IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT RANCHI

Case No. 18 of 2022

Tata Power Company Limited (TPCL) .... Petitioner

Versus.

Tata Steel Limited (TSL) .... Respondent

CORAM: HON'BLE JUSTICE MR. AMITAV KUMAR GUPTA, CHAIRPERSON
HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)
HON'BLE MR. ATUL KUMAR, MEMBER (TECH)

For the Petitioner : Mr.Ashutosh Kumar Srivastava, Advocate and Mr. Dilip Kumar, Lead - Regulatory, Tata Power

For the Respondent : Mr. Manish Mishra, Advocate

ORDER

Date – 09th January, 2024

1. This review petition has been filed by Tata Power Company Limited (TPCL) under section 94 (1) (f)of the Electricity Act, 2003 read with clause A41 of the JSERC (Conduct of Business) Regulations, 2016 for Review of Order dated 04.11.2022 passed in Case (T) no. 10 of 2020 for True-up for FY 2019-20, Annual Performance Review (APR) for FY 2020-21, Business Plan and Multi Year Tariff determination for Control period FY 2021-22 to 2025-26 with respect to Unit- 2 & 3 (2x120 MW) of Jojobera Plant of the Tata Power.

2. The Petitioner has submitted that the Review Petition has been filed within the limitation period prescribed under Regulation 41.4 of the Jharkhand State Electricity Regulatory Commission (Conduct of Business) Regulations, 2016.

Submission of the Petitioner

3. Learned Counsel for the Petitioner has submitted that the petition has been filed for review of the issues enumerated below:

   (a) Incorrect computation of depreciation of the plant for true-up of FY 2019-20.

   (b) Incorrect computation of raw water charges for True-up of FY 2019-20.

   (c) Incorrect computation of Specific Fuel Oil Consumption ("SFC") for the true-up of FY 2019-20.

   (d) Incorrect computation of the Interest on loan ("IoL") for True-up of FY 2019-20 and determination of MYT for FY 2021-22 to FY 2025-26.

   (e) Incorrect computation of the Repair and Maintenance ("R&M") expenses projected to be incurred for the MYT for FY 2021-22 to FY 2025-26.

Considering the submission of the parties and on the basis of the facts available on record, each issue has been dealt with separately, herein under: -

A. Incorrect Computation of Depreciation in True-up for FY 2019-20

Submission of the Petitioner

4. It was contended by the learned counsel that this Hon'ble Commission erred in taking into account the Power Purchase Agreement ("PPA") tenure, to spread the remaining depreciable amount in PPA life of 30 years, inasmuch as the same is contrary to Regulation 7.32 read with Regulation 2.1(58) and 2.1(27)of the Generation Tariff Regulations 2015, which clearly specifies that the balance depreciable value is to be spread (i.e. 90% of the Capital Cost minus Cumulative depreciation recovered for assets in service up to 2018-19) over the balance useful life by considering the useful life to be 25 years for the Plant.

5. Drawing attention to Regulations 7.29, 7.31 and 7.32 of the Generation Tariff Regulations 2015, it has been submitted that the aforesaid regulations are relevant and applicable to Units 2 & 3 of the present Generating Station. It was pointed out that while Regulation 7.29 and 7.31 allows recovery of 90% of Capital Cost as Depreciation for the Useful life of 25 years of the Plant and Regulation 7.32 specifies how this 90% is to be recovered in these 25 years. It was further stated that as per Regulation 7.32, after reaching the cumulative depreciation of 70%, the remaining depreciable value is required to be spread over the remaining life of the asset, such that the maximum depreciation does not exceed 90%.

6. It was also submitted that as soon as cumulative depreciation of all assets taken together reaches 70% as per GTR 2015, balance depreciation is to be spread over the remaining useful life of 25 years as under;

Depreciation- Unit-II	Dep on Original Project Cost	Dep on Additional Capitalization	Total (Dep)
Proposed in Petition considering useful life of 25 years as per Regulation i.e. Balance life of: 7 years	3.5	6.66	10.16
Approved in Impugned Order considering PPA life of 30 years i.e. Balance life of: 12 years	2.04	3.89	5.93
Claim under Review Petition	**1.46**	**2.78**	**4.23**

Depreciation- Unit-III	Dep on Original Project Cost	Dep on Additional Capitalization	Total (Dep)
Proposed in Petition considering useful life of 25 years as per Regulation i.e. Balance life of: 7 years	5.53	4.6	10.13
Approved in Impugned Order considering PPA life of 30 years i.e. Balance life of: 12 years	3.40	2.83	6.23
Claim under Review Petition	**2.13**	**1.77**	**3.90**

Thus, GTR 2015 recognizes only the useful life of the plant and has no reference to the PPA life. In fact, depreciation as a principle has no correlation with PPA life, which may be less or more than useful life, considered for accounting and regulatory purposes. However, GTR 2020 has a specific provision with respect to the spreading of balance depreciation in PPA life after prudence check, which reads as follows:

"15.30 Depreciation shall be calculated annually, based on the straight-line method, at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:

Provided that the Generating Company shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset;

Provided that in case the tenure of PPA executed between the Generating plant and Beneficiaries is more than that of the Useful life of the plant, the Commission after prudence check may consider the PPA life for spreading the remaining depreciable value as on March 31 of the year instead of useful life;

Provided that in case after carrying out the residual life assessment, it is found that the residual life of the generating station or unit as the case may be is beyond the useful life specified in these regulations the Commission after prudence check, may spread the remaining depreciable value to be recovered over the extended life of the plant"

7. It was stated that this Hon'ble Commission is empowered to consider the PPA life as per the above said Regulation which requires spreading the depreciation beyond useful life only after carrying out the residual life assessment and, in the case of Petitioner's Plant, this Hon'ble Commission has considered the residual life based on original PPA period and not on the basis of residual life assessment. It was submitted by the petitioner that it is not seeking review of this Hon'ble Commission's decision of spreading depreciation in PPA life during the MYT period of 2021-22 to 2025-26 (3rd Control Period) but is praying for revision of depreciation during 2nd Control period in FY 2019-20 and 2020-21 and it shall have an impact on cumulative depreciation till the end of 2nd Control period and consequently on the allowable balance depreciation for 3rd Control Period, which shall be lower than that allowed by the Hon'ble Commission in the Impugned Order.

