Solar	22.05	-	13.72	13.72	22.27	-	13.85	13.85	22.49	-	13.99	13.99
2	Solar New	-	-	-	-	-	-	-	-	219.60	-	57.75	57.75
3	RE RTC	-	-	-	-	-	-	-	-	2,177.28	-	1,001.55	1,001.55
4	REC Cost	-	-	117.37	117.37	-	-	86.61	86.61	-	-	46.22	46.22
	PGCIL Charges	-	561.27	-	561.27	-	572.49	-	572.49	-	583.94	-	583.94

S. No.	Station	2025-26 (MU)	2025-26 (Fixed Cost Rs. Crore)	2025-26 (Variable Cost Rs. Crore)	2025-26 (Total Cost Rs. Crore)	2026-27 (MU)	2026-27 (Fixed Cost Rs. Crore)	2026-27 (Variable Cost Rs. Crore)	2026-27 (Total Cost Rs. Crore)	2027-28 (MU)	2027-28 (Fixed Cost Rs. Crore)	2027-28 (Variable Cost Rs. Crore)	2027-28 (Total Cost Rs. Crore)
	Intra-State Transmission Charges	-	147.56	-	147.56	-	171.37	-	171.37	-	186.55	-	186.55
	<b>Total</b>	<b>11,713.26</b>	<b>2,193.63</b>	<b>3,708.04</b>	<b>5,901.66</b>	<b>12,156.48</b>	<b>2,254.78</b>	<b>3,939.02</b>	<b>6,193.80</b>	<b>12,619.18</b>	<b>2,308.06</b>	<b>4,110.84</b>	<b>6,418.90</b>

S. No.	Station	2028-29 (MU)	2028-29 (Fixed Cost Rs. Crore)	2028-29 (Variable Cost Rs. Crore)	2028-29 (Total Cost Rs. Crore)	2029-30 (MU)	2029-30 (Fixed Cost Rs. Crore)	2029-30 (Variable Cost Rs. Crore)	2029-30 (Total Cost Rs. Crore)
A	NTPC								
1	KSTPS -I&II	784.33	68.04	122.62	190.66	784.33	69.40	125.07	194.47
2	KSTPS 3	208.69	24.82	31.42	56.25	208.69	25.32	32.05	57.37
3	VSTPP-I	395.04	39.02	80.90	119.93	395.04	39.80	82.52	122.33
4	VSTPP-II	304.89	25.55	60.48	86.03	304.89	26.06	61.69	87.75
5	VSTPP- III	338.88	32.36	65.95	98.31	338.88	33.01	67.27	100.28
6	VSTPP- IV	427.42	73.14	84.30	157.44	427.42	74.60	85.99	160.59
7	KGPP	-	70.69	-	70.69	-	70.69	-	70.69
8	GGPP	-	67.15	-	67.15	-	67.15	-	67.15
9	Sipat-I	789.33	110.40	140.04	250.44	789.33	112.61	142.84	255.45
10	Sipat-II	309.37	33.30	57.67	90.97	309.37	33.96	58.82	92.78
11	Mouda	-	46.20	-	46.20	-	47.13	-	47.13
12	VSTPS-V	244.31	43.00	49.41	92.41	244.31	43.86	50.40	94.26
13	Mouda 2	-	87.35	-	87.35	321.90	89.10	123.67	212.76
14	SLP	-	145.84	-	145.84	-	148.76	-	148.76
15	KHSTPP-II	35.09	3.47	9.84	13.31	35.09	3.54	10.04	13.58
16	Lara	659.80	153.68	92.93	246.61	659.80	156.76	94.79	251.54
17	Gadarwara	586.03	168.90	210.64	379.53	771.33	172.28	282.78	455.06
18	KHTPP	-	141.73	-	141.73	-	144.57	-	144.57
19	RGPP	-	40.84	-	40.84	-	40.84	-	40.84
	<b>Subtotal NTPC</b>								
B	NSPCL Bhillai	1,233.64	189.24	381.04	570.29	1,233.64	193.03	388.66	581.69
C	NPCIL								
1	KAPS	891.21	0.01	410.75	410.76	891.21	0.01	418.97	418.97

S. No.	Station	2028-29 (MU)	2028-29 (Fixed Cost Rs. Crore)	2028-29 (Variable Cost Rs. Crore)	2028-29 (Total Cost Rs. Crore)	2029-30 (MU)	2029-30 (Fixed Cost Rs. Crore)	2029-30 (Variable Cost Rs. Crore)	2029-30 (Total Cost Rs. Crore)
2	TAPS	486.21	0.01	181.07	181.09	486.21	0.01	184.70	184.71
<b>D</b>	<b>Short- Term Power</b>								
1	Indian Energy Exchange								
<b>E</b>	<b>Renewable</b>								
1	Solar	21.41	-	13.32	13.32	21.41	-	13.32	13.32
2	Solar New	657.00	-	172.79	172.79	657.00	-	172.79	172.79
3	RE RTC	4,730.40	-	2,270.59	2,270.59	4,730.40	-	2,270.59	2,270.59
4	REC Cost			-6.82	-6.82			2.71	2.71
	PGCIL Charges		595.62		595.62		607.53		607.53
	Intra-State Transmission Charges		201.01		201.01		217.51		217.51
	<b>Total</b>	<b>13,103.06</b>	<b>2,361.37</b>	<b>4,428.97</b>	<b>6,790.34</b>	<b>13,610.26</b>	<b>2,417.51</b>	<b>4,669.68</b>	<b>7,087.19</b>

The Commission approves the quantum of power purchase and cost for the MYT Control Period from FY 2025-26 to FY 2029-30 as table above.

## 5.9 Operation & Maintenance (O&M) Expenses

### Petitioner's Submission:

The Petitioner has submitted that O&M expenses are mainly driven by business growth, inflation, standards of performance, condition of existing assets necessitating higher maintenance, exposure of the assets to general public & safety norms.

Further, Petitioner submitted that MYT Regulation, 2024 specifies that the O&M expense for 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. Accordingly, the Petitioner has considered the audited expense of FY 2022-23 & FY 2023-24 and estimated expense of FY 2024-25 for working out base year expense.

The Petitioner has submitted the estimates of O&M expenses for the MYT Control Period FY 2025-26 to FY 2029-30 as tabulated below.

**TABLE 5-17 O&M EXPENSES CLAIMED BY PETITIONER FOR MYT CONTROL PERIOD (Rs. CRORE)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses	153.03	171.11	189.05	211.57	238.70

### Commission Analysis:

As per Regulation 72 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2024:

*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  $n^{th}$  year of the Control Period shall be approved based on formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

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 for 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;

*WPIinflation – 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;*

*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 – CPIinflation 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 – CPIinflation 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.*

It is worthwhile to mention here that due to privatization of Utilities in Daman & Diu, the new entity DNHDDPDCL has been formed which is vested with the responsibility of distribution of power supply within the UT, thus, in absence of actual last three year audited accounts as per JERC MYT Regulations, 2024, based on new asset base, it is imperative and Commission deems it fit to approve norms considering actual O&M expenses for FY 2022-23 and FY 2023-24 in this Order in order to carry out ARR for MYT Control Period from FY 2025-26 to FY 2029-30.

The components comprising of the O&M – employee expenses, R&M expenses and A&G expenses have been discussed separately as follows. The Commission has determined the base year value for each component of O&M expenses considering the last two years values which are as tabulated under:

**TABLE 5-18 O&M EXPENSES FROM FY 2022-23 TO FY 2023-24 (RS. CRORE)**

S. No.	Particulars	FY 2022-23	FY 2023-24	Base Year FY 2024-25
1	Employee Expenses	44.27	43.99	44.13
2	R&M Expenses	33.87	37.00	35.44
3	A&G Expenses	27.95	26.10	27.02
4	<b>Total</b>	<b>106.09</b>	<b>107.09</b>	<b>106.59</b>

### 5.9.1 Employee Expenses

#### Petitioner's Submission:

The Petitioner has projected Employee Expense for each year of the Control Period based on the norms specified in the MYT Regulations, 2024. The employee expenses for FY 2022-23, FY 2023-24 and estimated expense of FY 2024-25 have been taken for working out base year expense.

**TABLE 5-19 EMPLOYEE EXPENSES CLAIMED FOR MYT CONTROL PERIOD (RS. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Employee Expenses	55.76	60.84	64.79	68.98	73.44

**Commission's Analysis:**

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. In order to compute the O&M expenses for the Control Period from FY 2025-26 to FY 2029-30, the Commission has considered Regulation 6 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024 which specifies 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....."*

From reading of the above Regulation, it is crystal clear that for the purpose of estimation of employee cost for the MYT Control Period from FY 2025-26 to FY 2029-30, first of all the employee cost for the base year FY 2024-25 needs to be determined adhering the Regulation in absence of accurate employee expenses of FY 2024-25. As in the instant case the DNHDDPDCL is operational from 1<sup>st</sup> April'2022, the audited account for last three years prior to the base year FY 2024-25 are not available i.e., the audited account for FY 2022-23 and FY 2023-24 are available and hence the Commission has determined the base year employee cost averaging for the above two years. The base year employee expenses for FY 2024-25 has been escalated by average CPI inflation to arrive upon the employee expenses of each year of the Control Period.



**TABLE 5-20 COMPUTATION OF CPI INFLATION (%)**

Indices	2021-22	2022-23	2023-24	2024-25
CPI	356.06	377.62	397.20	410.64
		6.05%	5.19%	3.38%
<b>Average</b>				<b>4.87%</b>

The following table provides the employee expenses now approved by the Commission:

**TABLE 5-21 EMPLOYEE EXPENSES APPROVED BY COMMISSION FOR THE CONTROL PERIOD (Rs. CRORE)**

Particulars	Base Year FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Average CPI		4.87%	4.87%	4.87%	4.87%	4.87%
Growth (Gn)		5%	6%	3%	1%	1%
Employee Cost	44.13	48.47	54.04	58.64	62.09	65.75

Accordingly, the Commission approves Employee Expenses for each year of the Control Period as per the table above.

### 5.9.2 Repair & Maintenance (R&M) Expenses

#### Petitioner's submission:

The Petitioner has determined the R&M expenses based on the norms specified in the JERC Tariff Regulation, 2024. The average increase in Wholesale Price Index (WPI) has been calculated based on the increase in the Wholesale Price Index (WPI) for FY 2021-22, FY 2022-23 and FY 2023-24.

**TABLE 5-22 R&M EXPENSES CLAIMED BY THE PETITIONER FOR MYT CONTROL PERIOD (Rs. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
R&M Expenses	60.56	71.56	83.45	99.54	119.86

#### Commission's Analysis:

In order to compute the O&M expenses for FY 2025-26 to FY 2029-30, the Commission has considered Regulation 6 of the JERC MYT Regulations, 2024 which specifies 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 ‘K’ factor has been determined as the average of ratio of R&M expenses to opening GFA for FY 2022-23 & FY 2023-24, average for two years. The ‘K’ factor has been computed as follows.

S. No.	Particulars	FY 2022-23	FY 2023-24
1	R&M Expenses	33.87	37.00
2	Opening GFA	309.69	583.52
3	K-Factor	10.94%	6.34%
4	K-Factor (Approved)		8.64%

The WPI Inflation has been computed as follows:

**TABLE 5-23 COMPUTATION OF WPI INFLATION (%)**

Indices	2021-22	2022-23	2023-24	2024-25
WPI	139.41	152.53	151.42	154.86
		9.41%	-0.73%	2.27%
<b>Average</b>				<b>3.65%</b>

The following table provides the R&M expenses now approved by the Commission:

**TABLE 5-24 R&M EXPENSES APPROVED BY COMMISSION FOR MYT CONTROL PERIOD (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	964.83	1,052.48	1,147.16	1,275.38	1,437.24
Average WPI	3.65%	3.65%	3.65%	3.65%	3.65%
K-Factor	8.64%	8.64%	8.64%	8.64%	8.64%
R&M Expenses	86.40	94.25	102.72	114.21	128.70

Accordingly, the Commission approves Repair & Maintenance (R&M) expenses for MYT Control Period FY 2025-26 to FY 2029-30 as per table above.

### 5.9.3 Administrative and General (A&G) Expenses

#### Petitioner's submission:

The Petitioner has computed A&G expense as per the principles laid in MYT Regulations, 2024, considering CPI inflation as 6.11%. The A&G expense projected for the FY 2025-26 to FY 2029-30 is provided in the table below:

**TABLE 5-25 A&G EXPENSES CLAIMED BY PETITIONER FOR MYT CONTROL PERIOD (Rs. Crore)**

Particulars	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Administrative & General Expenses	36.70	38.71	40.82	43.05	45.39

#### Commission's Analysis:

A&G expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc.

Similar to the methodology followed while estimating the Employee Expenses and R&M expenses, the approved A&G expenses has been escalated by average CPI inflation to estimate the A&G expenses for each year of the MYT Control Period from FY 2025-26 to FY 2029-30. The Commission has determined the A&G expenses for the median year after taking the average of actual A&G expenses of FY 2022-23, FY 2023-24. Thereafter, the A&G expenses are escalated by CPI Inflation to determine the A&G expenses for each year of the Control Period. Hence, the Commission has determined the A&G expenses for control period by escalating approved A&G expenses for base year i.e., FY 2024-25 by average CPI inflation increase for last three available financial years.

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for MYT Control Period from FY 2025-26 to FY 2029-

30 in the previous sections, the following table provides the A&G expenses now approved by the Commission:

**TABLE 5-26 A&G EXPENSES APPROVED BY COMMISSION (RS. CRORE)**

Particulars	Base Year FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
A&G Expenses	27.02	28.34	29.72	31.17	32.69	34.28

Accordingly, the Commission approves Administrative & General (A&G) expenses for MYT Control Period FY 2025-26 to FY 2029-30 as per table above.

#### 5.9.4 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses now approved by the Commission:

**TABLE 5-27 TOTAL O&M EXPENSES APPROVED BY COMMISSION (RS. CRORE)**

Particulars	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Employee Expenses	48.47	54.04	58.64	62.09	65.75
R&M Expenses	86.40	94.25	102.72	114.21	128.70
A&G Expenses	28.34	29.72	31.17	32.69	34.28
<b>Total O&amp;M Expenses</b>	<b>163.21</b>	<b>178.01</b>	<b>192.53</b>	<b>208.99</b>	<b>228.73</b>

#### 5.10 Capital Expenditure, Capitalization and Capital Structure

##### Petitioner's Submission:

The Petitioner has proposed the Capital Expenditure, Capitalization and Capital Structure for the 4<sup>th</sup> MYT Control Period in the Business Plan Petition and proposes the same in the MYT Petition determining ARR for the 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30. The trajectory for the same submitted by the Petitioner is as follows:

**TABLE 5-28 CAPITAL EXPENDITURE CLAIMED BY PETITIONER FOR MYT CONTROL PERIOD (RS. CRORE)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capital Expenditure	165.50	271.18	250.96	225.77	175.57
Capitalization	175.18	189.23	256.28	323.56	175.89

**TABLE 5-29 FUDING DETAILS CLAIMED FOR THE MYT CONTROL PERIOD (Rs. Crore)**

All Figures in Rs. Crore		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	a	964.83	1,140.13	1,329.49	1,585.92	1,909.65
Addition to GFA	b	175.30	189.37	256.43	323.72	176.06
Deletion from GFA	c	-	-	-	-	-
Closing GFA	d=a+b-c	1,140.13	1,329.49	1,585.92	1,909.65	2,085.71
Less: SLC	e	0.12	0.13	0.15	0.16	0.18
Balance Capitalisation	f=b-c-e	175.18	189.23	256.28	323.56	175.89
Normative Debt @ 70%	g=f*70%	122.62	132.46	179.40	226.49	123.12
Normative Equity @30%	h=f*30%	52.55	56.77	76.88	97.07	52.77

**Commission's Analysis:**

The Commission has approved Capital Expenditure, Capitalization and Capital Structure for the 4<sup>th</sup> MYT Control Period in the Business Plan Order dated 2<sup>nd</sup> September 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 4<sup>th</sup> MYT Control Period from FY 2025-26 to FY 2029-30 as shown in table below:

**TABLE 5-30 CAPEX AND CAPITALIZATION APPROVED BY COMMISSION FOR MYT PERIOD (Rs. Crore)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
CAPEX Allowed	165.50	271.17	250.94	225.76	175.55
Capitalization Allowed	87.65	94.69	128.22	161.86	88.03

The Commission has considered the opening GFA for FY 2025-26 same as the closing GFA approved in APR of FY 2024-25 and addition during the year is being considered based on the approved capitalisation for FY 2025-26 subject to prudence check of the actual capitalization for each year of the Control Period at the time of truing up. The Commission, accordingly approves the opening GFA, addition to GFA during the year and closing GFA for FY 2024-25 as tabulated below;

**TABLE 5-31 APPROVED CAPITAL STRUCTURE AND GROSS FIXED ASSETS (Rs. Crore)**

All Figures in Rs. Crore		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	a	964.83	1,052.48	1,147.16	1,275.38	1,437.24
Addition to GFA	b	87.65	94.69	128.22	161.86	88.03
Deletion from GFA	c	-	-	-	-	-
Closing GFA	d=a+b-c	1,052.48	1,147.16	1,275.38	1,437.24	1,525.27
Less: SLC Addition		0.12	0.13	0.15	0.16	0.18
Balance Capitalization	f=b-c-e	87.53	94.56	128.07	161.70	87.85
Normative Debt @ 70%	g=f* 70%	61.27	66.19	89.65	113.19	61.50
Normative Equity @30%	h=f* 30%	26.26	28.37	38.42	48.51	26.36

## 5.11 Depreciation

### Petitioner's Submission:

The Petitioner has submitted that the depreciation rates has been considered as per the JERC MYT Regulations, 2024. The Petitioner has claimed depreciation as detailed in table below:

**TABLE 5-32 DEPRECIATION CLAIMED BY PETITIONER FOR MYT PERIOD (RS. CRORE)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Depreciation	31.25	38.97	48.97	59.53	69.81

### Commission's Analysis:

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2024:

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

*.....:*

*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.*

*.....*

*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 opening GFA for computation of depreciation as per Section 4.12 of this Order, addition during the year and closing GFA as approved in Section 5.10 of this Order.

As per the norms specified in the JERC MYT Regulations, 2024, the Commission has verified the asset wise capitalization of the Petitioner and has accordingly derived the weighted average rate of depreciation based on the asset wise depreciation rate prescribed in the JERC MYT Regulations, 2024, provided in the following table:

**TABLE 5-33 DEPRECIATION RATES**

Description	Rate
Plant & Machinery	3.60%
Underground Cables	2.57%
Buildings	1.80%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Computers & Others	6.00%
Land	0.00%
Software-Intangible assets	15.00%

The depreciation has been computed on average Gross Fixed Assets (GFA). Further, depreciation for FY 2025-26 to FY 2029-30 has been computed on average Gross Fixed Assets (GFA) after considering the net addition approved for the year. The following table provides the calculation of depreciation for each year of the Control Period from FY 2025-26 to FY 2029-30:

**TABLE 5-34 DEPRECIATION APPROVED BY COMMISSION FOR MYT PERIOD (Rs. Crore)**

Description	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Opening Gross Fixed Assets	964.83	1,052.48	1,147.16	1,275.38	1,437.24
Addition during the Year	87.65	94.69	128.22	161.86	88.03
Disposal during the Year	-	-	-	-	-
Closing Gross Fixed Assets	1,052.48	1,147.16	1,275.38	1,437.24	1,525.27
Average Gross Fixed Assets	1,008.65	1,099.82	1,211.27	1,356.31	1,481.25
Rate of Depreciation (%)	3.26%	3.26%	3.26%	3.26%	3.26%
Depreciation	32.88	35.87	39.53	44.29	48.38

Accordingly, the Commission approves the depreciation for the MYT Control Period as per the table above, subject to truing-up.

## 5.12 Interest Expenses

### Petitioner's Submission:

The Petitioner has considered the interest expenses as per the MYT Regulations, 2024 on normative loans by applying the normative interest rate of 1 Yr- SBI MCLR basis point as on 1st April, 2024 on the average balance of the normative loan for each FY of the Control Period while considering the normative loan addition and amount of depreciation of assets as the amount of repayment.



**TABLE 5-35 INTEREST AND FINANCE CHARGES PROJECTED BY PETITIONER FOR MYT CONTROL PERIOD***(RS. CRORE)*

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Loans	432.59	523.97	617.45	747.88	914.84
Loan addition during the year	122.62	132.46	179.40	226.49	123.12
Repayments during the year	31.25	38.97	48.97	59.53	69.81
Closing balance of Loans	523.97	617.45	747.88	914.84	968.15
Average loan	478.28	570.71	682.67	831.36	941.50
Weighted Average Rate of Interest (%)	8.65%	8.65%	8.65%	8.65%	8.65%
<b>Interest Expense</b>	<b>41.37</b>	<b>49.37</b>	<b>59.05</b>	<b>71.91</b>	<b>81.44</b>

**Commission's Analysis:**

The Commission has considered closing balance approved in APR of FY 2024-25 as opening normative loan balance for FY 2025-26, addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2024, in case there is no actual loan portfolio for the licensee, the rate of interest of shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year. The relevant excerpt of the aforesaid Regulations is stipulated as under:

***"29 Interest on Loan***

*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.*

*...”*

As there is no actual loan borrowed by the Petitioner, thus, in line with the third proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2024, the Commission has considered the rate of interest of 9.00 % (Using SBI MCLR as on 01.04.2025).

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

**TABLE 5-36 INTEREST APPROVED BY THE COMMISSION FOR MYT CONTROL PERIOD (Rs. Crore)**

S. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Opening Balance	429.59	457.98	488.29	538.41	607.31
2	Less: Loan Reduction due to asset retired/replaced	-	-	-	-	-
3	Addition of Loan due to capitalisation	61.27	66.19	89.65	113.19	61.50
4	Repayment of loan	32.88	35.87	39.53	44.29	48.38
5	Closing Balance	457.98	488.29	538.41	607.31	620.43
6	<b>Average</b>	<b>443.78</b>	<b>473.13</b>	<b>513.35</b>	<b>572.86</b>	<b>613.87</b>
7	<i>Rate of Interest on actual Loans (%)</i>	<i>9.00%</i>	<i>9.00%</i>	<i>9.00%</i>	<i>9.00%</i>	<i>9.00%</i>
8	<b>Interest Expenses</b>	<b>39.94</b>	<b>42.58</b>	<b>46.20</b>	<b>51.56</b>	<b>55.25</b>

### 5.13 Interest on Security Deposit

#### Petitioner's Submission:

The Petitioner has submitted interest on security deposit in for FY 2025-26 to FY 2029-30 considering 6.75% interest rate, on the average of opening balances and closing balance of security deposit for the respective Financial Year.

The Petitioner has submitted that MYT Regulations, 2024 provides that interest on security deposit shall be computed at Bank Rate as on 1st April, 2025 as submitted in the Table below:

**TABLE 5-37 INTEREST ON SECURITY DEPOSIT CLAIMED BY PETITIONER FOR MYT CONTROL PERIOD (Rs. CRORE)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Interest on Security Deposit	14.02	14.18	14.34	14.51	14.68

#### Commission's Analysis:

Regulation 29.11 of the JERC MYT Regulations, 2024 specifies 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 has considered the actual security deposit of Rs. 860 per kW for FY 2023-24, and the same has been adopted for the ARR for each year of the Control

Period from FY 2025-26 to FY 2029-30. The total security deposit at the end of each financial year of the Control Period from FY 2025-26 to FY 2029-30 has been assessed based on the approved connected load each year of the Control Period from FY 2025-26 to FY 2029-30 respectively. The resulting addition to the security deposit during each year of Control Period has been factored in, and an interest rate of 5.75% as per the JERC MYT Regulations, 2024, has been applied to compute an interest on security deposits for each year of Control period.

The approved amount shall, however, be subject to truing-up based on actual figures to be submitted by the Petitioner at the time of final true-up. Accordingly, the Commission approves the interest on security deposits for each year of the Control Period from FY 2025-26 to FY 2029-30 as per table below:

**TABLE 5-38 INTEREST ON SECURITY DEPOSIT APPROVED FOR MYT PERIOD (RS. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Security Deposit	202.66	210.89	219.51	228.54	238.04
Addition	8.24	8.62	9.03	9.50	10.03
Closing Security Deposit	210.89	219.51	228.54	238.04	248.07
Average Security Deposit	206.77	215.20	224.02	233.29	243.05
Rate of Interest (%)	5.75%	5.75%	5.75%	5.75%	5.75%
Interest on Security Deposit	11.89	12.37	12.88	13.41	13.98

#### 5.14 Interest on Working Capital

##### Petitioner's Submission:

The interest on working capital is computed as per the MYT Regulations, 2024. The normative interest rate of 11.90% (1 Yrs- SBI MCLR as on 1st April, 2024 plus 325 basis points) is to be applied on the working capital requirement. The Petitioner has requested the Commission to approve the interest on Working Capital.

**TABLE 5-39 INTEREST ON WORKING CAPITAL CLAIMED FOR THE MYT CONTROL PERIOD (RS. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses for 1month	12.75	14.26	15.75	17.63	19.89
40% of R&M expenses for one month	2.02	2.39	2.78	3.32	4.00
Receivables for 2 months	1017.36	1071.73	1109.55	1176.45	1231.00
Less: Power Purchase Cost of 1 month (net-off advance paid cost)	391.06	393.35	486.36	544.24	565.53
Less: Security Deposit	207.74	210.04	212.44	214.94	217.53
Normative Working Capital	433.33	484.98	429.28	438.22	471.82

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Interest Rate (in %)	11.90%	11.90%	11.90%	11.90%	11.90%
<b>Interest on Working Capital</b>	<b>51.57</b>	<b>57.71</b>	<b>51.08</b>	<b>52.15</b>	<b>56.15</b>

### Commission's Analysis:

The computation of working capital requirements and the rate of interest to be considered are stipulated in the JERC MYT Regulations, 2024. Regulation 78.1 & 32 of the JERC MYT Regulations 2024 states the following:

*"78.1 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*

*Less*

*c) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;*

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

*Provided that the Power Purchase cost including cost of REC paid in advance; if any shall be excluded;*

*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::*

*32.5 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 one (1) Year period, as may be applicable as on 1st April of the relevant Financial Year plus 325 basis points."*

As above, the Commission for determination of working capital requirements of the Petitioner during the year, has considered the receivables equivalent to two months of the revenue requirement, the O&M Expenses for one month & Maintenance spares as 40% of R&M expenses and has subtracted the consumer security deposit as well as one-month equivalent power purchase cost as per the JERC MYT Regulations, 2024. With regards to the interest rate, the Commission has considered the SBI MCLR rates (One Year) as on April 1, 2025 plus 325 basis points which is 12.25%. The following table provides the interest on working capital approved by the Commission.

**TABLE 5-40 INTEREST ON WORKING CAPITAL APPROVED FOR MYT CONTROL PERIOD (RS. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses for 1 Month	13.60	14.83	16.04	17.42	19.06
40% of R&M expenses for one month	2.88	3.14	3.42	3.81	4.29
Receivables for 2 months	1,026.08	1,080.87	1,123.77	1,191.03	1,246.19
Less: Power Purchase Cost of 1 month	491.81	516.15	534.91	565.86	590.60
Less: Security Deposit	206.77	215.20	224.02	233.29	243.05
Normative Working Capital	<b>343.98</b>	<b>367.50</b>	<b>384.31</b>	<b>413.10</b>	<b>435.89</b>
Rate of Interest (%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>42.14</b>	<b>45.02</b>	<b>47.08</b>	<b>50.61</b>	<b>53.40</b>

Accordingly, the Commission approves Interest on Working Capitals for the MYT Control Period from FY 2025-26 to FY 2029-30 as tabulated above.

### 5.15 Return on Equity

#### Petitioner's Submission:

The Petitioner has claimed that as per the MYT Regulations, 2024, return on equity is to be grossed-up with the effective income tax rate. For the estimation of ARR for MYT Control Period, Petitioner has considered the MAT rate of 17.47% as effective rate. However, Petitioner request the Hon'ble Commission to consider the effective tax rate based on actuals during the Truing-up exercise. Accordingly, the rate of return on equity and the Effective tax rate is applied on the average equity balance to work out return on equity of each year of control period. Opening & closing

balance of the equity is arrived at considering the estimated capitalisation of each financial year of the MYT control period. The Petitioner submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 5-41 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR THE MYT CONTROL PERIOD (Rs. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity	289.25	341.80	398.57	475.46	572.53
Equity addition during the year	52.55	56.77	76.88	97.07	52.77
Equity at the end of the year	341.80	398.57	475.46	572.53	625.29
Average Equity	315.53	370.19	437.02	523.99	598.91
ROE for Wire (@ 15.50% of 90% of Avg. Equity)	44.02	51.64	60.96	73.10	83.55
ROE for Retail Supply (@ 16.00% of 10% of Avg. Equity)	5.05	5.92	6.99	8.38	9.58
<b>Effective tax rate</b>	17.47%	17.47%	17.47%	17.47%	17.47%
<b>Per-Tax ROE on the average balance</b>	<b>59.45</b>	<b>69.75</b>	<b>82.34</b>	<b>98.73</b>	<b>112.85</b>

### Commission's Analysis:

Regulation 28.2 and 28.3 of the JERC MYT Regulations, 2024 specifies the following:

*"28. Return on Equity*

*.....*

*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.*

*....."*

Further, the Regulation 62.3 and 73.3 of the JERC MYT Tariff Regulations, 2024 stipulates the following:

*“Provided that the rate of return on equity shall be grossed up with the effective tax rate of the respective financial year”.*

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 rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations mentioned above) and a rate of 16% for the Retail Supply Business.

The RoE has been calculated on the average of opening and closing of equity during the year at the rate of 16% on post-tax basis for Retail Supply Business and 15.50% on post-tax basis for wires business, with the opening equity considered as approved in capital structure in this Order. The Commission has considered the effective tax rate for grossing-up the equity as proposed by Petitioner @17.47% subject to true-up. The following table provides the Return on Equity now approved by the Commission.

**TABLE 5-42 RETURN ON EQUITY APPROVED FOR MYT CONTROL PERIOD (RS. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity	289.25	315.51	343.87	382.29	430.80
Equity Addition	26.26	28.37	38.42	48.51	26.36
Closing Equity	315.51	343.87	382.29	430.80	457.16
Average Equity	302.38	329.69	363.08	406.55	443.98
RoE for Wire @15.50% of 90% of Avg. Equity	42.18	45.99	50.65	56.71	61.94
RoE for Retail @16.00% of 10% of Avg. Equity	4.84	5.28	5.81	6.50	7.10
Effective Tax rate	17.47%	17.47%	17.47%	17.47%	17.47%
<b>Total Return on Equity</b>	<b>56.97</b>	<b>62.12</b>	<b>68.41</b>	<b>76.60</b>	<b>83.65</b>

The Commission accordingly, approves the return on equity for each year of the MYT Control Period as shown in the table above.



## 5.16 Non-Tariff Income

### Petitioner's Submission:

The Petitioner has estimated Non-tariff income for the MYT Control Period FY 2025-26 to FY 2029-30 by considering Rs. 1.68 Crore towards miscellaneous receipts and Power Purchase rebate for early payment.

**TABLE 5-43 NON-TARIFF INCOME CLAIMED FOR MYT CONTROL PERIOD (Rs. Crore)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Non-Tariff Income	48.61	48.88	60.04	66.99	69.54

### Commission's Analysis:

The Regulation 65 of the JERC MYT Regulations, 2024 stipulates the following:

#### ***"79. Non-Tariff Income***

*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 average non-tariff income of last two years approved by Commission i.e. from FY 2022-23 to FY 2023-24 which works out to Rs. 65.05 Crore. The Commission approves the same for each year of the Control

Period from FY 2025-26 to FY 2029-30 which shall be trued-up on actual basis at the time of processing of True-Up Petition for the corresponding financial year.