8. Learned counsel for the petitioner has prayed to review the Impugned Order and to re-compute the depreciation for FY 2019-20 in consonance with the Regulation 7.32 and other applicable Regulations as per GTR 2015 as computed above and to allow the petitioner to recover the 90% of Original Capital Cost and subsequent additional capitalization as depreciation over the remaining useful life of 25 years of the Generating Units as per Generation Tariff Regulations 2015. It was further prayed that the consequent effect of the cumulative depreciation till 2020-21 may kindly be given in the computation of depreciation for the MYT period from 2021-22 to 2025-26.

Submission of the Respondent

9. Learned Counsel for the respondent has submitted that this Commission while computing the depreciation of the Plant for True Up for FY 2019-20, has correctly taken into account the fact that depreciating the depreciable amount in 25 years would defeat the purpose of reliability and economical power and pointed out that depreciating the depreciable amount in 30 years (the PPA tenure) would economise the power cost.

Commission's Observation and Finding

10. Ongoing through the impugned order, it is evident that the said issue has been deliberated and discussed in this Commission's order dated 04.11.2022 in para 5.07 to 5.73 which reads as under:

"5.70 The Commission observed that the Petitioner proposes different methodology for calculation of depreciation vis-à-vis the method approved by the Commission. In reply to this query the Petitioner submitted that since cumulative depreciation on Gross Fixed Asset, i.e., (Original Cost and Additional Capitalisation) has crossed 70%, the Petitioner, therefore, in terms of Regulation 7.32 of the Generation Tariff Regulations 2015 has computed the depreciation on the aggregate asset by dividing the balance depreciable value by balance useful life of the project. Further, on the query that the proposed methodology is different from previous Petition, the Petitioner submitted that the proposed methodology/Computation of depreciation is not different from earlier Petition. In fact, in the Petition for True-up of FY 2016-17 and FY 2017-18, the Petitioner on similar lines had proposed for recovery of balance depreciable value as on 31.03.2016 within the balance PPA life.

5.71 The Commission has scrutinised the detail submitted by the Petitioner and observes that the Plant is in fag end of its life and overall depreciation of the generating stations had reached 70% for both the Units. Hence, in accordance with Regulations 7.3, the Commission is of the view to spread equally the remaining depreciable amount.

5.72 As per Regulation the Useful life of the generating station is 25 years, however, the Petitioner had executed the Power Purchase Agreement (PPA) with the Beneficiary for 30 years. Such signing of PPA, clearly infer that both the Petitioner and Beneficiary are aware that the existing plant is able to stand even after 25 years. Further, depreciating the legitimate depreciable amount in 25 years will defeat the purpose of reliability and economical power which is an attribute of long term PPA.

5.73 Hence, the Commission taking into account the PPA tenure, has spread the remaining depreciable amount in PPA life (30 years) which shall also economise the power cost, and therefore approves the depreciation taking into PPA life instead of Useful life".

11. Considering the observation made in the aforesaid order and the reasons assigned therein, the Commission is of the view that Issue no. A does not require review, as a result, the prayer stands rejected.

B. Incorrect Computation of Raw Water Charges in True-up for FY 2019-20

<u>Submission of the Petitioner</u>

12. Learned Counsel for the Petitioner has submitted that in the MYT Order dated 19.02.2018, the Commission had approved the Raw Water Expense for FY 2019-20 on considering the projected Generation, estimated Specific Raw Water Consumption of 3.18 m3/MWh and full Raw Water charges at the applicable rate of Rs 20.25/m3 which was charged by the Supplier to its industrial consumers including the petitioner which comprised of Base Water Charges and Water Tax payable to Government of Jharkhand. It is submitted that since the total actual raw water expense for FY 2019-20 was lower than the approved value inter alia on the account of lower wet ash disposal and lower Generation, therefore, the petitioner had claimed 100% of the actual raw water expenses as per the audited accounts comprising of 100% Base Water Charges and 100% Water Tax.

13. It was submitted that, given the lower wet ash disposal and lower Generation, the actual raw water expenses for FY 2019-20 were lower than the approved

value and therefore the petitioner had claimed the actual raw water expenses as per its audited accounts and in the Impugned Order, it is contended thatthe Commission has erred in disallowing the claim of the petitioner, in terms of its audited accounts, which was well within the approved value, on the ground that because the matter related to Water Tax was pending before Hon'ble Jharkhand High Court, therefore, it is following the methodology of allowing 52% of Water Tax as adopted in MYT Order dated 14.02.2020 and 100% of Base Water Charges.

14. It was submitted that this Commission has erred in disallowing the claim of the Petitioner, in terms of its audited accounts, which was well within the approved value and as per the principle/methodology adopted at the time of issuing the MYT Order i.e. 100% of Base Water and 100% of Water Tax.

15. On the above grounds, prayer has been made to review the Impugned Order and to permit the Raw Water Charges as claimed by the petitioner on the basis of the table below:

Water Charges for 2019-20	UoM	Indices	Unit 2	Unit 3
Water Consumption	m3	A	2025619	1967139
Effective Base Water Charge Rate	Rs./m3	B	11.39	11.39
Effective Water Tax Rate	Rs./m3	C	10.35	10.35
Base Water Charges	Rs. Cr.	d = a x b/10^7	2.31	2.24
Water Tax	Rs. Cr.	e = a x c/10^7	2.10	2.04
Total Water Charges claimed in Petition	Rs. Cr.	f = d + e	4.40	4.28
Water Charges allowed in the Impugned Order	Rs. Cr.	g = d + 52% x e	3.40	3.30
Water Charges to be allowed as per approach followed in MYT Order dated 19.02.2018	Rs. Cr.	h = 100% x d + 100% x e	4.40	4.28
Differential Water Charges Claimed now in Review Petition	**Rs. Cr.**	**i = h – g**	**1.01**	**0.98**

Submission of the Respondent

16. Learned counsel for the respondent has submitted that the respondent has been billing and supplying water to the petitioner and the petitioner had been paying the billed amount to the Respondent, till this Hon'ble Commission directed the Petitioner to pay 52% of the billed amount. It was pointed out that the petitioner has challenged the aforesaid order before the Hon'ble Appellate Tribunal for Electricity which is still pending before the Hon'ble APTEL for adjudication.