The following table provides the Non-Tariff Income approved by the Commission for each year of the Control Period:

**TABLE 5-44 NON-TARIFF INCOME APPROVED BY COMMISSION FOR FY 2025-26 TO FY 2029-30 (Rs. CRORE)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Non-Tariff Income	65.05	65.05	65.05	65.05	65.05

Accordingly, the Commission approves Non-tariff income for each year of the MYT Control Period as stated in table above.

### 5.17 Aggregate Revenue Requirement (ARR)

#### Petitioner's Submission:

Based on the expenses as detailed above, the Petitioner has submitted the net Aggregate Revenue Requirement for approval in the MYT Control Period FY 2025-26 to FY 2029-30.

**TABLE 5-45 AGGREGATE REVENUE REQUIREMENT SUBMITTED BY PETITIONER FOR MYT CONTROL PERIOD (Rs. CRORE)**

All Figures in Rs. Crore	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase	5,802.09	6,078.18	6,272.50	6,617.28	6,881.90
O&M expenses	153.03	171.11	189.05	211.57	238.70
Interest on loans	41.37	49.37	59.05	71.91	81.44
Interest on SD	14.02	14.18	14.34	14.51	14.68
Interest on Working Capital	51.57	57.71	51.08	52.15	56.15
Depreciation	31.25	38.97	48.97	59.53	69.81
Bad debts	-	-	-	-	-
Grossed-up RoE	59.45	69.75	82.34	98.73	112.85
<b>Less: Non-tariff income</b>	<b>48.61</b>	<b>48.88</b>	<b>60.04</b>	<b>66.99</b>	<b>69.54</b>
<b>ARR</b>	<b>6,104.17</b>	<b>6,430.40</b>	<b>6,657.30</b>	<b>7,058.69</b>	<b>7,385.98</b>

**Commission's Analysis:**

The Commission on the basis of the detailed analysis of the cost parameters of the Aggregate Revenue Requirement approves the net revenue requirement in the ARR of the MYT Control Period as given in the following table:

**TABLE 5-46 AGGREGATE REVENUE REQUIREMENT APPROVED BY COMMISSION (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Cost of Power Purchase	5,901.66	6,193.80	6,418.90	6,790.34	7,087.19
O&M Expenses	163.21	178.01	192.53	208.99	228.73
Depreciation	32.88	35.87	39.53	44.29	48.38
Interest & Finance Charges	39.94	42.58	46.20	51.56	55.25
Interest on Consumer Security Deposit	11.89	12.37	12.88	13.41	13.98
Interest on Working Capital	42.14	45.02	47.08	50.61	53.40
Return on Equity	56.97	62.12	68.41	76.60	83.65
Less: Non-Tariff Income	65.05	65.05	65.05	65.05	65.05
<b>Net ARR</b>	<b>6,183.64</b>	<b>6,504.72</b>	<b>6,760.48</b>	<b>7,170.74</b>	<b>7,505.53</b>

The Commission approves net Aggregate Revenue Requirement for the MYT Control Period as shown in the table above.

**5.18 Standalone Revenue Gap/(Surplus)****Petitioner's Submission:**

As per the estimated ARR for the MYT Control Period FY 2025-26 to FY 2029-30 and Revenue at existing tariff, the gap/(surplus) is arrived at from FY 2025-26 to FY 2029-30 is shown as below:

**TABLE 5-47 GAP/(SURPLUS) SUBMITTED BY PETITIONER FOR MYT CONTROL PERIOD (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>ARR</b>	6,104.17	6,430.40	6,657.30	7,058.69	7,385.98
Less:					
Revenue	6,117.43	6,326.04	6,542.50	6,767.19	7,000.53
<b>(Gap)/ Surplus</b>	<b>13.26</b>	<b>(104.36)</b>	<b>(114.80)</b>	<b>(291.50)</b>	<b>(385.45)</b>

**Commission's Analysis:**

The Commission based on the approved ARR and retail tariff has arrived at the Revenue Gap/(Surplus) as follows:

**TABLE 5-48 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR MYT PERIOD (Rs. Crore)**

Particulars	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
<b>ARR</b>	<b>6,183.64</b>	<b>6,504.72</b>	<b>6,760.48</b>	<b>7,170.74</b>	<b>7,505.53</b>
Less:					
Revenue at approved tariff	6,156.47	6,485.25	6,742.63	7,146.17	7,477.15
<b>(Gap)/ Surplus</b>	<b>(27.17)</b>	<b>(19.47)</b>	<b>(17.85)</b>	<b>(24.57)</b>	<b>(28.38)</b>

The revenue shown above is detailed at table 6-15. Accordingly, the Commission, approves the Gap/(Surplus) for the MYT Control Period.

## Chapter 6: Tariff Principles and Design

### 6.1 Overall Approach

The Commission while designing retail tariffs for the FY 2025-26 to FY 2029-30 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 along with JERC (Retail Supply Tariff Structure) Guideline, 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 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 of Consumers.”*

### 6.3 Cumulative Revenue Gap/(Surplus) at Existing Tariff

#### Petitioner's Submission:

Based on the Gap/(Surplus) of FY 2023-24, FY 2024-25 and FY 2025-26, the Petitioner has computed the cumulative gap/(surplus) for determination of tariff for MYT Control Period from FY 2025-26 to FY 2029-30 as shown in the following table.

**TABLE 6-1 CUMULATIVE REVENUE GAP/(SURPLUS) SUBMITTED BY PETITIONER (RS. CRORE)**

Particulars	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
ARR	6,083.66	6,193.69	6,104.17	6,430.40	6,657.30	7,058.69	7,385.98
Revenue	5,709.62	6,193.34	6,117.43	6,326.04	6,542.50	6,767.19	7,000.53
Opening Gap/(Surplus)	-	116.85	445.10	139.81	-	-	-
Gap/(Surplus) for the Year	<b>374.03</b>	<b>0.35</b>	(13.26)	104.36	114.80	291.50	385.45
Closing Gap/(Surplus)	374.03	117.19	<b>431.85</b>	<b>244.17</b>	<b>114.80</b>	<b>291.50</b>	<b>385.45</b>
Rate of Interest	9.50%	9.65%					
Carrying Cost	71.07	22.62					
<b>Cumulative Gap/(Surplus)</b>	<b>445.10</b>	<b>139.81</b>					

#### Commission's Analysis:

The Commission finds that the Petitioner has carried forward the gap/(Surplus) of previous years true-up into the current years ARR and the cumulative gap of current years APR into the ensuing years ARR.

As per Regulation 12.5 (C) of the JERC MYT Regulations, 2024 stipulates the following:

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

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*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 which such gap has become due till 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 for the period from which such surplus has become due, till 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 maybe, applicable as on 1st April of the relevant Year plus 100 basis points."*

From above, it is evident that the gap/(surplus) of previous years true-up only has to be carried forward into the ensuing years ARR for which the retail tariff has to be approved considering such gap/(surplus) of previous years true-up along with carrying cost. Accordingly, the Commission has carried forward Gap/(surplus) of previous year true-up only.

Since the Petitioner has not borrowed any loan, therefore the Commission allows Carrying Cost on simple interest basis at one (1) Year State Bank of India (SBI) MCLR, as on 1st April of the relevant FY plus 100 basis points for FY 2025-26.

Accordingly, the Commission determines the standalone revenue Gap/(Surplus) for each year and likewise taking into account the previous year's Gap/(Surplus), determines the cumulative revenue Gap/ (Surplus) for FY 2023-24 as shown in the tables as follows:

**TABLE 6-2 CUMULATIVE REVENUE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2023-24 (Rs. CRORE)**

S. No.	Particulars	Submitted	Approved
1	(Gap)/Surplus for FY 2023-24	(374.05)	(355.55)
2	Carrying Cost for FY 2024-25 and FY 2025-26	(71.07)	(69.87)
3	Carrying Cost for FY 2026-27	-	(14.24)

S. No.	Particulars	Submitted	Approved
4	Cumulative (Gap)/Surplus	(445.12)	(439.65)

The Commission determines a cumulative revenue gap including carrying cost as shown above of Rs. 439.65 Crore for FY 2023-24.

#### 6.4 Treatment of the Cumulative Gap/(Surplus) and Tariff Design

As derived from above, the resultant cumulative revenue gap on account of truing-up for FY 2023-24 is Rs. 439.65 Crore. Accordingly, the Commission, in the true-up of FY 2023-24 approves a gap of Rs. 439.65 Crore. From the analysis, it is clear that the Gap primarily pertains to past period power purchase cost for which Generators have raised invoices based on CERC Tariff Order/True-up Orders for FY 2019-2024. As per the Regulations, the gap/(surplus) of trued-up year shall be recovered as Regulatory Surcharge over and above tariff of ensuing years. For FY 2025-26, six (6) months have already passed. Therefore, considering balance period of only six (6) Months in FY 2025-26, the Commission deems fit to apportion the recovery over 18 Months i.e. 6 months for FY 2025-26 and 12 months of FY 2026-27, to avoid tariff shock to the retail consumers. Thus, in accordance with above clause, the gap along with the carrying cost is allowed to be recovered as Regulatory Surcharge of 5.00% over and above the approved tariff for FY 2025-26 and FY 2026-27 from the date on which this Tariff Order comes into effect.

In addition to above, the Commission has decided to change the existing tariff in order to bridge the standalone gap for each year of the Control period from FY 2025-26 to FY 2029-30 to recover the fixed cost of distribution network through inbuilt tariff. The Commission has decided to change the existing tariff schedule and the revised schedule will be applicable from 1<sup>st</sup> October'2025.

##### 6.4.1 Designing of Tariff

###### Petitioner's Submission:

The Petitioner has proposed an increase in tariff only in Industrial category to meet the standalone revenue gaps for the MYT Control Period from FY 2025-26 to FY 2029-30. The category wise existing and proposed tariff submitted by the Petitioner is as follows:

TABLE 6-3 RETAIL TARIFF PROPOSED BY PETITIONER FOR FY 2025-26

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
Low Tension Supply			
LTDS-I	2.50 Rs. /Connection/Month	Up to 100 units	1.10 Rs. /kWh
LTDS-II	10 Rs. /kW /Month	0 to 100 units	1.70 Rs. /kWh
		101-200 units	2.50 Rs. /kWh
		201-300 units	3.05 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		401 and above	3.70 Rs. /kWh
LTDS-III	10 Rs. /kW /Month	0-100 units	1.70 Rs. /kWh
		101-200 units	2.50 Rs. /kWh
		201-300 units	3.05 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		Above 400 units	3.70 Rs. /kWh
NDS-I	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh
NDS-II	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh
NDS-III	125 Rs. /kVA /Month	For all units	7.90 Rs. /kWh
NDS-IV	17 Rs. /kVA /Month	For all units	4.75 Rs. /kWh
NDS-V	20 Rs. /kW /Month	For all units	4.75 Rs. /kWh
LTAS-I	1 Rs. /kW /Month	For all units	1.00 Rs. /kWh
LTAS-II	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTAS-III	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTIS- I (up to 20 Hp)	40 Rs. /kVA /Month	For all units	4.00 Rs. /kVAh
LTIS- I (above 20 HP)	105 Rs. /kVA /Month	For all units	4.20 Rs. /kVAh
LTPS-I	125 Rs. /kVA /Month	For all units	4.65 Rs. /kWh
LTPS-II	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTPS-III	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTEV-I	10 Rs. /kVA /Month	For all units	5.10 Rs. /kVAh
High Tension Supply (11 kV)*			
HTS-I	440 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
HTS-II	440 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
HTS-III	440 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
HTS-IV	440 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
HTS-V	440 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
HTS-VI	10 Rs. /kVA /Month	For all units	5.00 Rs. /kVAh
Extra High-Tension Supply (66 KV)			

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
EHTS-I	570 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh
EHTS-II	570 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh
EHTS-III	570 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh
<b>Extra High-Tension Supply (220 KV)</b>			
EHTS-I	625 Rs. /kVA /Month	For all units	4.50 Rs. /kVAh
EHTS-II	625 Rs. /kVA /Month	For all units	4.50 Rs. /kVAh
EHTS-III	625 Rs. /kVA /Month	For all units	4.50 Rs. /kVAh

\* Consumers receiving supply at 33 kV shall avail a voltage rebate of 3% on Energy Charge.

# Existing/New consumer has option for availing supply at 33 KV, provided the same is technically feasible.

**TABLE 6-4 RETAIL TARIFF PROPOSED BY PETITIONER FOR FY 2026-27**

Category	Fixed/ Demand Charges	Energy Charges Consumption Slab	Rates
Low Tension Supply			
LTDS-I	2.5 Rs. /Connection/Month	Up to 100 units	1.10 Rs. /kWh
LTDS-II	10 Rs. /kW /Month	0 to 100 units	1.70 Rs. /kWh
		101-200 units	2.50 Rs. /kWh
		201-300 units	3.05 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		401 and above	3.70 Rs. /kWh
LTDS-III	10 Rs. /kW /Month	0-100 units	1.70 Rs. /kWh
		101-200 units	2.50 Rs. /kWh
		201-300 units	3.05 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		Above 400 units	3.70 Rs. /kWh
NDS-I	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh
NDS-II	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh
NDS-III	125 Rs. /kVA /Month	For all units	7.90 Rs. /kWh
NDS-IV	17 Rs. /kVA /Month	For all units	4.75 Rs. /kWh
NDS-V	20 Rs. /kW /Month	For all units	4.75 Rs. /kWh
LTAS-I	1 Rs. /kW /Month	For all units	1.00 Rs. /kWh
LTAS-II	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTAS-III	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTIS- I (up to 20 Hp)	45 Rs. /kVA /Month	For all units	4.00 Rs. /kVAh
LTIS- I (above 20 HP)	120 Rs. /kVA /Month	For all units	4.20 Rs. /kVAh
LTPS-I	135 Rs. /kVA /Month	For all units	4.65 Rs. /kWh

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
LTPS-II	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTPS-III	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTEV-I	10 Rs. /kVA /Month	For all units	5.10 Rs. /kVAh
<b>High Tension Supply (11 kV)*</b>			
HTS-I	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-II	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-III	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-IV	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-V	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-VI	10 Rs. /kVA /Month	For all units	5.00 Rs. /kVAh
<b>Extra High-Tension Supply (66 kV)#</b>			
EHTS-I	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-II	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-III	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
<b>Extra High-Tension Supply (220 kV)</b>			
EHTS-I	625 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh
EHTS-II	625 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh
EHTS-III	625 Rs. /kVA /Month	For all units	4.60 Rs. /kVAh

**TABLE 6-5 RETAIL TARIFF PROPOSED BY PETITIONER FOR FY 2027-28**

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
Low Tension Supply			
LTDS-I	2.50 Rs. /Connection/Month	Up to 100 units	1.10 Rs. /kWh
LTDS-II	10 Rs. /kW /Month	0 to 100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		401 and above	3.65 Rs. /kWh
LTDS-III	10 Rs. /kW /Month	0-100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		Above 400 units	3.65 Rs. /kWh
NDS-I	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh
NDS-II	17 Rs. /kVA /Month	0 to 100 units	3.65 Rs. /kWh
		101 to 200 units	4.75 Rs. /kWh
		Above 200 units	4.75 Rs. /kWh