Commission's Observation and Finding

17. Ongoing through the impugned order, it is evident that the said issue has been deliberated and discussed in this Commission's order dated 04.11.2022 in para 5.85 to 5.87 which reads as under:

> *5.85 The Petitioner submitted that the Government of Jharkhand had increased the water charges vide notification dated April 01, 2011 issued by the Water Resources Department, Government of Jharkhand. Tata Steel Limited (TSL) challenged the exorbitant increase in water charges by preferring a writ petition being WPC No. 4544 of 2011 before the Hon'ble High Court of Jharkhand. Hon'ble High Court had passed the Interim Order in favour of TSL directing them to pay only Rs. 1.00 Crore per month towards water charges till the pending writ petition is*

decided. However, the Interim Order does not specify, what part of Rs. 1.00 Crore is associated to the Petitioner's Unit-II & unit-III of Jojobera plant.

5.86 The Petitioner has produced new facts that there are two charges in net raw water charge i.e., water charge payable to TSL for service providing and other is water tax payable to Government of Jharkhand. The dispute and writ petition filed before the Hon'ble Jharkhand High Court is related to Water Tax. Additionally, the Petitioner requested the Commission to allow only 52% of water tax and base water charge as 100%.

5.87 The Commission had gone through the submissions of the Petitioner and observed that the matter related to Water Tax is sub-judice before the Hon'ble Jharkhand High Court. Thus, True-up for FY 2019-20, Business Plan & MYT for FY 2021-22 to FY 2025-26 the Commission is approving total Water Charge payable to TSL for its service and accepted the same methodology as adopted in its MTR Order dated February 14, 2020 for approving the Water Tax. The net Raw Water Expense approved in this Order is subject to final outcome of above-mentioned Petition before the Hon'ble Jharkhand High Court.

18. Thus considering the reasons assigned by the Commission in the aforesaid order, the Commission is of the view that issue no B does not require any interference by way of review and accordingly the petitioner's prayer is hereby rejected.

C. Incorrect Computation of Specific Fuel Oil Consumption in True-up for FY 2019-20

<u>Submission of the Petitioner</u>

19. Learned Counsel for the Petitioner has submitted that this Commission has incorrectly computed the Specific Fuel Oil Consumption in True-up for FY 2019-20.

20. It was pointed out that this Commission, in the True-up Order dated 04.11.2022, while computing the SFC for Units 2 and Unit 3 of the Generating Station for FY 2019-20, considered SFC as 1.00 ml/kWh instead of 0.50 ml/kWh, as specified in the Regulation 8.4 of Generation Tariff Regulations, 2015.

21. It was contended that the SFC has been specified by this Commission itself in the Generation Tariff Regulations 2015 tobe 1 ml/kWh and the Commission is bound by its own Regulations, which are framed after following the principles laid down under Section 61 of the Act, and any deviation from the methodology provided under the Regulation will be violation of the Act and Regulations so framed.

22. It was submitted that the petitioner had filed a Review Petition bearing Case No. 06 of 2018 against the MYT Order dated 19.02.2018 inter alia, raising the instant issue and this Commission vide Order dated 09.01.2019 observed that the Commission will re-look into the matter during true-up of the years (i.e., FY 2019-20 in the present case).

23. It was submitted that the findings of this Commission of the Impugned Order reproduced hereinabove is an error apparent on the face of the record warranting the exercise of review jurisdiction of this Hon'ble Commission by

considering the submissions of the Petitioner to allow SFC to be taken as 1 ml/kWh as per the Generation Tariff Regulations 2015 on the basis of the table below.

SecondaryFuel Oil Cost for 2019-20	UoM	Unit 2	Unit 3
Normative SF Oil Cost Claimed @ 1ml/kWh	Rs. Cr.	3.72	3.63
Allowed @0.5 ml/kWh	Rs. Cr.	1.86	1.82
Differential SF Oil Cost Claimed now in Review Petition	**Rs. Cr.**	**1.86**	**1.82**

Submission of the Respondent

24. Learned Counsel for the Respondent has submitted that the normative value of SFC is 1ml/kWh and this Commission has, in the past considered all factors after getting all relevant information/data from the petitioner through additional data submission for truing up of FY 19-20 figures after considering the normative SFC. Since the actual SFC of the TPCL plants has been around 0.5ml/kWh for the last 5 years, and based on data submitted by TPCL, this Commission had granted the SFC as 0.5ml/kWh.

Commission's Observation and Finding

25. The Commission observes that Issue no. C sought for review by the petitioner has already been deliberated and dealt with in the Commission's order dated 04.11.2022 vide para 5.24 to 5.26 which reads as under:

> *"5.24 The Commission in its MYT Order dated February 19, 2018 approved the Specific Fuel Oil Consumption as 0.50 ml/kWh for the Control period from FY 2016-17 to FY 2020-21. The abstract from the MYT Order is reproduced below.*
>
> *"6.137 The JSERC Generation Tariff Regulations, 2015 specifies the following*
>
> *"16.4 The Commission may in public interest and for reasons to be recorded in writing, relax any of the provision of these Regulations."*
>
> *6.138 Considering all of the above, the Commission has decided to approve the specific oil consumption (of LDO) at 0.5 ml/kWh for each year of the Control Period i.e. from FY 2016-17 to FY 2020-21 for both Unit 2 and Unit 3. This norm may be relooked based on Petitioner's actual performance during the Control period and as deemed fit by the Commission after due consideration of the actual performance of the Petitioner. In the subsequent APR and True-up Petitions, the Petitioner is directed to also submit details of number of unit-wise start-ups taken after shutdown. Also, details should include monthly quantity of secondary fuel consumed during plant start-up and flame support if required."*
>
> *5.25 The Petitioner had filed the Review Petition before the Commission against the MYT Order dated February 19, 2018 for revision of targets on specific fuel oil consumption for the 2nd Control Period. The Commission retained the normative value as approved in MYT Order dated February 19, 2018 and disposed of the review petition. The relevant abstract is reproduced below.*
>
> *".... the Commission has fixed 0.5 ml/kWh for each year of the*

control period at this stage. However, as mentioned in the MYT Order itself, the Commission may re-look into the same during APR and True up of the years to be submitted by the Petitioner subject to the petitioner providing the details of start-ups taken after the shut downs and monthly quantity of secondary fuel consumed during plant start-up" True-up for FY 2019-20, Business Plan & MYT for FY 2021-22 to FY 2025-26

5.26 Further, the Petitioner had filed an Appeal before the Hon'ble APTEL against the MYT Order dated February 19, 2018 which is still pending. Since, the matter is sub-judice before the Hon'ble APTEL, the Commission has considered the Specific Fuel Oil Consumption as 0.50 ml/kWh as approved in MYT Order dated February 19, 2018 and APR Order dated September 09, 2020 for both the Units.

26. Thus considering the discussions made in the aforesaid order, the Commission observes that Issue no. C does not require any interference by way of review and accordingly, the petitioner's prayer is hereby rejected.

D. Incorrect Computation of the Interest on Loan (IoL) for True-up of FY 2019-20 and Determination of MYT for FY 2021-22 To FY 2025-26

<u>Submission of the Petitioner</u>

True-up of FY 2019-20

27. Learned Counsel for the Petitioner has submitted that in the impugned Order, the Commission while computing IoL for the True-up of FY 2019-20, has considered the deemed loan repayment equal to approved depreciation for FY 2019-20 and thereby disallowed the IoL amounting to Rs. 0.06 Crores (-0.04 for Unit 2 and +0.10 for Unit 3) for the FY 2019-20.

28. It was pointed out that as per paras 5.94 to Para 5.96 of the Impugned Order, the deemed loan repayment is equal to the approved depreciation for FY 2019-20 and considering the facts that the actual loan on the Assets Capitalised as on COD i.e. the Original Project Cost has been entirely repaid by the Petitioner as such, the normative loan value approved by the Commission is on the Additional Capitalisation from FY 2011-12 and taking normative opening loan for FY 2019-20 equal to closing normative loan amount of FY 2018-19 as approved in the previous APR Order dated 09.09.2020, the addition to normative loan in FY 2019-20 was to be computed at 70% of additional capitalization of Rs. 2.37 Crore and Rs. 1.99 Crores.

29. It was submitted that the interest on loan (IoL) should have been worked at Rs. 3.86 Crore and Rs. 2.81 Crore as against the approved Rs. 3.90 Crore in Unit 2 and Rs. 2.71 Crore in Unit 3, respectively. It was further stated that the above claim of depreciation for 2019-20 and subsequent years is not correct as the repayment out of approved total depreciation, i.e., depreciation on approved additional capitalization should have been considered and IoL would work out to Rs. 4.04 Crore and Rs. 2.92 Crore as against the approved amount of Rs. 3.90 Crore in Unit 2 and Rs. 2.71 Crore in Unit 3, respectively.

30. It was further submitted that for computing the Normative Additional Loan as 70% of Additional Capitalisation for FY 2016-17, the Normative Additional Loan of Rs. 1.66 Crore in Unit 2 and Rs. 1.39 Crore in Unit 3 only from the approved Additional Capitalization of Rs. 2.37 Crores and Rs. 1.99 Crores for 2019-20 respectively has been approved. It is also stated that till the last true-up order, the interest on Normative loan is claimed and allowed for Normative

loans pertaining to Additional Capitalisations from FY 2011-12 and the Commission has already taken cognizance of the same in the Impugned Order as per Petitioner's statement in para 5.91. However, for the purpose of repayment on loan, the Commission has considered depreciation on the entire GFA as repayment against the loan for additional capitalization and that the repayment for loan considered for additional capitalisation cannot be out of the entire depreciation but only for the depreciation on additional capitalization.

MYT for FY 2021-22 to FY 2025-26

31. Learned Counsel for the Petitioner has submitted that, in the Impugned Order the Commission, while computing the projected IoL for the control period from FY 2021-22 to FY 2025-26 has considered the deemed loan repayment equal to total depreciation as approved for the relevant Financial Year.

32. It is contended that there is an apparent error in disallowing the claim of the Petitioner, as the Commission has inadvertently considered the projected deemed loan repayment as equal to approved depreciation forthe control period of FY2021-22 to FY 2025-26, instead of depreciation on Additional Capitalisation only.

33. On the above grounds, it is prayed that the given re-computation is refused on the projected IoL as per Generation Tariff Regulations 2020 for Units 2 and 3 of the Jojobera TPP for the control period FY 2021-22 to FY 2025-26 based solely on depreciation on Additional Capitalisation.

Submission of the Respondent

34. The Learned Counsel for the respondent has submitted that the instant ground cannot be considered in the review jurisdiction and the Learned Commission has computed the interest on loan on the basis of deemed loan repayment as being equal to approved depreciation for FY 2019-20, instead of depreciation on the additional capitalization only as such, Hon'ble Commission may consider the relief in accordance with the provisions of the GTR Regulations, 2015.

Commission's Observation and Finding

35. The Commission observes that there is an inadvertent error in the computation of Interest on Loan for FY 2019-20 and MYT control period for FY 2021-22 to FY 2025-26 as such the Commission, after prudent check, hereby re-calculated the Interest on Loan for FY 2019-20 and MYT control period for FY 2021-22 to FY 2025-26 as under;

Revised Table 36: Interest on Loan (Rs. Crore) for Unit-2 and Unit-3 as approved by the Commission for FY 2019-20.