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
NDS-III	125 Rs. /kVA /Month	For all units	7.90 Rs. /kWh
NDS-IV	17 Rs. /kVA /Month	For all units	4.75 Rs. /kWh
NDS-V	20 Rs. /kW /Month	For all units	4.75 Rs. /kWh
LTAS-I	1 Rs. /kW /Month	For all units	1.00 Rs. /kWh
LTAS-II	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTAS-III	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTIS- I (up to 20 Hp)	45 Rs. /kVA /Month	For all units	4.00 Rs. /kVAh
LTIS- I (above 20 HP)	120 Rs. /kVA /Month	For all units	4.20 Rs. /kVAh
LTPS-I	135 Rs. /kVA /Month	For all units	4.65 Rs. /kWh
LTPS-II	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTPS-III	145 Rs. /kW /Month	For all units	3.60 Rs. /kWh
LTEV-I	10 Rs. /kVA /Month	For all units	5.10 Rs. /kVAh
<b>High Tension Supply (11 kV)*</b>			
HTS-I	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-II	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-III	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-IV	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-V	455 Rs. /kVA /Month	For all units	4.75 Rs. /kVAh
HTS-VI	10 Rs. /kVA /Month	For all units	5.00 Rs. /kVAh
<b>Extra High-Tension Supply (66 kV)#</b>			
EHTS-I	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-II	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-III	575 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
<b>Extra High-Tension Supply (220 kV)</b>			
EHTS-I	625 Rs. /kVA /Month	For all units	4.65 Rs. /kVAh
EHTS-II	625 Rs. /kVA /Month	For all units	4.65 Rs. /kVAh
EHTS-III	625 Rs. /kVA /Month	For all units	4.65 Rs. /kVAh

TABLE 6-6 RETAIL TARIFF PROPOSED BY PETITIONER FOR FY 2028-29

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
Low Tension Supply			
LTDS-I	2.50 Rs. /Connection/Month	Up to 100 units	1.10 Rs. /kWh
LTDS-II	10 Rs. /kW /Month	0 to 100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		401 and above	3.65 Rs. /kWh
LTDS-III	10 Rs. /kW /Month	0-100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		Above 400 units	3.65 Rs. /kWh
NDS-I	17 Rs. /kVA /Month	0 to 100 units	3.75 Rs. /kWh
		101 to 200 units	4.85 Rs. /kWh
		Above 200 units	4.85 Rs. /kWh
NDS-II	17 Rs. /kVA /Month	0 to 100 units	3.75 Rs. /kWh
		101 to 200 units	4.85 Rs. /kWh
		Above 200 units	4.85 Rs. /kWh
NDS-III	125 Rs. /kVA /Month	For all units	8.00 Rs. /kWh
NDS-IV	17 Rs. /kVA /Month	For all units	4.85 Rs. /kWh
NDS-V	20 Rs. /kW /Month	For all units	4.85 Rs. /kWh
LTAS-I	1 Rs. /kW /Month	For all units	1.00 Rs. /kWh
LTAS-II	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTAS-III	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTIS- I (up to 20 Hp)	50 Rs. /kVA /Month	For all units	4.10 Rs. /kVAh
LTIS- I (above 20 HP)	135 Rs. /kVA /Month	For all units	4.30 Rs. /kVAh
LTPS-I	150 Rs. /kVA /Month	For all units	4.75 Rs. /kWh
LTPS-II	160 Rs. /kW /Month	For all units	3.70 Rs. /kWh
LTPS-III	160 Rs. /kW /Month	For all units	3.70 Rs. /kWh
LTEV-I	10 Rs. /kVA /Month	For all units	5.20 Rs. /kVAh
<b>High Tension Supply (11kV) *</b>			
HTS-I	470 Rs. /kVA /Month	For all units	4.90 Rs. /kVAh
HTS-II	470 Rs. /kVA /Month	For all units	4.90 Rs. /kVAh
HTS-III	470 Rs. /kVA /Month	For all units	4.90 Rs. /kVAh
HTS-IV	470 Rs. /kVA /Month	For all units	4.90 Rs. /kVAh
HTS-V	470 Rs. /kVA /Month	For all units	4.90 Rs. /kVAh
HTS-VI	10 Rs. /kVA /Month	For all units	5.00 Rs. /kVAh
<b>Extra High-Tension Supply (66 kV)#</b>			
EHTS-I	585 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh
EHTS-II	585 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh
EHTS-III	585 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh
<b>Extra High-Tension Supply (220 kV)</b>			
EHTS-I	640 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-II	640 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh
EHTS-III	640 Rs. /kVA /Month	For all units	4.70 Rs. /kVAh

TABLE 6-7 RETAIL TARIFF PROPOSED BY PETITIONER FOR FY 2029-30

Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
Low Tension Supply			
LTDS-I	2.50 Rs. /Connection/Month	Up to 100 units	1.10 Rs. /kWh
LTDS-II	10 Rs. /kW /Month	0 to 100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		401 and above	3.65 Rs. /kWh
LTDS-III	10 Rs. /kW /Month	0-100 units	1.65 Rs. /kWh
		101-200 units	2.45 Rs. /kWh
		201-300 units	3.00 Rs. /kWh
		301-400 units	3.05 Rs. /kWh
		Above 400 units	3.65 Rs. /kWh
NDS-I	17 Rs. /kVA /Month	0 to 100 units	3.75 Rs. /kWh
		101 to 200 units	4.85 Rs. /kWh
		Above 200 units	4.85 Rs. /kWh
NDS-II	17 Rs. /kVA /Month	0 to 100 units	3.75 Rs. /kWh
		101 to 200 units	4.85 Rs. /kWh
		Above 200 units	4.85 Rs. /kWh
NDS-III	125 Rs. /kVA /Month	For all units	8.00 Rs. /kWh
NDS-IV	17 Rs. /kVA /Month	For all units	4.85 Rs. /kWh
NDS-V	20 Rs. /kW /Month	For all units	4.85 Rs. /kWh
LTAS-I	1 Rs. /kW /Month	For all units	1.00 Rs. /kWh
LTAS-II	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTAS-III	1 Rs. /kVA /Month	For all units	1.45 Rs. /kWh
LTIS- I (up to 20 Hp)	50 Rs. /kVA /Month	For all units	4.10 Rs. /kVAh
LTIS- I (above 20 HP)	135 Rs. /kVA /Month	For all units	4.35 Rs. /kVAh
LTPS-I	150 Rs. /kVA /Month	For all units	4.75 Rs. /kWh
LTPS-II	160 Rs. /kW /Month	For all units	3.70 Rs. /kWh
LTPS-III	160 Rs. /kW /Month	For all units	3.70 Rs. /kWh
LTEV-I	10 Rs. /kVA /Month	For all units	5.20 Rs. /kVAh
High Tension Supply (11 kV)*			
HTS-I	475 Rs. /kVA /Month	For all units	4.95 Rs. /kVAh
HTS-II	475 Rs. /kVA /Month	For all units	4.95 Rs. /kVAh
HTS-III	475 Rs. /kVA /Month	For all units	4.95 Rs. /kVAh
HTS-IV	475 Rs. /kVA /Month	For all units	4.95 Rs. /kVAh
HTS-V	475 Rs. /kVA /Month	For all units	4.95 Rs. /kVAh
HTS-VI	10 Rs. /kVA /Month	For all units	5.00 Rs. /kVAh
Extra High-Tension Supply (66 kV)#			



Category	Fixed/ Demand Charges	Energy Charges	
		Consumption Slab	Rates
EHTS-I	590 Rs. /kVA /Month	For all units	4.85 Rs. /kVAh
EHTS-II	590 Rs. /kVA /Month	For all units	4.85 Rs. /kVAh
EHTS-III	590 Rs. /kVA /Month	For all units	4.85 Rs. /kVAh
<b>Extra High-Tension Supply (220 kV)</b>			
EHTS-I	640 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh
EHTS-II	640 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh
EHTS-III	640 Rs. /kVA /Month	For all units	4.80 Rs. /kVAh

### Commission's Analysis:

The Commission has determined the retail tariff for the MYT Control Period from FY 2025-26 to FY 2029-30 in accordance with the principles stated in the Electricity Act, 2003 Tariff Policy, 2016, JERC MYT Regulations, 2024 and the JERC (Retail Supply Tariff Structure) Guideline, 2024. The Tariff design in general is guided by the following principles:

1. Cost reflective: The tariffs determined should efficiently reflect the cost of supply for each consumer category.
2. 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.
3. 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.
4. Affordability: Assessing affordability of electricity for Domestic and Commercial consumers for defining slab ranges and setting tariffs.
5. Revenue stability: Tariff should ensure adequate fixed cost recovery for utilities from fixed/demand charges.
6. Avoiding tariff shocks: Tariff shocks should be avoided and stakeholders should be able to predict the future trends in tariffs.

7. Demand management and grid stability: Demand management and grid stability should be ensured with demand-based tariffs.

8. Simplified tariff structure: Tariff structure should be simplified to make it easily administrable by the utility and easy to understand for the consumer.

9. 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 in 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:

## 1. 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 twofold – 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 caused/contributed by each consumer category towards total cost incurred by 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.

#### b) Approach:

The overall approach that can be followed for accurately determining the Cost of Supply has been discussed as follows.

Presently, the most commonly used approach for determining the cost of supply of electricity for tariff determination is the Average Cost of Supply (ACoS) method. The ACoS is computed by dividing the Annual Revenue Requirement (ARR) determined by the Commission for recovery through tariffs by the total energy sales for the year.

## 2. 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 deteriorates 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.

Keeping in view the above principles and based on the category wise information submitted by the Petitioner, the Commission has determined and restructured the Retail Tariff applicable for MYT Control Period from FY 2025-26 to FY 2029-30.

As discussed earlier, the cumulative revenue gap on account of truing-up for FY 2023-24 works out to be Rs. 439.65 Crore. To meet this cumulative revenue gap, the Commission has decided to levy regulatory surcharge @5.00% from 1<sup>st</sup> October'2025 to FY 2026-27 i.e., 31<sup>st</sup> March 2026 and to bridge the stand-alone gap for respective financial years the Commission has decided to increase the tariff by way of increasing the energy charges of all consumer categories. The Commission has tried to limit the tariff increase in each category in order to safeguard the interests of consumers by avoiding tariff shock to the consumers. The revision made in the Tariff for all categories is shown as under:

TABLE 6-8 RETAIL TARIFF APPROVED BY COMMISSION FOR CONTROL PERIOD FROM FY 2025-26 TO FY 2029-30

	2025-26		2026-27		2027-28		2028-29		2029-30	
Category of Consumers	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges
<b>Low Tension Supply</b>										
Domestic (LTDS-I)										
0-100 Units	1.45 Rs/kWh	5.00 Rs/Connection /Month	1.80 Rs/kWh	5.00 Rs/ Connection /Month	2.15 Rs/kWh	5.00 Rs/ Connection /Month	2.50 Rs/kWh	5.00 Rs/ Connection /Month	2.95 Rs/kWh	5.00 Rs/ Connection /Month
Domestic (LTDS-II)										
0-100 Units	1.70 Rs/kWh	10 Rs/kW/Month	1.85 Rs/kWh	10 Rs/kW/Month	2.20 Rs/kWh	10 Rs/kW/Month	2.55 Rs/kWh	10 Rs/kW/Month	3.00 Rs/kWh	10 Rs/kW/Month
101-200 Units	2.50 Rs/kWh	10 Rs/kW/Month	2.50 Rs/kWh	10 Rs/kW/Month	2.50 Rs/kWh	10 Rs/kW/Month	2.75 Rs/kWh	10 Rs/kW/Month	3.10 Rs/kWh	10 Rs/kW/Month
201-300 Units	3.10 Rs/kWh	10 Rs/kW/Month	3.15 Rs/kWh	10 Rs/kW/Month	3.15 Rs/kWh	10 Rs/kW/Month	3.20 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month
301-400 Units	3.20 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month	3.30 Rs/kWh	10 Rs/kW/Month	3.35 Rs/kWh	10 Rs/kW/Month
401 and above Units	3.75 Rs/kWh	10 Rs/kW/Month	3.80 Rs/kWh	10 Rs/kW/Month	3.80 Rs/kWh	10 Rs/kW/Month	3.85 Rs/kWh	10 Rs/kW/Month	3.90 Rs/kWh	10 Rs/kW/Month
Domestic (LTDS-III)										
0-100 Units	1.95 Rs/kWh	10 Rs/kW/Month	2.00 Rs/kWh	15 Rs/kW/Month	2.30 Rs/kWh	15 Rs/kW/Month	2.60 Rs/kWh	15 Rs/kW/Month	3.05 Rs/kWh	15 Rs/kW/Month
101-200 Units	2.65 Rs/kWh	10 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	3.15 Rs/kWh	15 Rs/kW/Month
201-300 Units	3.35 Rs/kWh	10 Rs/kW/Month	3.40 Rs/kWh	15 Rs/kW/Month	3.40 Rs/kWh	15 Rs/kW/Month	3.45 Rs/kWh	15 Rs/kW/Month	3.50 Rs/kWh	15 Rs/kW/Month
301-400 Units	3.70 Rs/kWh	10 Rs/kW/Month	3.75 Rs/kWh	15 Rs/kW/Month	3.75 Rs/kWh	15 Rs/kW/Month	3.80 Rs/kWh	15 Rs/kW/Month	3.85 Rs/kWh	15 Rs/kW/Month
Above 400 Units	3.95 Rs/kWh	10 Rs/kW/Month	4.00 Rs/kWh	15 Rs/kW/Month	4.00 Rs/kWh	15 Rs/kW/Month	4.05 Rs/kWh	15 Rs/kW/Month	4.10 Rs/kWh	15 Rs/kW/Month
Non-Domestic (NDS-I)										
0-100 Units	3.70 Rs/kVAh	20 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.80 Rs/ kVAh	25 Rs/kVA/month	3.85 Rs/ kVAh	25 Rs/kVA/month
101-200 Units	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Above 200 Units	5.00 Rs/ kVAh	20 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.05 Rs/ kVAh	25 Rs/kVA/month	5.10 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-II)										
0-100 Units	3.70 Rs/ kVAh	20 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.80 Rs/ kVAh	25 Rs/kVA/month	3.85 Rs/ kVAh	25 Rs/kVA/month
101-200 Units	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Above 200 Units	5.00 Rs/ kVAh	20 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.05 Rs/ kVAh	25 Rs/kVA/month	5.10 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-III)	7.90 Rs/ kVAh	125 Rs/kVA/month	7.90 Rs/ kVAh	130 Rs/kVA/month	7.90 Rs/ kVAh	130 Rs/kVA/month	8.05 Rs/ kVAh	130 Rs/kVA/month	8.10 Rs/ kVAh	130 Rs/kVA/month
Non-Domestic (NDS-IV)	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-V)	1.70 Rs/kWh	10 Rs/kW/Month	1.85 Rs/kWh	10 Rs/kW/Month	2.20 Rs/kWh	10 Rs/kW/Month	2.55 Rs/kWh	10 Rs/kW/Month	3.00 Rs/kWh	10 Rs/kW/Month
Agricultural Service (LTAS-I)	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month

**Tariff Design for MYT Period**
**Joint Electricity Regulatory Commission (JERC)**

	2025-26		2026-27		2027-28		2028-29		2029-30	
Category of Consumers	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges
Agricultural Service (LTAS-II)	1.50 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month
Agricultural Service (LTAS-III)	2.05 Rs/ kVAh	10 Rs/kVA/month	2.25 Rs/ kVAh	10 Rs/kVA/month	2.90 Rs/ kVAh	10 Rs/kVA/month	3.50 Rs/ kVAh	10 Rs/kVA/month	4.40 Rs/ kVAh	10 Rs/kVA/month
Industrial Service (LTIS-I)	4.00 Rs/ kVAh	45 Rs/kVA/month	4.05 Rs/ kVAh	55 Rs/kVA/month	4.05 Rs/ kVAh	55 Rs/kVA/month	4.10 Rs/ kVAh	55 Rs/kVA/month	4.15 Rs/ kVAh	55 Rs/kVA/month
Industrial Service (LTIS-I)	4.10 Rs/ kVAh	105 Rs/kVA/month	4.10 Rs/ kVAh	125 Rs/kVA/month	4.10 Rs/ kVAh	125 Rs/kVA/month	4.15 Rs/ kVAh	125 Rs/kVA/month	4.30 Rs/ kVAh	125 Rs/kVA/month
Public Utility Service (LTPS-I)	4.70 Rs/ kVAh	125 Rs/kVA/month	4.75 Rs/ kVAh	125 Rs/kVA/month	4.75 Rs/ kVAh	125 Rs/kVA/month	4.80 Rs/ kVAh	125 Rs/kVA/month	4.85 Rs/ kVAh	125 Rs/kVA/month
Public Utility Service (LTPS-II)	4.75 Rs/kWh	145 Rs/kW/Month	4.80 Rs/kWh	150 Rs/kW/Month	4.80 Rs/kWh	150 Rs/kW/Month	4.90 Rs/kWh	150 Rs/kW/Month	4.95 Rs/kWh	150 Rs/kW/Month
Public Utility Service (LTPS-III)	3.75 Rs/kWh	145 Rs/kW/Month	3.80 Rs/kWh	150 Rs/kW/Month	3.80 Rs/kWh	150 Rs/kW/Month	3.85 Rs/kWh	150 Rs/kW/Month	3.90 Rs/kWh	150 Rs/kW/Month
Electric Vehicle (LTEV)	5.15 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month	5.30 Rs/kVAh	10 Rs/kVA/month	5.30 Rs/kVAh	10 Rs/kVA/month
<b>HT Category (at 11 &amp; 33 KV)</b>										
Domestic (HTS-I)	4.50 Rs/kVAh	440 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.55 Rs/kVAh	475 Rs/kVA/month	4.60 Rs/kVAh	475 Rs/kVA/month
Non-Domestic (HTS-II)	4.80 Rs/kVAh	440 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.85 Rs/kVAh	475 Rs/kVA/month	4.90 Rs/kVAh	475 Rs/kVA/month
Agricultural Service (HTS-III)	4.50 Rs/kVAh	440 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.55 Rs/kVAh	475 Rs/kVA/month	4.60 Rs/kVAh	475 Rs/kVA/month
Industrial Service (HTS-IV)	4.80 Rs/kVAh	440 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month
Public Utility Service (HTS-V)	4.80 Rs/kVAh	440 Rs/kVA/month	4.85 Rs/kVAh	455 Rs/kVA/month	4.85 Rs/kVAh	455 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month	5.00 Rs/kVAh	475 Rs/kVA/month
Electric Vehicle (HT-VI)	5.00 Rs/kVAh	10 Rs/kVA/month	5.05 Rs/kVAh	10 Rs/kVA/month	5.05 Rs/kVAh	10 Rs/kVA/month	5.10 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month
<b>EHT Category (at 66 KV)</b>										
Non-Domestic (EHTS-I)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month
Industrial Service (EHTS-II)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month
Public Utility Service (EHTS-III)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month

The following table provides the category wise Existing Average Billing Rate (ABR), Approved ABR and the change in tariff for each of the consumer categories.

**TABLE 6-9 ABR APPROVED BY COMMISSION FOR MYT PERIOD (Rs./kWh)**

S. No.	Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Domestic	2.76	2.84	2.97	3.16	3.41
2	LIG/Kutir Jyoti	1.37	1.87	2.22	2.57	3.02
3	Non-Domestic	4.84	4.97	4.97	5.03	5.09
4	Agriculture	1.05	1.07	1.07	1.07	1.08
5	Public Services	6.23	6.26	6.27	6.35	6.40
6	LT- Industry	4.66	4.71	4.71	4.77	4.92
7	HT- Industry	5.79	5.88	5.88	6.32	6.02
8	EV Charging Station	5.09	5.14	5.14	5.18	5.29

#### 6.4.2 Highlights of the Tariff Structure

The Commission has made every effort to rationalize the tariffs for MYT Control Period from FY 2025-26 to FY 2029-30 so that they gradually reflect the average cost of supply in accordance with the provisions of the EA 2003 and Tariff Policy. The Commission has approved an average annual tariff hike of ~1% across the MYT control period.

#### 6.4.3 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  $\pm 20\%$  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.”*

Considering the fact that the distribution business of DNHPDCL and EDDD has been handed over to the Present Distribution Utility (DNHDDPDCL). The Commission has tried to rationalize the tariff applicable to various consumer categories to have common Tariff across the Utility. However, the limit of cross subsidy, as envisaged in the Tariff Policy 2016, cannot 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 tried its best to keep the Cross-Subsidy within the limit of +/- 20%, while rationalising the tariff for various consumer categories.

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. The cross-subsidy levels for various consumer categories at existing and approved tariff are shown in the table below wherein negative percentage indicates the cross-subsidy available to the category and positive indicates cross-subsidizing category:

**TABLE 6-10 CROSS-SUBSIDY AT RETAIL FOR FY 2025-26**

Category	ACoS (Rs./kWh)	ABR at approved tariff (Rs./kWh)	Cross Subsidy level at approved tariff (%)
Domestic	5.63	2.76	-51%
LIG/Kutir Jyoti	5.63	1.37	-76%
Non-Domestic	5.63	4.84	-14%
Agriculture	5.63	1.05	-81%
Public Services	5.63	6.23	11%
LT- Industry	5.63	4.66	-17%
HT- Industry	5.63	5.79	3%
EV Charging Station	5.63	5.09	-9%

**TABLE 6-11 CROSS-SUBSIDY AT RETAIL FOR FY 2026-27**

Category	ACoS (Rs./kWh)	ABR at existing tariff (Rs./kWh)	Cross Subsidy level at existing tariff (%)	ABR at approved tariff (Rs./kWh)	Cross Subsidy level at approved tariff (%)
Domestic	5.70	2.76	-51%	2.84	-50%
LIG/Kutir Jyoti	5.70	1.37	-76%	1.87	-67%
Non-Domestic	5.70	4.84	-14%	4.97	-13%
Agriculture	5.70	1.05	-81%	1.07	-81%
Public Services	5.70	6.23	11%	6.26	10%
LT- Industry	5.70	4.66	-17%	4.71	-17%
HT- Industry	5.70	5.79	3%	5.88	3%
EV Charging Station	5.70	5.09	-9%	5.14	-10%

**TABLE 6-12 CROSS-SUBSIDY AT RETAIL FOR FY 2027-28**

Category	ACoS (Rs./kWh)	ABR at existing tariff (Rs./kWh)	Cross Subsidy level at existing tariff (%)	ABR at approved tariff (Rs./kWh)	Cross Subsidy level at approved tariff (%)
Domestic	5.71	2.84	-50%	2.97	-48%
LIG/Kutir Jyoti	5.71	1.87	-67%	2.22	-61%
Non-Domestic	5.71	4.97	-13%	4.97	-13%
Agriculture	5.71	1.07	-81%	1.07	-81%
Public Services	5.71	6.26	10%	6.27	10%
LT- Industry	5.71	4.71	-17%	4.71	-17%
HT- Industry	5.71	5.88	3%	5.88	3%
EV Charging Station	5.71	5.14	-10%	5.14	-10%

**TABLE 6-13 CROSS-SUBSIDY AT RETAIL FOR FY 2028-29**

Category	ACoS (Rs./kWh)	ABR at existing tariff (Rs./kWh)	Cross Subsidy level at existing tariff (%)	ABR at approved tariff (Rs./kWh)	Cross Subsidy level at approved tariff (%)
Domestic	5.83	2.97	-48%	3.16	-46%
LIG/Kutir Jyoti	5.83	2.22	-61%	2.57	-56%
Non-Domestic	5.83	4.97	-13%	5.03	-13%
Agriculture	5.83	1.07	-81%	1.07	-82%
Public Services	5.83	6.27	10%	6.35	9%
LT- Industry	5.83	4.71	-17%	4.77	-18%
HT- Industry	5.83	5.88	3%	6.32	9%
EV Charging Station	5.83	5.14	-10%	5.18	-11%

**TABLE 6-14 CROSS-SUBSIDY AT RETAIL FOR FY 2029-30**

Category	ACoS (Rs./kWh)	ABR at existing tariff (Rs./kWh)	Cross Subsidy level at existing tariff (%)	ABR at approved tariff (Rs./kWh)	Cross Subsidy level at approved tariff (%)
Domestic	5.87	3.16	-46%	3.41	-42%
LIG/Kutir Jyoti	5.87	2.57	-56%	3.02	-48%
Non-Domestic	5.87	5.03	-13%	5.09	-13%
Agriculture	5.87	1.07	-82%	1.08	-82%
Public Services	5.87	6.35	9%	6.40	9%
LT- Industry	5.87	4.77	-18%	4.92	-16%
HT- Industry	5.87	6.32	9%	6.02	3%
EV Charging Station	5.87	5.18	-11%	5.29	-10%

Based on the approved standalone Gap/(Surplus) for each year of the MYT Control Period from FY 2025-26 to FY 2029-30, the Commission has approved overall revenue for each year of the MYT Control Period from FY 2025-26 to FY 2029-30 to abridge the aforesaid gap for determination of tariff for each year of the MYT Control Period from FY 2025-26 to FY 2029-30 as shown in the following table.

**TABLE 6-15 REVENUE GAP/(SURPLUS) AT REVISED TARIFF APPROVED BY COMMISSION FOR MYT PERIOD**  
(Rs. CRORE)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
ARR	6,183.64	6,504.72	6,760.48	7,170.74	7,505.53
Revenue at existing tariff	6,109.70	6,345.51	6,591.96	6,850.01	7,120.94
Standalone (gap)/surplus for the year	(73.95)	(159.21)	(168.52)	(320.73)	(384.59)
Revenue at new tariff	6,156.47	6,485.25	6,742.63	7,146.17	7,477.15
<b>Gap/(Surplus) at the end of year</b>	<b>(27.17)</b>	<b>(19.47)</b>	<b>(17.85)</b>	<b>(24.57)</b>	<b>(28.38)</b>

Based on the new tariff for each year of the Control Period from FY 2025-26 to FY 2029-30, the Commission approves overall standalone (gap)/surplus for MYT Period as tabulated above.

#### 6.4.4 Time of Day (ToD)

##### Petitioner's Submission:

The Petitioner has submitted that all LT consumers except domestic shall have the option to take ToD tariff instead of the normal tariff given in schedule. Under the Time of Day (ToD) tariff, electricity consumption and maximum demand for different periods of the day i.e., normal period, Non-solar period and solar 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:

Time of Use	Demand Charges	Energy Charges
Solar Hours (08:00 A.M to 16:00 P.M)	Normal Rate	70% of normal rate of energy charges
Normal Hours (16:00 P.M to 18:00 P.M) and (02:00 A.M. to 08:00 A.M)	Normal Rate	Normal rate of energy charges
Peak Hours (18:00 P.M to 2:00 A.M)	Normal Rate	130% of normal rate of energy charges

### Commission's Analysis:

The Commission adhering the Electricity (Right of Consumers) Amendment Rules, 2023 which mandates solar hours for 8 hours and the rate during solar hours should be atleast 20% of normal energy charge. Further, the Commission has been approving in the past at the rate 80% of normal tariff during off-peak hours, 100% of the normal tariff during normal hours and 120% of the normal tariff during peak-hours of 8 hours each. Therefore, the Commission, following its previous approach and also adhering the aforesaid rule determined the ToD rates as given in the table below:

Time of Use	Demand Charges	Energy Charges
Solar Hours (08:00 A.M to 16:00 P.M)	Normal Rate	80% of normal rate of energy charges
Normal Hours (16:00 P.M to 18:00 P.M) and (02:00 A.M. to 08:00 A.M)	Normal Rate	Normal rate of energy charges
Peak Hours (18:00 P.M to 2:00 A.M)	Normal Rate	120% of normal rate of energy charges

## Chapter 7: Open Access Charges for MYT Period

### 7.1 Determination of Wheeling Charges

#### 7.1.1 Allocation Matrix – Allocation of ARR into Wheeling and Retail Supply of Electricity

##### Petitioner's Submission:

The Petitioner has made following submissions with regard to determination of Wheeling Charges:

**TABLE 7-1 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2025-26**

Particulars	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)
LT	1,152.36	11.06%	1,295.69	30%
HT & EHT	9,818.52	1.95%	10,013.79	70%
<b>Total</b>	<b>10,970.88</b>	<b>2.99%</b>	<b>11,309.48</b>	<b>100%</b>

**TABLE 7-2 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2026-27**

Particulars	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)
LT	1,215.30	10.93%	1,364.38	30%
HT & EHT	10,164.57	1.95%	10,366.72	70%
<b>Total</b>	<b>11,379.87</b>	<b>2.99%</b>	<b>11,731.10</b>	<b>100%</b>

**TABLE 7-3 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2027-28**

Particulars	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)
LT	1,282.40	10.79%	1,437.48	30%
HT & EHT	10,522.81	1.95%	10,732.09	70%
<b>Total</b>	<b>11,805.21</b>	<b>2.99%</b>	<b>12,169.57</b>	<b>100%</b>

**TABLE 7-4 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2028-29**

Particulars	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)
LT	1,354.06	10.65%	1,515.42	30%
HT & EHT	10,893.68	1.95%	11,110.34	70%
<b>Total</b>	<b>12,247.74</b>	<b>2.99%</b>	<b>12,625.76</b>	<b>100%</b>

**TABLE 7-5 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2029-30**

Particulars	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Voltage Wise Asset Allocation (%)
LT	1,430.74	10.51%	1,598.68	30%
HT & EHT	11,277.63	1.95%	11,501.92	70%
<b>Total</b>	<b>12,708.37</b>	<b>2.99%</b>	<b>13,100.60</b>	<b>100%</b>

Accordingly, the Petitioner has submitted the following wheeling charges for the MYT Control Period:

**TABLE 7-6 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2025-26**

Particulars	O&M Expense (Rs. Crore )	Other Expenses (Rs. Crore )	Total (Rs. Crore)	Wheeling Charges (Rs./kWh)
LT	10.00	45.77	55.77	0.48
HT & EHT	85.16	74.62	159.78	0.16

**TABLE 7-7 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY 2026-27**

Particulars	O&M Expense (Rs. Crore )	Other Expenses (Rs. Crore )	Total (Rs. Crore)	Wheeling Charges (Rs./kWh)
LT	11.54	55.07	66.61	0.55
HT & EHT	96.55	89.31	185.87	0.18

**TABLE 7-8 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY****2027-28**

Particulars	O&M Expense (Rs. Crore )	Other Expenses (Rs. Crore )	Total (Rs. Crore)	Wheeling Charges (Rs./kWh)
LT	13.19	65.68	78.87	0.62
HT & EHT	108.24	105.95	214.18	0.20

**TABLE 7-9 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY****2028-29**

Particulars	O&M Expense (Rs. Crore )	Other Expenses (Rs. Crore )	Total (Rs. Crore)	Wheeling Charges (Rs./kWh)
LT	15.33	79.43	94.77	0.70
HT & EHT	123.37	127.41	250.78	0.23

**TABLE 7-10 VOLTAGE-WISE ALLOCATION OF WHEELING CHARGES AS SUBMITTED BY PETITIONER FOR FY****2029-30**

Particulars	O&M Expense (Rs. Crore )	Other Expenses (Rs. Crore )	Total (Rs. Crore)	Wheeling Charges (Rs./kWh)
LT	18.01	91.53	109.54	0.77
HT & EHT	141.94	145.96	287.90	0.26

**Commission's Analysis**

In this regard, Regulation 57 of the JERC MYT Regulations, 2024 specifies as follows:

***“57. Separation of Accounts of Distribution Licensee***

*57.1 Every Distribution Licensee shall segregate accounts for Distribution Wires Business and Retail Supply Business and shall prepare an Allocation Statement. The wheeling charges pertaining to Distribution Wires Business of the Distribution Licensee shall be determined by the Commission on the basis of these segregated accounts:*

*Provided that in case complete accounting segregation has not been done, the following Allocation Statement shall be applicable.....”*

The Petitioner has submitted the allocation matrix as per the JERC MYT Regulations, 2024. The Commission as per the JERC MYT Regulations, 2024, as shown above, has

calculated the wheeling charges while taking into consideration the allocation matrix and the ARR approved for each year of the MYT Control Period from FY 2025-26 to FY 2029-30. The allocation between wheeling and retail supply business for MYT Period from FY 2025-26 to FY 2029-30 as per the ARR approved in this Order is provided in the table below:

**TABLE 7-11 ALLOCATION MATRIX APPROVED BY THE COMMISSION FOR MYT PERIOD**

S. No.	Particulars	Allocation (%)		FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
		Wheeling	Supply	Wheeling	Supply	Wheeling	Supply	Wheeling	Supply	Wheeling	Supply	Wheeling	Supply
1	Power Purchase cost	0%	100%	-	5,902	-	6,194	-	6,419	-	6,790	-	7,087
2	Employee costs	40%	60%	19	29	22	32	23	35	25	37	26	39
3	Repairs & Maintenance	90%	10%	78	9	85	9	92	10	103	11	116	13
4	A&G expenses	50%	50%	14	14	15	15	16	16	16	16	17	17
5	Depreciation	90%	10%	30	3	32	4	36	4	40	4	44	5
6	Interest and Finance charges	90%	10%	36	4	38	4	42	5	46	5	50	6
7	Interest on Security Deposit	10%	90%	1	11	1	11	1	12	1	12	1	13
8	Interest on working capital	10%	90%	4	38	5	41	5	42	5	46	5	48
9	Provision for bad debts	0%	100%	-	-	-	-	-	-	-	-	-	-
10	Return on Equity	90%	10%	51	6	56	6	62	7	69	8	75	8
11	Income Tax	90%	10%	-	-	-	-	-	-	-	-	-	-
12	<b>Annual Revenue Requirement</b>			<b>234</b>	<b>6,015</b>	<b>254</b>	<b>6,316</b>	<b>276</b>	<b>6,549</b>	<b>306</b>	<b>6,930</b>	<b>335</b>	<b>7,236</b>
13	<i>Less: Non-Tariff Income</i>	<i>10%</i>	<i>90%</i>	<i>7</i>	<i>59</i>	<i>7</i>	<i>59</i>	<i>7</i>	<i>59</i>	<i>7</i>	<i>59</i>	<i>7</i>	<i>59</i>
14	<b>Net Revenue Requirement</b>			<b>227</b>	<b>5,957</b>	<b>247</b>	<b>6,258</b>	<b>270</b>	<b>6,491</b>	<b>299</b>	<b>6,872</b>	<b>328</b>	<b>7,177</b>

In order to determine the wheeling charges prudently, the Commission has allocated the wheeling costs on the basis of voltage levels. The wheeling charges are levied for the distribution network utilized by Open Access consumers and primarily comprise O&M Expenses and other costs as provided in the table above. The criteria for allocation of wheeling costs are elaborated as follows:

O&M Expenses are allocated based on number of consumers under each category

All expenses other than the O&M expenses are allocated based on voltage-wise asset allocation. The Petitioner in this regard was directed to submit the voltage-wise asset allocation. However, the Petitioner has failed to submit the desired information and in the absence of such information, the Commission has assumed the voltage wise asset allocation.



The costs corresponding to HT network have been allocated to HT and LT level based on the energy input at HT level for sale at HT level as well as at LT level. The reason for allocating cost corresponding to HT network to LT level is because the power supplied at LT level passes through HT network and hence, the HT network gets utilized for supplying energy at HT level as well as LT level. The costs corresponding to LT level were allocated to LT level only. Accordingly, the Commission approves the Wheeling Charges for FY 2024-25 as follows:

**TABLE 7-12 WHEELING CHARGES APPROVED BY THE COMMISSION FOR FY 2025-26**

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
LT	1,154	6.50%	1,234	1,74,962	30%	11.69	43.67	55.36	0.48
HT & EHT	9,832	1.01%	9,932	1,667	70%	99.62	72.05	171.67	0.17
<b>Total</b>	<b>10,985</b>	<b>1.62%</b>	<b>11,166</b>	<b>1,76,630</b>		<b>111.32</b>	<b>115.71</b>	<b>227.03</b>	<b>0.21</b>

**TABLE 7-13 WHEELING CHARGES APPROVED BY THE COMMISSION FOR FY 2026-27**

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
LT	1,198	6.30%	1,278	1,81,289	30%	12.74	47.44	60.18	0.50
HT & EHT	10,206	1.01%	10,310	1,727	70%	108.56	78.31	186.87	0.18
<b>Total</b>	<b>11,404</b>	<b>1.59%</b>	<b>11,589</b>	<b>1,83,017</b>		<b>121.30</b>	<b>125.75</b>	<b>247.05</b>	<b>0.22</b>

**TABLE 7-14 WHEELING CHARGES APPROVED BY THE COMMISSION FOR FY 2027-28**

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
LT	1,244	6.10%	1,325	1,87,884	30%	13.81	52.12	65.93	0.53
HT & EHT	10,597	1.00%	10,704	1,790	70%	117.68	86.10	203.78	0.19
<b>Total</b>	<b>11,841</b>	<b>1.56%</b>	<b>12,029</b>	<b>1,89,674</b>		<b>131.49</b>	<b>138.22</b>	<b>269.71</b>	<b>0.23</b>

**TABLE 7-15 WHEELING CHARGES APPROVED BY THE COMMISSION FOR FY 2028-29**

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
LT	1,292	6.00%	1,374	1,94,759	30%	15.12	58.47	73.60	0.57
HT & EHT	11,006	0.98%	11,115	1,856	70%	128.85	96.62	225.47	0.20

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
<b>Total</b>	<b>12,298</b>	<b>1.53%</b>	<b>12,490</b>	<b>1,96,614</b>		<b>143.97</b>	<b>155.10</b>	<b>299.06</b>	<b>0.24</b>

**TABLE 7-16 WHEELING CHARGES APPROVED BY THE COMMISSION FOR FY 2029-30**

Category	Energy Sales (MU)	Cumulative Loss (%)	Energy Input (MU)	Consumer	Voltage Wise Asset Allocation (%)	O&M Expense (Rs. Crore)	Other Expense (Rs. Crore)	Total (Rs. Crore)	Wheeling Charges (Rs. /kWh)
LT	1,342	5.91%	1,426	2,01,929	30%	16.73	63.63	80.36	0.60
HT & EHT	11,435	0.96%	11,546	1,924	70%	142.54	105.16	247.70	0.22
<b>Total</b>	<b>12,777</b>	<b>1.50%</b>	<b>12,973</b>	<b>2,03,853</b>		<b>159.27</b>	<b>168.79</b>	<b>328.06</b>	<b>0.26</b>

The Commission approves wheeling charge for the MYT Control Period from FY 2025-26 to FY 2029-30 as tabulated above.

## 7.2 Determination of Additional Surcharge

### Petitioner's Submission:

The Petitioner has claimed Additional Surcharge for the MYT Control Period from FY 2025-26 to FY 2029-30 in line to the applicable JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017.

**TABLE 7-17 ADDITIONAL SURCHARGE SUBMITTED BY PETITIONER FOR THE MYT CONTROL PERIOD**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Power Purchase Fixed Cost (Rs. Crores)	1,999.62	2,018.37	2,041.75	2,064.03	2,086.17
Energy Sales (MUs)	10,970.88	11,379.87	11,805.21	12,247.74	12,708.37
<b>Additional Surcharge (INR/kWh)</b>	<b>1.82</b>	<b>1.77</b>	<b>1.73</b>	<b>1.69</b>	<b>1.64</b>

### 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 of the said Regulations specifies the following:

*“4.5 Additional Surcharge*

*1. 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”*

*2. 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 of the aforesaid JERC Regulations specifies the following:

*“5.2 Imbalance Charges*

*1. Settlement of Energy at Drawal Point in Respect of Open Access Consumer, or Trading Licensee on Behalf of Open Access Consumer*

*.....*

*b. Open Access Consumer, who is also a Consumer of the Distribution Licensee*

*.....*

*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 for the MYT Control Period from FY 2025-26 to FY 2029-30 as shown below:

**TABLE 7-18 ADDITIONAL SURCHARGE APPROVED BY THE COMMISSION FOR CONTROL PERIOD**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Power Purchase Fixed Cost (excluding transmission charges) (Rs. Crores)	2,193.63	2,254.78	2,308.06	2,361.37	2,417.51
Energy Sales (MUs)	10,985	11,404	11,841	12,298	12,777
<b>Additional Surcharge (Rs./kWh)</b>	<b>2.00</b>	<b>1.98</b>	<b>1.95</b>	<b>1.92</b>	<b>1.89</b>

Earlier, a consumer availing Open Access was required to pay full fixed charges on contracted load even when the load was drawn partially from the Distribution Licensee. However, as per the “JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) 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 Regulations.

The Commission directs the Petitioner to submit quarterly details of 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 revise the applicable Additional Surcharge, if required.

### 7.3 Cross-Subsidy Surcharge

#### Petitioner’s Submission:

The Petitioner has determined the cross-subsidy charges on the basis of Voltage wise cost of supply as shown in the following table:

**TABLE 7-19 VOLTAGE WISE COST OF SUPPLY (VCoS) FOR FY 2025-26**

Particulars	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kwh)
LT	343.94	435.64	779.58	1,152.36	6.77
HT & EHT	1,957.77	3,366.83	5,324.60	9,818.52	5.42
<b>Total</b>	<b>2,301.71</b>	<b>3,802.47</b>	<b>6,104.17</b>	<b>10,970.88</b>	<b>5.56</b>

**TABLE 7-20 VOLTAGE WISE COST OF SUPPLY (VCoS) FOR FY 2026-27**

Particulars	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kwh)
LT	369.08	472.17	841.26	1,215.30	6.92
HT & EHT	2,001.50	3,587.64	5,589.14	10,164.57	5.50
<b>Total</b>	<b>2,370.58</b>	<b>4,059.81</b>	<b>6,430.40</b>	<b>11,379.87</b>	<b>5.65</b>

**TABLE 7-21 VOLTAGE WISE COST OF SUPPLY (VCoS) FOR FY 2027-28**

Particulars	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kwh)
LT	388.43	499.74	888.17	1,282.40	6.93
HT & EHT	2,038.12	3,731.01	5,769.13	10,522.81	5.48
<b>Total</b>	<b>2,426.55</b>	<b>4,230.75</b>	<b>6,657.30</b>	<b>11,805.21</b>	<b>5.64</b>

**TABLE 7-22 VOLTAGE WISE COST OF SUPPLY (VCoS) FOR FY 2028-29**

Particulars	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kwh)
LT	417.25	546.51	963.76	1,354.06	7.12
HT & EHT	2,088.20	4,006.73	6,094.93	10,893.68	5.59
<b>Total</b>	<b>2,505.45</b>	<b>4,553.24</b>	<b>7,058.69</b>	<b>12,247.74</b>	<b>5.76</b>

**TABLE 7-23 VOLTAGE WISE COST OF SUPPLY (VCoS) FOR FY 2029-30**

Particulars	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kwh)
LT	448.86	585.23	1,034.09	1,430.74	7.23
HT & EHT	2,141.39	4,210.50	6,351.89	11,277.63	5.63
<b>Total</b>	<b>2,590.25</b>	<b>4,795.73</b>	<b>7,385.98</b>	<b>12,708.37</b>	<b>5.81</b>

The VCoS as determined above is used to determine the Cross-Subsidy Surcharge. Accordingly, the proposed Cross-subsidy surcharge for MYT Control Period is shown in table below:

**TABLE 7-24 CROSS-SUBSIDY SURCHARGE FOR FY 2025-26**

Particulars	VCoS (Rs./kwh)	ABR (Rs./kWh)	Cross- Subsidy (Rs./kWh)
LT	6.77	4.22	Nil
HT & EHT	5.42	5.73	0.31

**TABLE 7-25 CROSS-SUBSIDY SURCHARGE FOR FY 2026-27**

Particulars	VCoS (Rs./kwh)	ABR (Rs./kWh)	Cross- Subsidy (Rs./kWh)
LT	6.92	4.26	Nil
HT & EHT	5.50	5.82	0.32

**TABLE 7-26 CROSS-SUBSIDY SURCHARGE FOR FY 2027-28**

Particulars	VCoS (Rs./kwh)	ABR (Rs./kWh)	Cross- Subsidy (Rs./kWh)
LT	6.93	4.24	Nil
HT & EHT	5.48	5.81	0.33

**TABLE 7-27 CROSS-SUBSIDY SURCHARGE FOR FY 2028-29**

Particulars	VCoS (Rs./kwh)	ABR (Rs./kWh)	Cross- Subsidy (Rs./kWh)
LT	7.12	4.35	Nil
HT & EHT	5.59	5.94	0.34

**TABLE 7-28 CROSS-SUBSIDY SURCHARGE FOR FY 2029-30**

Particulars	VCoS (Rs./kwh)	ABR (Rs./kWh)	Cross- Subsidy (Rs./kWh)
LT	7.23	4.38	Nil
HT & EHT	5.63	5.99	0.36

### Commission's Analysis

The Regulation 3.6 of the JERC MYT Tariff Regulations, 2024 provides that the Commission shall also determine Cross-Subsidy Surcharge in addition to the charges for wheeling under the first proviso to sub-section (2) of Section 42 of the Act, in accordance with 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, as amended from time to time.

The Cross-subsidy surcharge, as quantified by the Commission, shall also be payable by such open access consumer(s) who receives supply of electricity from a person other than the distribution licensee in whose area of supply he is located, irrespective of whether he avails such supply through transmission/distribution network of the licensee or not. The consumers located in the area of supply of a distribution licensee but availing Open Access exclusively on inter-State transmission system shall also pay the cross-subsidy surcharge as determined by the Commission.

Further, Section 42 of the Electricity Act, 2003 provides that the surcharge and the cross subsidies shall be progressively reduced. The Commission has worked out CSS in line with the formula provided in the National Tariff Policy, 2016. The National Tariff Policy dated 28.01.2016 provides as under: -

“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”.

The above is subject to the proviso that the surcharge shall not exceed 20% of the CoS applicable to the category of the consumers seeking open access. The Commission has considered the methodology prescribed by the National Tariff Policy dated 28.01.2016, while working out cross subsidy surcharge in the present Order. The relevant provision of the NTP is reproduced below:

“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 (emphasis added). The above formula may not work for all distribution licensees, particularly for those having power deficit (emphasis added)

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% (emphasis added) of the tariff applicable to the category of the consumers seeking open access. Provided further that the Appropriate Commission, in consultation with the Appropriate Government, shall exempt levy of cross subsidy charge on the Railways, as defined in Indian Railways Act, 1989 being a deemed licensee, on electricity purchased for its own consumption. No surcharge would be required to be paid in terms of sub-section (2) of Section 42 of the Act on the electricity being sold by the generating companies with consent of the competent government under Section 43 (A) (1) (c) of the Electricity Act, 1948 (now repealed) and on the electricity being supplied by the distribution licensee on the authorization by the State Government under Section 27 of the Indian Electricity Act, 1910 (now repealed), till the current validity of such consent or authorization.

The surcharge may be collected either by the distribution licensee, the transmission licensee, the STU or the CTU, depending on whose facilities are used by the consumer for availing electricity supplies. In all cases the amounts collected from a particular consumer should be given to the distribution licensee in whose area the consumer is located. In case of two licensees supplying in the same area, the licensee from whom the consumer was availing supply shall be paid the amounts collected". The Commission has, estimated cost of service based on the above formula, relying on the indicative voltage wise losses submitted by the Petitioner.