Particulars	Unit-2			Unit-3		
	APR	Petition	Approved	APR	Petition	Approved
Opening Loan	32.11	32.11	32.11	24.40	24.40	24.40
Loan Addition	1.59	1.66	1.66	1.63	1.39	1.39
Repayment	4.21	6.66	3.88	2.94	4.60	2.83
Closing Loan	29.49	27.11	29.89	23.09	21.19	22.96
Interest Rate	13.02%	13.02%	13.02%	12.33%	12.33%	12.33%
Interest on Debt	**4.01**	**3.86**	**4.04**	**2.93**	**2.81**	**2.92**

Revised Table 122: Interest on Loan (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	Unit-2				
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Opening Loan	32.49	32.15	31.00	24.83	18.65
Loan Addition	4.84	4.72	0.08	0.09	0.00
Repayment	5.18	5.87	6.25	6.27	6.27
Closing Loan	32.15	31.00	24.83	18.65	12.38
Interest Rate	9.00%	9.00%	9.00%	9.00%	9.00%
Interest on Debt	2.91	2.84	2.51	1.96	1.40

Revised Table 123: Interest on Loan (Rs. Crore) for Unit-3 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	Unit-3				
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Opening Loan	31.91	32.13	28.76	23.67	18.58
Loan Addition	4.84	1.68	0.08	0.09	0.00
Repayment	4.62	5.04	5.17	5.18	5.19
Closing Loan	32.13	28.76	23.67	18.58	13.39
Interest Rate	9.00%	9.00%	9.00%	9.00%	9.00%
Interest on Debt	2.88	2.74	2.36	1.90	1.44

E. Incorrect Approach to determine the projected Repair and Maintenance Expenses forthe Control Period FY 2021-22 To FY 2025-26

Submission of the Petitioner

36. Learned Counsel for the Petitioner has submitted that the Hon'ble Commission, while computing the projected R&M expenses for the control period FY 2021-22 to FY 2025-26 in the Impugned Order, has disallowed the R&M expenses to the tune of Rs. 21 Crores i.e., about Rs. 10 Crores for Unit-2 and Rs. 11 Crores for Unit-3 for the control period FY 2021-22 to FY 2025-26.

37. It was further submitted that this Commission, while working out the Base Employee expense and A&G expense for 2020-21, has taken the average of actual expenses for the years 2015-16 to 2019-20 and considered it to be the mid-year cost for 2017-18, escalated the same with actual inflation/escalation indices for 2018-19, 2019-20 and 2020-21 for arriving at the Base year allowable costs under these heads. However, for arriving at the Base R&M expenses for 2020-21, this Hon'ble Commission has simply taken the average K factor from the actual R&M expenses/GFA for the past 5 years without considering any escalation for the years 2018-19, 2019-20 and 2020-21 and multiplied the same with GFA for 2020-21. It was stated that the approach is incorrect on two counts (i) it does not maintain consistency with the method applied for Employee and A&G cost and (ii) it does not capture the impact of abnormal expenses as is required under the Regulations resulting in lower than allowable R&M cost for the Base Year and the MYT period.

38. Learned Counsel for the Petitioner has submitted that if a consistent approach of averaging and escalating for 3 years is applied, the computation of Base R&M cost and MYT period R&M cost shall change as shown in the following Tables (Figures other than % are in Rs. Crore).

Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Indexation Factor	1.46%	3.05%	3.01%	4.92%	4.90%	3.34%
Avg.	3.47%					

Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Opening GFA	472.83	470.99	475.63	475.86	485.64	483.52
Actual R&M Expenses	12.18	12.10	15.21	20.25	12.66	
Actual K Value	2.58%	2.57%	3.20%	4.26%	2.61%	
Approved Average K			3.04%	3.04%	3.04%	3.04%
Approved R&M Expenses						14.70
Corrected K Factor			3.04%	3.19%	3.35%	3.46%
Corrected R&M Expenses	16.72					

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Opening GFA	483.52	493.93	499.96	504.75	504.83	504.92
Approved Average K	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%
Approved R&M Expenses	14.70	16.32	17.09	17.86	18.48	19.12
Corrected K Factor	3.46%	3.46%	3.46%	3.46%	3.46%	3.46%
Corrected R&M Expenses	16.72	18.56	19.44	20.31	21.02	21.75

Particular	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Opening GFA	452.15	455.05	460.43	461.90	462.48	483.52
Actual R&M Expenses	13.86	14.48	15.11	10.14	12.85	
Actual K Value	3.06%	3.18%	3.28%	2.19%	2.78%	
Approved Average K			2.90%	2.90%	2.90%	2.90%
Approved R&M Expenses						14.02
Corrected K Factor			2.90%	3.04%	3.19%	3.30%
Corrected R&M Expenses	15.95					

Particular	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Opening GFA	483.52	482.62	488.65	490.47	490.54	490.63
Approved Average K	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Approved R&M Expenses	14.02	15.21	15.94	16.55	17.13	17.72
Corrected K Factor	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%
Corrected R&M Expenses	15.95	17.30	18.13	18.82	19.48	20.16

39. It was further submitted that the actual expenses for 5 years (i.e., previous control period from 01.04.2015 to 31.03.2020) preceding the Base Year, needs to be normalized for any abnormal expenses, for arriving at Normalised Base Year Expenses.

40. It was contended that according to the Regulations, the approved 0&M Expenses for FY 2020-21, i.e., the last year of the previous Control Period, or for that matter, the O&M Expenses approved for any year of the Second Control Period, including the Base Year for FY 2020-21 for the Second Control

Period, are not to be considered for determining the 0&M Expenses for the Base Year and subsequent years of the Third Control Period. In view thereof, it was submitted that this Hon'ble Commission erred in failing to approve the proposed 0&M expenses for the Third Control Period based on the Review Petition's proposed Normalized 0&M expenses for the Base Year computed with the abnormal expense of R&M shutdown cost that occurs in alternate years for Unit 2 and 3. Thus, there shall be higher R&M expenses during the year of shutdown and lower in the next year as compared to an average of 5 years adjusted for inflationary increase in any year. It may kindly be noted that averaging 5 year expenses would be somewhere in the middle of expenses in succeeding years of shutdown/no shutdown and, hence, the expense would be surplus or short of actual requirement in a Unit. To accommodate such variations, the Petitioner had added half of the estimated shutdown cost to average escalated R&M expenses in the year of shutdown and subtracted when there was no shutdown.

41. It was submitted that the proposed formulation for R&M captures the K factor for the year immediately preceding the Base Year, which may give a distorted relationship between GFA and R&M Expenses if last year's expenses have been too low or too high. Therefore, to smoothen the erratic trend of R&M Expenses for the past period, it was proposed to compute the K factor for the middle year of 5 years preceding the Base Year as the average value of K for these years and to arrive at the Base Year's K factor by escalating the same with factor INDXn/INDXn-1 for subsequent years. Similarly, the K factor may be escalated by the same formula for each year of the Control Period. Accordingly, the formula for the K factor and its computation/impact on R&M expense was proposed to incorporate the escalation factor INDXn/INDXn-1 in current Regulation 15.42(a).

42. It was submitted that the petitioner had proposed to defer the annual shutdown of Unit 3 from FY 2019-20 to FY 2020-21 when the shutdown of Unit 2 was also planned due to the proposed commissioning of a Fuel Gas De-sulphurisation ("FGD")System in its MTR Petition and this Hon'ble Commission, in MTR Order dated 14.02.2020 rejected the Review Petition's proposal for FGD as well as annual shutdown of both Units in FY 2020-21 by considering generation as per MYT Order, which had projected shutdown of one Unit only. Therefore, while there was no annual shutdown during FY 2019-20, there was only one annual shutdown in FY 2020-21 and as a matter of practice, the Review Petitioner has been taking annual shutdown of Units 2 and 3 in alternate years. However, due to the forced deferment of shutdown in FY 2019-20, there was an abnormal saving in Repair & Maintenance Costs which ordinarily varies between Rs. 7 to 8 Crore, and would not be there in any of the succeeding years in the Third Control Period, as such, an abnormal expense of Rs. 7 Crore has been added with the actual R&M expenses for FY 2019-20 for Unit 3 to arrive at a normalised R&M Expense for each year. It was stated that this Hon'ble Commission has erred in not taking the above into account while passing the Impugned order. Although for the sake of computing the revised R&M expenses in the above Tables, the Petitioner has not considered this abnormal expense in FY 2019-20 and has taken only actual R&M expenditures of the past 5 years. It was prayed that this abnormal expense of Rs. 7 Crore, which was not actually incurred, may also be added in FY 2019-20 actual expenses.

43. It was pointed out that the Review Petitioner takes Annual Shutdown of Units in alternate years and hence, uniformly increasing R&M expenses in each Unit would not reflect the actual expense incurred by the Review Petitioner. It was stated that in the year in which unit shutdown is taken, the R&M expenses would be higher because of expenses incurred in capital overhauling

of the machines during the shutdown as compared to the other units where such expenses have not been incurred barring exceptional expenses, if any, therefore, in order to remove such difficulty and to realign the R&M projection as per shutdown plan, the Review Petitioner has considered the average shutdown cost of about Rs 3.5 Crores in FY 2020 and escalated it twice with inflation to arrive at the average shut down costs for FY 2022. It is submitted that this escalated shutdown cost is removed from the Unit in which no annual shutdown is planned and is added to the Unit in which an annual shutdown is planned, similarly, the escalated cost next year is added in the Unit where the shutdown is planned and removed from other unit and the same approach is being followed for each year of the Control Period. It was also submitted that with staggering annual expenses in each Unit separately, the total R&M cost for Units 2 and 3 taken together remains almost the same, and has been claimed separately based on averaging methodology approved by this Hon'ble Commission. Further, the Petitioner has proposed to consider O&M expenses for Units 2 and 3 together for the purpose of Gain Sharing in the True-up Petition for 2021-22 filed on 30.11.2022. The petitioner, in view of the above average, escalated the computation after considering the staggering of R&M cost as under; (based on actual R&M expenses for the past 5 years without any adjustment of abnormal expense in 2019-20):

Unit – II	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Corrected R&M Expenses	16.72	18.56	19.44	20.31	21.02	21.75
Adjustment ofAvg Shutdown Expenses to align the R&M expenses with Outage	3.62	3.74	3.87	4.01	4.15	4.29
R&M Expenses after addition ofAvg Shutdown expenses during ASD and reduction in Other years		22.31	15.57	24.32	16.87	26.04

Unit – III	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Corrected R&M Expenses	15.95	17.30	18.13	18.82	19.48	20.16
Adjustment ofAvg Shutdown Expenses to align the R&M expenses with Outage	3.62	3.74	3.87	4.01	4.15	4.29
R&M Expenses after addition ofAvg Shutdown expenses during ASD and reduction in Other years		13.56	22.00	14.82	23.63	15.87

Before Staggering	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Unit-II	16.72	18.56	19.44	20.31	21.02	21.75
Unit-III	15.95	17.30	18.13	18.82	19.48	20.16
Total	**32.67**	**35.87**	**37.57**	**39.13**	**40.50**	**41.91**
After Staggering						
Unit-II		22.31	15.57	24.32	16.87	26.04
Unit-III		13.56	22.00	14.82	23.63	15.87
Total		**35.87**	**37.57**	**39.13**	**40.50**	**41.91**
Difference in Total Before and after Staggering		-	-	-	-	-

44. It was submitted that, the Hon'ble Commission had disapproved one of the schemes with a cost of about Rs. 6 Lakh each for Unit 2 and 3 in FY 2018-19 and since this expense has been booked as Capital Expenditure in the book of

accounts and the same is not a part of actual audited O&M expenses for FY 2018-19, as such, to reflect the true estimates of the total O&M expenses, the Petitioner has added this cost to the actual R&M expenses for Unit 2 and 3 to arrive at the normalised R&M expenses for FY 2018-19.