**TABLE 7-29 CROSS-SUBSIDY SURCHARGE APPROVED BY THE COMMISSION FOR FY 2025-26**

Category	CSS (Rs./kWh)	T (Rs./kWh)	C (Rs./kWh)	L (%)	D (Rs./kWh)	R (%)
LT - C&I	-	4.69	4.43	3.01%	0.26	5.00%
HT - C&I	1.29	6.03	4.43	3.01%	0.26	5.00%
EHT - C&I	0.81	5.55	4.43	3.01%	0.26	5.00%

**TABLE 7-30 CROSS-SUBSIDY SURCHARGE APPROVED BY THE COMMISSION FOR FY 2026-27**

Category	CSS (Rs./kWh)	T (Rs./kWh)	C (Rs./kWh)	L (%)	D (Rs./kWh)	R (%)
LT - C&I	-	4.75	4.48	2.98%	0.27	5.00%
HT - C&I	1.33	6.13	4.48	2.98%	0.27	5.00%
EHT - C&I	0.82	5.62	4.48	2.98%	0.27	5.00%

**TABLE 7-31 CROSS-SUBSIDY SURCHARGE APPROVED BY THE COMMISSION FOR FY 2027-28**

Category	CSS (Rs./kWh)	T (Rs./kWh)	C (Rs./kWh)	L (%)	D (Rs./kWh)	R (%)
LT - C&I	-	4.75	4.48	2.95%	0.29	0.00%
HT - C&I	1.37	6.14	4.48	2.95%	0.29	0.00%
EHT - C&I	0.86	5.63	4.48	2.95%	0.29	0.00%

**TABLE 7-32 CROSS-SUBSIDY SURCHARGE APPROVED BY THE COMMISSION FOR FY 2028-29**

Category	CSS (Rs./kWh)	T (Rs./kWh)	C (Rs./kWh)	L (%)	D (Rs./kWh)	R (%)
LT - C&I	-	4.81	4.57	2.92%	0.31	0.00%
HT - C&I	1.47	6.35	4.57	2.92%	0.31	0.00%
EHT - C&I	0.76	5.65	4.57	2.92%	0.31	0.00%

**TABLE 7-33 CROSS-SUBSIDY SURCHARGE APPROVED BY THE COMMISSION FOR FY 2029-30**

Category	CSS (Rs./kWh)	T (Rs./kWh)	C (Rs./kWh)	L (%)	D (Rs./kWh)	R (%)
LT - C&I	0.01	4.94	4.60	2.89%	0.33	0.00%
HT - C&I	1.42	6.35	4.60	2.89%	0.33	0.00%
EHT - C&I	0.77	5.70	4.60	2.89%	0.33	0.00%

Therefore, the Commission Cross-Subsidy Surcharge for the MYT Control Period from FY 2025-26 to FY 2029-30 at LT, HT and EHT Voltage level as per the above table.

## 7.4 Other Charges

### Commission's Analysis

All other charges would be determined as per the JERC (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017, as amended from time to time.

## Chapter 8: Green Energy Open Access Charges

### 8.1 Background

The Ministry of Power, Government of India vide its notification dated 6th June, 2022 (G.S.R.418(E)) notified the “Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 (Rules, 2022)” followed by subsequent amendments dated 27<sup>th</sup> January, 2023 (G.S.R. 59(E)) and 23rd May, 2023 (G.S.R. 381(E)) (hereinafter referred to as the ‘Rules, 2022’ or ‘Rules’).

The said Rules provide an option to the consumers to avail supply exclusively of green energy (in place of normal mix energy) from its DISCOM at a green tariff determined separately by the Appropriate Commission, comprising of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the DISCOM for providing the green energy. The relevant extract of Rules, 2022 (Rule 4(2)(C)(c)) is as under:

*“The tariff for the green energy shall be determined separately by the Appropriate Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;”*

Accordingly, the Commission issued the draft discussion paper on the determination of green energy tariff for FY 2023-24 for the Dadra & Nagar Haveli and Daman & Diu Power Distribution Corporation Ltd. (DNHDDPDCL) on 02.01.2024 inviting comments/suggestions/objections from the Stakeholders and Public with the last date of furnishing comments as 13.02.2024 which was further extended to 04.03.2024. DNHDDPDCL provided its comments on the said draft vide email dated 23.01.2024 which was considered and analysed by the Commission. No comment was received from the general Public and Consumers.

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 each year of the MYT Control Period as under.

## 8.2 Average Pooled Power Purchase Cost of Renewable Energy

The Average Pooled Power Purchase cost of Renewable Energy (RE) Sources for DNHDDPDCL has been worked out based on the power purchase cost of the renewable energy sources as approved in this Order for MYT Control Period from FY 2025-26 to FY 2029-30 as shown in the table below:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power purchase cost of RE Sources	13.72	13.85	1,073.30	2,456.70	2,456.70
Quantum of RE Sources	22.05	22.27	2,419.37	5,408.81	5,408.81
Weighted Average Pooled Power Purchase Cost of RE Sources	6.22	6.22	4.44	4.54	4.54

## 8.3 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.

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net ARR (Rs. Crore)	147.56	171.37	186.55	201.01	217.51
Wheeled Units (MU)	11,303.30	11,731.00	12,177.51	12,644.45	13,133.90
Intra-State Charges (Rs./kWh)	0.13	0.15	0.15	0.16	0.17

The computation of the landed cost of Renewable Energy for DNHDDPDCL is shown in the table below:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Weighted Average Pooled Power Purchase Cost of RE Sources	6.22	6.22	4.44	4.54	4.54
T&D Loss (%)	3.01%	2.98%	2.95%	2.92%	2.89%

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Rate of RE Sources after considering T&D Loss	6.41	6.41	4.57	4.68	4.68
Intra-State Transmission Charges	0.13	0.15	0.15	0.16	0.17
Landed cost of Renewable Energy	6.54	6.56	4.72	4.84	4.84

#### 8.4 Cross Subsidy Surcharge

The Cross Subsidy Surcharge (CSS) for DNHDDPDCL has been factored in, taking into account the maximum CSS applicable to the utility, as stipulated in this approved MYT Tariff Order for the Control Period from FY 2025-26 to FY 2029-30.

#### 8.5 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.

##### 8.5.1 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 MYT Tariff Order for Control Period from FY 2025-26 to FY 2029-30) has been worked out as Distribution Service Charges covering prudent cost of distribution licensee for supplying power to the consumers which works out as per the table below:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Other Fixed Cost (Rs. Crore)	281.98	310.92	341.58	380.40	418.34
Sales (MU)	10,985.44	11,403.97	11,841.01	12,298.15	12,777.43
Distribution Service Charges (Rs./kWh)	0.26	0.27	0.29	0.31	0.33

### 8.5.2 Fixed Cost of Thermal 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 as per the following table:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Cost of Power Purchase (Rs. Crore)	1,484.80	1,510.92	1,537.57	1,564.74	1,592.47
Energy Requirement (MU)	11,713.26	12,156.48	12,619.18	13,103.06	13,610.26
Backing Down Charges (Rs./kWh)	1.27	1.24	1.22	1.19	1.17

### 8.6 Green Energy Tariff

Accordingly, the Green Energy Tariff for DNHDDPDCL is computed as per the following table:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Landed Cost of Renewable Energy for Utility (Rs./kWh)	6.54	6.56	4.72	4.84	4.84
Cross Subsidy Surcharge (Rs./kWh)	0.38	0.39	0.40	0.41	0.40
Distribution Service Charges (Rs./kWh)	0.26	0.27	0.29	0.31	0.33
Backing down cost (Rs./kWh)	1.27	1.24	1.22	1.19	1.17
<b>Green Energy Tariff (Rs./kWh)</b>	<b>8.45</b>	<b>8.47</b>	<b>6.63</b>	<b>6.75</b>	<b>6.74</b>

### 8.7 Incremental Green Energy Charges

For arriving at the incremental Green Energy Charges, the Commission has considered the difference between Green Energy Tariff and Average Billing Rate (ABR). The ABR approved for the Retail Supply in this MYT Tariff Order for the

Control Period from FY 2025-26 to FY 2029-30 has been taken into account for the computation of the incremental Green Energy Tariff. Accordingly, the incremental Green Energy Charges for DNHDDPDCL is computed as per the following table:

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Green Energy Tariff (Rs./kWh)	8.45	8.47	6.63	6.75	6.74
ABR (Rs./kWh)	6.01	5.69	5.69	5.81	5.85
Incremental Green Energy Tariff (Rs./kWh)	2.43	2.78	0.94	0.94	0.89

Further 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. Since the incremental Green Energy Charges during FY 2025-26 and FY 2026-27 of Rs.2.43/kWh and Rs.2.78/kWh as determined above are more than the maximum ceiling of Rs. 1/kWh, it shall be limited to Rs. 1/kWh i.e. Rs. 1.00/kWh shall be applicable to the consumers over and above the normal tariff of the respective category. However, for FY 2027-28 to FY 2029-30, the incremental green energy tariff shall be applicable as per the above table.

The revenue earned by the Distribution Licensee from the sale of power to consumers under the Tariff for Green Energy shall be considered as revenue from the sale of power. The Distribution Licensee shall separately maintain tariff category and sub-category wise accounting of no. of consumers, connected load, sale, and revenue from sale under tariff for Green Energy for consumers and same shall be shown separately by the Distribution Licensee at the time of truing-up.

The Green Energy arrangements are purely optional/voluntary and shall only be provided at the request of the Consumer. The Incremental Green Energy Charges for Green Energy shall only be applicable if the Consumer wishes to avail power under the respective aforementioned arrangement.

**TABLE 8-1 GREEN ENERGY CHARGES APPROVED BY COMMISSION FOR MYT PERIOD**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Green Energy Charges (Rs./kWh)	1.00	1.00	0.94	0.94	0.89

## Chapter 9: Fuel and Power Purchase Adjustment Mechanism

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 power 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 ensuing year, 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, there may be 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 is allowed in the tariff of the FY 2026-27, along with the carrying cost for 2 years. 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.

## 9.1 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:-

### 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.”*

### 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.”*

**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.”*

**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.”*

**The Electricity Amendment Rules, 2022 – Schedule II**

The Ministry of Power vide notification dated 29<sup>th</sup> December’2022 notified the Electricity Amendment Rules 2022, which describe the fuel and power purchase cost adjustment (FPPCA) surcharge mechanism.

**9.2 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.

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### 9.2.1 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 recovery 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.

### 9.2.2 Fuel and Power Purchase Cost Adjustment Surcharge Formula:

$$\text{Monthly FPPAS for } n^{\text{th}} \text{ Month (\%)} = \frac{(A-B)*C+(D-E)}{\{Z*(1-\text{Distribution losses in \%}/100)\}*ABR}$$

Where,

$n^{\text{th}}$  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  $(n-2)^{\text{th}}$  month

A (in kWh) = Total units procured in  $(n-2)^{\text{th}}$  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  $(n-2)^{\text{th}}$  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  $(n-2)^{\text{th}}$  Month,

$E \text{ (in Rs.)} = \text{Approved Cost of Transmission Charges for (n-2)}^{\text{th}} \text{ Month} = (\text{Approved Transmission Charges (in Rs.)}/12)$

$Z \text{ (in kWh)} = [ \{ \text{Actual Power purchased from all the sources outside the State in (n-2)}^{\text{th}} \text{ Month. (in kWh)} * (1 - \text{Approved Inter-State transmission losses in \% /100}) + \text{Power purchased from all sources within the State (in kWh)} \} * (1 - \text{Approved Intra state losses in \%}) - B ] / 100$

$ABR \text{ (in Rs./kWh)} = \text{Approved Average Billing Rate for the year}$

$\text{Distribution Losses (in \%)} = \text{Approved Distribution Losses}$

## Chapter 10: Tariff Schedule

### 10.1 Tariff Schedule

**TABLE 10-1 TARIFF SCHEDULE FOR MYT CONTROL PERIOD**

	2025-26		2026-27		2027-28		2028-29		2029-30	
Category of Consumers	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges
<b>Low Tension Supply</b>										
Domestic (LTDS-I)										
0-100 Units	1.45 Rs/kWh	5.00 Rs/Connection /Month	1.80 Rs/kWh	5.00 Rs/ Connection /Month	2.15 Rs/kWh	5.00 Rs/ Connection /Month	2.50 Rs/kWh	5.00 Rs/ Connection /Month	2.95 Rs/kWh	5.00 Rs/ Connection /Month
Domestic (LTDS-II)										
0-100 Units	1.70 Rs/kWh	10 Rs/kW/Month	1.85 Rs/kWh	10 Rs/kW/Month	2.20 Rs/kWh	10 Rs/kW/Month	2.55 Rs/kWh	10 Rs/kW/Month	3.00 Rs/kWh	10 Rs/kW/Month
101-200 Units	2.50 Rs/kWh	10 Rs/kW/Month	2.50 Rs/kWh	10 Rs/kW/Month	2.50 Rs/kWh	10 Rs/kW/Month	2.75 Rs/kWh	10 Rs/kW/Month	3.10 Rs/kWh	10 Rs/kW/Month
201-300 Units	3.10 Rs/kWh	10 Rs/kW/Month	3.15 Rs/kWh	10 Rs/kW/Month	3.15 Rs/kWh	10 Rs/kW/Month	3.20 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month
301-400 Units	3.20 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month	3.25 Rs/kWh	10 Rs/kW/Month	3.30 Rs/kWh	10 Rs/kW/Month	3.35 Rs/kWh	10 Rs/kW/Month
401 and above Units	3.75 Rs/kWh	10 Rs/kW/Month	3.80 Rs/kWh	10 Rs/kW/Month	3.80 Rs/kWh	10 Rs/kW/Month	3.85 Rs/kWh	10 Rs/kW/Month	3.90 Rs/kWh	10 Rs/kW/Month
Domestic (LTDS-III)										
0-100 Units	1.95 Rs/kWh	10 Rs/kW/Month	2.00 Rs/kWh	15 Rs/kW/Month	2.30 Rs/kWh	15 Rs/kW/Month	2.60 Rs/kWh	15 Rs/kW/Month	3.05 Rs/kWh	15 Rs/kW/Month
101-200 Units	2.65 Rs/kWh	10 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	2.70 Rs/kWh	15 Rs/kW/Month	3.15 Rs/kWh	15 Rs/kW/Month
201-300 Units	3.35 Rs/kWh	10 Rs/kW/Month	3.40 Rs/kWh	15 Rs/kW/Month	3.40 Rs/kWh	15 Rs/kW/Month	3.45 Rs/kWh	15 Rs/kW/Month	3.50 Rs/kWh	15 Rs/kW/Month
301-400 Units	3.70 Rs/kWh	10 Rs/kW/Month	3.75 Rs/kWh	15 Rs/kW/Month	3.75 Rs/kWh	15 Rs/kW/Month	3.80 Rs/kWh	15 Rs/kW/Month	3.85 Rs/kWh	15 Rs/kW/Month
Above 400 Units	3.95 Rs/kWh	10 Rs/kW/Month	4.00 Rs/kWh	15 Rs/kW/Month	4.00 Rs/kWh	15 Rs/kW/Month	4.05 Rs/kWh	15 Rs/kW/Month	4.10 Rs/kWh	15 Rs/kW/Month
Non-Domestic (NDS-I)										
0-100 Units	3.70 Rs/kVAh	20 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.80 Rs/ kVAh	25 Rs/kVA/month	3.85 Rs/ kVAh	25 Rs/kVA/month
101-200 Units	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Above 200 Units	5.00 Rs/ kVAh	20 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.05 Rs/ kVAh	25 Rs/kVA/month	5.10 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-II)										
0-100 Units	3.70 Rs/ kVAh	20 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.75 Rs/ kVAh	25 Rs/kVA/month	3.80 Rs/ kVAh	25 Rs/kVA/month	3.85 Rs/ kVAh	25 Rs/kVA/month