Submission of the Respondent

45. Learned Counsel for the respondent has submitted that the Hon'ble Commission has considered both items of the K factor of average of the last 5 years and also the average inflation factor of the last 5 years (FY16 to FY20) of 3.47% is considered for inflation from FY22 onwards, subject to true up as per actual.

46. It was further submitted that the R&M expense is approved in accordance with the provisions of the Regulations 2020 and there is no need to provide extra /additional R&M expenses beyond these two factors

Commission's Observation and Finding

47. The Commission observes that there is an inadvertent error in the computation of R&M expense for FY 2021-22 to FY 2025-26 as such the Commission, after prudent check, hereby approves the R&M expense for FY 2021-22 to FY 2025-26 as given below:

Revised Table 97: R&M (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Unit-2	18.56	19.44	20.31	21.02	21.75
Unit-3	17.30	18.13	18.82	19.48	20.16

CONCLUSION

48. In view of the above, the revised ARR for FY 2019-20 (True-up) and FY 2021-22 to FY 2025-25 (MYT) as approved by the Commission are summarized below:

Revised Table 49: Summary of Annual Fixed Cost (Rs. Crore) for Unit-2 and Unit-3 as approved by the Commission for FY 2019-20.

Particular	Unit-2				Unit-3			
	APR	Petition	Approved in True-up	Approved Now	APR	Petition	Approved in True-up	Approved Now
O&M Expenses	51.68	56.52	55.52	55.52	44.19	48.75	47.77	47.77
Depreciation	6.49	10.23	5.93	5.93	6.48	10.03	6.23	6.23
Interest on Loan	4.01	3.86	3.90	4.04	2.93	2.81	2.71	2.92
Int. on WC	14.95	15.71	15.40	15.40	14.51	15.28	14.95	14.95
Return on Equity	27.43	27.33	27.30	27.30	26.12	26.06	26.11	26.11
AFC	**104.55**	**113.65**	**108.05**	**108.18**	**94.23**	**102.92**	**97.77**	**97.99**

Revised Table 50: AFC (Rs. Crore) after availability for Unit-2 and Unit-3 as approved by the Commission for FY 2019-20.

Particular	Unit-2				Unit-3			
	APR	Petition	Approved in True-up	Approved Now	APR	Petition	Approved in True-up	Approved Now
Annual Fixed Charge	**104.55**	**113.65**	**108.05**	**108.18**	**94.23**	**102.92**	**97.77**	**97.99**

Availability	99.85%	95.82%	95.82%	95.82%	90.63%	94.60%	94.60%	94.60%
AFC after Availability	**104.55**	**113.65**	**108.05**	**108.18**	**94.23**	**102.92**	**97.77**	**97.99**

Revised Table 51: Annual Revenue Requirement (Rs. Crore) for Unit-2 and Unit-3 as approved by the Commission for FY 2019-20.

Particulars	Unit-2			Unit-3		
	Petition	Approved in True-up	Approved Now	Petition	Approved in True-up	Approved Now
AFC after availability	**113.65**	**108.05**	**108.18**	**102.92**	**97.77**	**97.99**
Energy Charge	**225.85**	**221.33**	**221.33**	**220.07**	**215.59**	**215.59**
Add: Tax on Gain on Secondary Fuel Oil Consumption	0.49	0.10	0.10	0.57	0.19	0.19
Add: Tax on Gain on Station Heat Rate	0.42	0.41	0.41	0.55	0.54	0.54
Add: Tax on Gain on Auxiliary Power Consumption	0.28	0.27	0.27	0.19	0.18	0.18
Add: Tax on Saving in the O&M Expenses	1.74	1.74	1.74	0.07	0.07	0.07
Less: Shakti Scheme Discount	0.05	0.05	0.05	0.06	0.06	0.06
Net ARR	**342.37**	**331.84**	**331.98**	**324.31**	**314.28**	**314.50**

Operation & Maintenance Expenses

Commission Analysis

49. The Commission has outlined clauses 15.35, 15.40 to 15.42 of JSERC Generation Tariff Regulation 2020, and clause 15.46 of JSERC Generation Tariff (1st Amendment) Regulation for the approval of Water charges, and Terminal liabilities as reproduced below:

> *"15.35 Operation and Maintenance (O&M) expenses shall comprise of the following:*
> 1. *Salaries, wages, pension contribution and other employee costs;*
> 2. *Administrative and General costs;*
> 3. *Repairs and maintenance expenses;*

Existing Generating Station

15.40 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Generating Company, estimates of the actual for the Base Year, prudence check and any other factor considered appropriate by the Commission.

15.41 The O&M expenses permissible towards ARR of each year of the

Control Period shall be approved based on the formula shown below:

O&Mn = (R&Mn + EMPn + A&Gn) + Terminal Liabilities Where, R&Mn – Repair and Maintenance Costs of the Generating Company for the nth year

O&Mn = (R&Mn + EMPn + A&Gn) + Terminal Liabilities Where, R&Mn – Repair and Maintenance Costs of the Generating Company for the nth year

15.42 The above components shall be computed in the manner specified below:

*a) (Repair &Maintenance) n = K*GFA*(INDXn/ INDXn-1)*

Where,

'K' is a constant (expressed in %) governing the relationship between Repair &Maintenance costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of Repair &Maintenance to GFA of the preceding years of the Base Year in the MYT Order after normalising any abnormal expenses;

'GFA' is the opening value of the gross fixed asset of the nth year;

b) EMPn + A&Gn = [(EMPn-1) (1+Gn)+ (A&Gn-1)]*(INDXn/ INDXn-1) Where,*

EMPn-1 – Employee Costs of the Generating Company for the (n-1)th year excluding terminal liabilities;

A&Gn-1 – Administrative and General Costs of the Generating Company for the (n-1)th year excluding legal/litigation expenses;

INDXn – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

Gn – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of Gn shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Generating Company Filing, benchmarking and any other factor that the Commission feels appropriate;

*c) INDXn = 0.55*CPIn +0.45*WPIn;*

Note-1: For the purpose of estimation, the same INDXn/INDXn-1 value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the INDXn/INDXn-1at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note-2: Any variation due to changes recommended by the Pay Commission or wage revision agreement, etc., will be considered separately by the Commission.

Note-3: Terminal Liabilities will be approved as per actual submitted *by the Generating Company along with documentary evidence such as actuarial studies.*

JSERC (Generation Tariff 1st Amendment) Regulation 2023

15.46. The Water Charges, Security Expenses and Capital Spares for thermal generating stations shall be allowed separately after prudence check:

50. In accordance with clause 15.43 note 3, the Commission disapproves the Terminal liabilities expenditure and shall be taken up during true-up on presentation of actual data.

51. In accordance with clause 15.46 of JSERC Generation Tariff (1st Amendment) Regulation 2023, the Water Charges, Security Expenses and Capital Spares for thermal generating stations shall be allowed separately as given below.

Revised Table 106: O&M Expenses (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Employee Salaries	8.41	8.70	9.00	9.31	9.63
R&M Expenses	18.56	19.44	20.31	21.02	21.75
A&G Expenses	6.36	6.58	6.81	7.05	7.29
HO Expenses	12.72	13.16	13.62	14.09	14.58
Ash Disposal	4.16	4.56	4.59	5.05	4.95
Terminal Benefits	-	-	-	-	-
Application &Publication fee	0.13	0.13	0.13	0.14	0.19
Legal Expenses	0.01	0.01	0.01	0.01	0.01
Total O&M	**50.35**	**52.58**	**54.47**	**56.66**	**58.40**

Table 106 A: Raw Water Charges (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Raw Water	5.00	5.38	5.80	6.22	6.68

Revised Table 107: O&M Expenses (Rs. Crore) for Unit-3 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Employee Salaries	8.41	8.70	9.00	9.31	9.63
R&M Expenses	17.30	18.13	18.82	19.48	20.16
A&G Expenses	5.97	6.17	6.39	6.61	6.84
HO Expenses	12.68	13.12	13.58	14.05	14.54
Ash Disposal	4.18	4.43	4.92	4.76	5.26
Terminal Benefits	-	-	-	-	-
Application & Publication fee	0.13	0.13	0.13	0.14	0.19
Legal Expenses	0.01	0.01	0.01	0.01	0.01
Total O&M	**48.68**	**50.69**	**52.85**	**54.35**	**56.62**

Table 107 A: Raw Water Charges (Rs. Crore) for Unit-3 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Raw Water	4.97	5.35	5.76	6.18	6.64

Revised Table 126: IoWC (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Cost towards Coal Stock (20 Days)	12.14	12.14	12.01	12.00	12.00
Cost towards Coal for Generation (30 Days)	18.20	18.20	18.01	18.00	18.00
Cost of Oil for Generation (2 months)	0.34	0.34	0.34	0.34	0.34
Maintenance Spares (20% O&M)	10.07	10.52	10.89	11.33	11.68
O&M Expenses (1 month)	4.61	4.83	5.02	5.24	5.42
Receivables (45 Days)	39.58	39.98	40.02	40.15	40.31
Total Working Capital	84.94	86.00	86.29	87.07	87.75
Interest Rate	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	**8.92**	**9.03**	**9.06**	**9.14**	**9.21**

Revised Table 127: IoWC (Rs. Crore) for Unit-3 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Cost towards Coal Stock (20 Days)	12.46	12.46	12.33	12.32	12.32
Cost towards Coal for Generation (30 Days)	18.69	18.69	18.49	18.49	18.49
Cost of Oil for Generation (2 months)	0.34	0.34	0.34	0.34	0.34
Maintenance Spares (20% O&M)	9.74	10.14	10.57	10.87	11.32
O&M Expenses (1 month)	4.47	4.67	4.88	5.04	5.27
Receivables (45 Days)	40.14	40.47	40.50	40.55	40.79
Total Working Capital	85.83	86.75	87.11	87.61	88.53
Interest Rate	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	**9.01**	**9.11**	**9.15**	**9.20**	**9.30**

Revised Table 138: AFC (Rs. Crore) for Unit-2 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
O&M Expenses	50.35	52.58	54.47	56.66	58.40
Depreciation	7.47	8.09	8.53	8.54	8.56
Interest on Loan	2.91	2.84	2.51	1.96	1.40
Int. on WC	8.92	9.03	9.06	9.14	9.21
Return on Equity	27.89	28.20	28.33	28.34	28.34
AFC	**97.54**	**100.74**	**102.90**	**104.64**	**105.90**
Raw Water Charges	**4.97**	**5.35**	**5.76**	**6.18**	**6.64**

Revised Table 139: AFC (Rs. Crore) for Unit-3 as approved by the Commission for FY 2021-22 to FY 2025-26.

Particulars	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
O&M Expenses	48.68	50.69	52.85	54.35	56.62
Depreciation	8.43	8.85	9.01	9.02	9.03
Interest on Loan	2.88	2.74	2.36	1.90	1.44
Int. on WC	9.01	9.11	9.15	9.20	9.30
Return on Equity	27.26	27.48	27.53	27.53	27.54
AFC	**96.25**	**98.87**	**100.90**	**102.01**	**103.93**
Raw Water Charges	**4.97**	**5.35**	**5.76**	**6.18**	**6.64**

52. The review petition is disposed off accordingly.

Sd/-	Sd/-	Sd/-
Atul Kumar	**Mahendra Prasad**	**Justice Amitav Kr. Gupta**
Member (T)	**Member (L)**	**Chairperson**