**Tariff Schedule for FY 2024-25**
**Joint Electricity Regulatory Commission (JERC)**

	2025-26		2026-27		2027-28		2028-29		2029-30	
Category of Consumers	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges
101-200 Units	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Above 200 Units	5.00 Rs/ kVAh	20 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month	5.05 Rs/ kVAh	25 Rs/kVA/month	5.10 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-III)	7.90 Rs/ kVAh	125 Rs/kVA/month	7.90 Rs/ kVAh	130 Rs/kVA/month	7.90 Rs/ kVAh	130 Rs/kVA/month	8.05 Rs/ kVAh	130 Rs/kVA/month	8.10 Rs/ kVAh	130 Rs/kVA/month
Non-Domestic (NDS-IV)	4.80 Rs/ kVAh	20 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.85 Rs/ kVAh	25 Rs/kVA/month	4.95 Rs/ kVAh	25 Rs/kVA/month	5.00 Rs/ kVAh	25 Rs/kVA/month
Non-Domestic (NDS-V)	1.70 Rs/kWh	10 Rs/kW/Month	1.85 Rs/kWh	10 Rs/kW/Month	2.20 Rs/kWh	10 Rs/kW/Month	2.55 Rs/kWh	10 Rs/kW/Month	3.00 Rs/kWh	10 Rs/kW/Month
Agricultural Service (LTAS-I)	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month	1.05 Rs/kWh	1 Rs/kW/Month
Agricultural Service (LTAS-II)	1.50 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month	1.60 Rs/ kVAh	1 Rs/kVA/month
Agricultural Service (LTAS-III)	2.05 Rs/ kVAh	10 Rs/kVA/month	2.25 Rs/ kVAh	10 Rs/kVA/month	2.90 Rs/ kVAh	10 Rs/kVA/month	3.50 Rs/ kVAh	10 Rs/kVA/month	4.40 Rs/ kVAh	10 Rs/kVA/month
Industrial Service (LTIS-I)	4.00 Rs/ kVAh	45 Rs/kVA/month	4.05 Rs/ kVAh	55 Rs/kVA/month	4.05 Rs/ kVAh	55 Rs/kVA/month	4.10 Rs/ kVAh	55 Rs/kVA/month	4.15 Rs/ kVAh	55 Rs/kVA/month
Industrial Service (LTIS-II)	4.10 Rs/ kVAh	105 Rs/kVA/month	4.10 Rs/ kVAh	125 Rs/kVA/month	4.10 Rs/ kVAh	125 Rs/kVA/month	4.15 Rs/ kVAh	125 Rs/kVA/month	4.30 Rs/ kVAh	125 Rs/kVA/month
Public Utility Service (LTPS-I)	4.70 Rs/ kVAh	125 Rs/kVA/month	4.75 Rs/ kVAh	125 Rs/kVA/month	4.75 Rs/ kVAh	125 Rs/kVA/month	4.80 Rs/ kVAh	125 Rs/kVA/month	4.85 Rs/ kVAh	125 Rs/kVA/month
Public Utility Service (LTPS-II)	4.75 Rs/kWh	145 Rs/kW/Month	4.80 Rs/kWh	150 Rs/kW/Month	4.80 Rs/kWh	150 Rs/kW/Month	4.90 Rs/kWh	150 Rs/kW/Month	4.95 Rs/kWh	150 Rs/kW/Month
Public Utility Service (LTPS-III)	3.75 Rs/kWh	145 Rs/kW/Month	3.80 Rs/kWh	150 Rs/kW/Month	3.80 Rs/kWh	150 Rs/kW/Month	3.85 Rs/kWh	150 Rs/kW/Month	3.90 Rs/kWh	150 Rs/kW/Month
Electric Vehicle (LTEV)	5.15 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month	5.30 Rs/kVAh	10 Rs/kVA/month	5.30 Rs/kVAh	10 Rs/kVA/month
<b>HT Category (at 11 &amp; 33 KV)</b>										
Domestic (HTS-I)	4.50 Rs/kVAh	440 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.55 Rs/kVAh	475 Rs/kVA/month	4.60 Rs/kVAh	475 Rs/kVA/month
Non-Domestic (HTS-II)	4.80 Rs/kVAh	440 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.85 Rs/kVAh	475 Rs/kVA/month	4.90 Rs/kVAh	475 Rs/kVA/month
Agricultural Service (HTS-III)	4.50 Rs/kVAh	440 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.50 Rs/kVAh	455 Rs/kVA/month	4.55 Rs/kVAh	475 Rs/kVA/month	4.60 Rs/kVAh	475 Rs/kVA/month
Industrial Service (HTS-IV)	4.80 Rs/kVAh	440 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.80 Rs/kVAh	455 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month
Public Utility Service (HTS-V)	4.80 Rs/kVAh	440 Rs/kVA/month	4.85 Rs/kVAh	455 Rs/kVA/month	4.85 Rs/kVAh	455 Rs/kVA/month	4.95 Rs/kVAh	475 Rs/kVA/month	5.00 Rs/kVAh	475 Rs/kVA/month
Electric Vehicle (HT-VI)	5.00 Rs/kVAh	10 Rs/kVA/month	5.05 Rs/kVAh	10 Rs/kVA/month	5.05 Rs/kVAh	10 Rs/kVA/month	5.10 Rs/kVAh	10 Rs/kVA/month	5.20 Rs/kVAh	10 Rs/kVA/month
<b>EHT Category (at 66 KV)</b>										
Non-Domestic (EHTS-I)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month
Industrial Service (EHTS-II)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month

# Tariff Schedule for FY 2024-25

# Joint Electricity Regulatory Commission (JERC)

	2025-26		2026-27		2027-28		2028-29		2029-30	
Category of Consumers	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges	Energy Charge	Fixed Charges
Public Utility Service (EHTS-III)	4.70 Rs/kVAh	570 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	580 Rs/kVA/month	4.70 Rs/kVAh	590 Rs/kVA/month	4.75 Rs/kVAh	590 Rs/kVA/month



## 10.2 Tariff Applicability

### 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.

Year	Fixed charge	Energy charge	
	(Load up to 250 Watts)	Consumption in a month (kWh)	Rate (Rs/kWh)
	Rs. / connection / per month	Up to 100 kWh	
MYT Period	As per Table 10.1	As per Table 10.1	

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.

Year	Fixed charge	Energy charge	
		Consumption in a month (kWh)	Rate
	Rs. /kW or part thereof per month		Rs/kWh
MYT Period	As per Table 10.1	As per Table 10.1	As per Table 10.1

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.

Year	Fixed charge	Energy charge	
		Consumption in a month (kWh)	Rate
	Rs. /kW or part thereof per month		Rs/kWh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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.

Year	Fixed charge	Energy charges	
	Rs. / kVA or part thereof per month	Consumption in a month (kVAh)	Rate
			Rs/kVAh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge	Energy charges	
	Rs. / kVA or part thereof per month	Consumption in a month (kVAh)	Rate
			Rs/kVAh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge	Energy charges	
	Rs. / kVA or part thereof per month	Consumption in a month (kVAh)	Rate
			Rs/kVAh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

#### 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.

Year	Fixed charge	Energy charges	
	Rs. / kVA or part thereof per month	Consumption in a month (kVAh)	Rate
			Rs/kVAh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

#### 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.

Year	Fixed charge	Energy charges	
	Rs. / kW or part thereof per month	Consumption in a month (kVAh)	Rate
			Rs/kWh
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge	
	Rs. / kW or part thereof per month	Rate
		(Rs/ kWh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge	
	Rs. / kVA or part thereof per month	Rate
		(Rs/ kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge	
	Rs. / kVA or part thereof per month	Rate
		(Rs/ kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Consumption in a month (kVAh)	Energy charges (Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges (Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge Rs. / kW or part thereof per month	Rate
		(Rs/ kWh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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.

Year	Fixed charge Rs. / kW or part thereof per month	Rate
		(Rs/ kWh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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 prorata 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 $0.85 > pf >= 0.8$	2% on demand and energy charge
(ii) For each fall of 0.01 in power factor for $0.80 > pf >= 0.75$	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 $0.90 < pf <= 0.95$	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.

Time of Use	Demand Charges	Energy Charges
Solar Hours (08:00 A.M to 16:00 P.M)	Normal Rate	80% of normal rate of energy charges
Normal Hours (16:00 P.M to 18:00 P.M) and (02:00 A.M. to 08:00 A.M)	Normal Rate	Normal rate of energy charges
Peak Hours (18:00 P.M to 2:00 A.M)	Normal Rate	120% of normal rate of energy charges

Note: Peak, off-peak and normal load period as well as exact percentage of normal rate of energy charges to be levied for consumption made during peak and off-peak load hours shall be specified in respective tariff orders

### **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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

**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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

**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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

#### 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

#### 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

#### 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

### 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 the 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:

Time of Use	Demand Charges	Energy Charges
Solar Hours (08:00 A.M to 16:00 P.M)	Normal Rate	80% of normal rate of energy charges
Normal Hours (16:00 P.M to 8:00 P.M) and (02:00 A.M. to 08:00 A.M)	Normal Rate	Normal rate of energy charges
Peak Hours (18:00 P.M to 2:00 A.M)	Normal Rate	120% of normal rate of energy charges

**Note:** Peak, off-peak and normal load period as well as exact percentage of normal rate of energy charges to be levied for consumption made during peak and off-peak load hours shall be specified in respective tariff orders.

### 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 kW = 1.34 HP ; 1 HP = 0.746 kW

1 kW = 1.11 kVA ; 1 kVA = .90 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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

**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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

**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.

Year	Fixed charge Rs. / kVA or part thereof per month	Energy charges
		(Rs / kVAh)
As per Table 10.1	As per Table 10.1	As per Table 10.1

## 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 the 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:

Time of Use	Demand Charges	Energy Charges
Solar Hours (08:00 A.M to 16:00 P.M)	Normal Rate	80% of normal rate of energy charges
Normal Hours (16:00 P.M to 18:00 P.M) and (02:00 A.M. to 08:00 A.M)	Normal Rate	Normal rate of energy charges
Peak Hours (18:00 P.M to 2:00 A.M)	Normal Rate	120% of normal rate of energy charges

Note: Peak, off-peak and normal load period as well as exact percentage of normal rate of energy charges to be levied for consumption made during peak and off-peak load hours shall be specified in respective tariff orders.

### 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:

$$1 \text{ kW} = 1.34 \text{ HP} ; 1 \text{ HP} = 0.746 \text{ kW}$$

$$1 \text{ kW} = 1.11 \text{ kVA} ; 1 \text{ kVA} = .90 \text{ kW}$$

## 10.3 Schedule of Miscellaneous Charges

**TABLE 10-2 SCHEDULE OF MISCELLENAOUS CHARGES**

Description	Approved Charges
<b>Application fee for new connection/reduction of load/enhancement of load/ temporary or permanent disconnection/change of ownership/meter shifting, etc.</b>	
BPL	Rs. 50.00
LT Single Phase except BPL	Rs. 100.00
LT Three Phase	Rs. 250.00
HT Connection	Rs. 500.00
EHT Connection	Rs. 1000.00
<b>Inspection of Consumer's Installation</b>	
Intial Inspection	Free of Cost
Subsequent Inspection necessitated by fault in installation	<ul style="list-style-type: none"> <li>Rs. 50.00 for BPL</li> <li>Rs. 100.00 for LT Single Phase Connection except BPL</li> <li>Rs. 250.00 for LT Three Phase Connection</li> <li>Rs. 500.00 for HT Connection</li> </ul>

Description	Approved Charges
	<ul style="list-style-type: none"> <li>Rs. 1000.00 for EHT Connection</li> </ul>
<b>Note:</b> 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 wing.	
<b>Service Connection Charge</b>	
BPL Connection	Free
LT Single Phase except BPL Connections	RS. 250/kVA/kW
All LT Three Phase Connections with sanctioned load 85kW/100kVA/114HP (including EV with sanctioned load upto 150 kW/167kVA)	RS. 500/kVA/kW
All HT Connections upto 167kVA (150kW) including EV connections	RS. 500/kVA
HT connections with load more than 167kVA (150kW)	RS. 750/kVA
EHT Connections	RS. 1000/kVA
<b>Note:</b> 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.	
<b>Meter Testing Fee</b>	
LT Single Phase meter	RS. 100/-
LT Three Phase whole current Meter	RS. 250/-
Three Phase Meter with CT set	RS. 1000/-
HT Tri-vector Meter with 11/22/33 kV CTPT Unit	RS. 5000/-
EHT Tri-vector Meter with 110/132/220 kV CTPT Unit	RS. 10000/-
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.	
<b>Note:</b> 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.	
<b>Removing/ Re-fixing of Meter at Consumer's request</b>	
Single Phase Meter	RS.250/-
Three Phase Meter	RS.500/-
Three Phase Meter with CT	RS.1000/-
HT Tri-vector with CTPT Unit	RS.5000/-
EHT Tri-vector with CTPT Unit	RS.10000/-
Cost of material, as required, will be borne by the consumer as per the estimate.	
<b>Disconnection/Reconnection charge at consumer's request</b>	
BPL	RS. 50/-
LT Single Phase Supply	RS. 100/-

Description	Approved Charges
LT Three Phase Supply	RS. 250/-
HT Supply	RS. 500/-
EHT Supply	RS. 1000/-
<b>Note:</b> 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.	
<b>Pole shifting charges at consumer's request:</b> The pole shifting charges shall be payable by the consumer based on cost estimate on case to case basis.	

## Chapter 11: Directives

### 11.1 Earlier Directives

#### Directive No. 1 Territory wise Voltage wise and Category wise details of Sales and Revenue

**Originally issued in APR Order dated August 01, 2023 and further direction provided vide order dated June 13, 2024 in Case No. 117 of 2023**

The Commission has directed the Petitioner to submit the territory-wise and category-wise Sale and Revenue for FY 2022-23.

##### **Petitioner's Submission in Present Petition:**

In this regard, the Petitioner submits that from 1st April, 2022 the Petitioner distributes electricity to the UT of Dadra and Nagar Haveli and Daman and Diu as one license area. Hence, all relevant details of sales and revenue for the license area are provided in the petition.

##### **Commission's Directive:**

The Commission has noted that response of the Petitioner.

#### Directive No. 2 Timely submission of reports for performance indices

**Originally issued in APR Order dated August 01, 2023 and further direction provided vide order dated June 13, 2024 in Case No. 117 of 2023**

The Commission has directed the Petitioner to submit the report related to performance indices i.e. SAIFI, SAIDI, CAIDI and RI for feeder and RI for consumer on quarterly basis.

##### **Petitioner's Submission in Present Petition:**

In compliance to the direction, the Petitioner has already submitted the requisite details in quarterly reports.

##### **Commission's Directive:**

The Commission noted the submission of the Petitioner.

#### Directive No. 3 Provision of estimated (Gap)/Surplus under IND AS 115

##### **New Directive:**

The Commission finds that the booking of provision on the gap/surplus, without specific approval of the Commission is not appropriate as the true-up exercise is carried out by the Commission after prudence check of the audited accounts as per the provision of the relevant regulation. Therefore, the Petitioner is directed to



maintain separate regulatory accounts where no such provision should be maintained as an estimated (gap)/surplus.

**Directive No. 4 Actual Interest on Consumer Security Deposit**

**New Directive:**

The Petitioner is directed to disclose actual Interest paid on consumer security deposit in its Balance Sheet henceforth.

## Annexures

### Annexure 1: List of stakeholders/public attended Public Hearing

The following is the list of the stakeholders who have attended the Public Hearing on 18<sup>th</sup> & 24<sup>th</sup> June, 2025.

**TABLE ANNEXURE-1 LIST OF STAKEHOLDER**

Sr. No.	Name of persons (Mr./Mrs.)
1.	Pawan
2.	D. V. Thapa
3.	Ajay Shuntla
4.	Jainendra Patil
5.	Kirit Mitnu
6.	Vijay Mehta
7.	Mahendra Damadar
8.	R.P Shah
9.	Dillepzha
10.	Rahul D
11.	Bijal Patel
12.	P.K Jadia
13.	Sanjay Dalal
14.	A.K. Shivhare
15.	Sohil
16.	Dinesh Paliwal
17.	Santosh Halpah
18.	Sanjay Halpti
19.	Harish Dalal
20.	R.K Shukla
21.	Shri Umesh Patil (M.P)
22.	Ravi Pandey
23.	Vijay Patil
24.	Navendra Trivedi
25.	Atul R. Shah
26.	Sanjeev Kapoor
27.	Sanjay Kumar
28.	Prashant
29.	Shirish
30.	Vishal Kumar
31.	Viral Bari
32.	Chintan
33.	Smit Patel
34.	Sanjay Patel
35.	Hashmukh Bhai
36.	Rakesh Patel
37.	Naushad
38.	Anish
39.	Uttam

Sr. No.	Name of persons (Mr./Mrs.)
40.	Ramas Bhai
41.	Irshad
42.	Mubarak
43.	Samshad
44.	Pema Gaon
45.	Shivam
46.	Anas
47.	Samshu
48.	Gaurang Tandel
49.	Pravin Chaudhari
50.	Vijay Prakash
51.	P. Gajjar
52.	Banty Kishor
53.	Anup Giri
54.	Dipak Mangola
55.	Wilson Ajick
56.	Umesh Rama
57.	Navin P
58.	Velji Lakha
59.	Lalabhai