

Office Report

The petition dated 08.08.2025 for True-up of FY 2021-22 & FY 2022-23 of third control period (FY 2021-22 to FY 2025-26) of the petitioner - Tenughat Vidyut Nigam Limited (TVNL) for 2x210 MW Tenughat TPS have been scrutinized and several deficiencies/discrepancies have been found in the petition as indicated below:

Note on Discrepancies/ Data gaps on the Petitions for True-Up for FY 2021-22 and FY 2022-23 filed by Tenughat Vidyut Nigam Limited

1. The Petitioner is required to provide a duly certified copy by the Statutory Auditor certifying the Operational Parameters for FY 2021-22 and FY 2022-23.
2. The Petitioner is directed to submit the Plant Availability Factor (PAF) duly certified by the State Load Dispatch Centre (SLDC) for FY 2021-22 and FY 2022-23.
3. The Petitioner is directed to submit a copy of the monthly bills raised to the beneficiary for FY 2021-22 and FY 2022-23.
4. The Petitioner is directed to submit the audited certificate of Gross Calorific Value (GCV) of primary fuel (coal) for FY 2021-22 and FY 2022-23.
5. As per Table 6 of the submitted petition, it is observed that the Petitioner has claimed the actual Plant Availability Factor (PAF) as 59.58% for FY 2021-22 and 81.85% for FY 2022-23, which is lower than the normative availability of 85% as approved by the Commission in the MYT Order dated 14th December 2023 (for the Control Period FY 2021-22 to FY 2025-26) in line with clause 8.4 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

In this regard, the Petitioner is directed to:

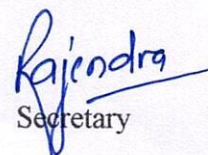
- i. Provide a detailed justification for the lower PAF,
 - ii. Submit supporting documentary evidence, such as SLDC certification and system reports (daily/monthly), and
 - iii. Furnish details of coal availability constraints and unit-wise shutdown periods during FY 2021-22 and FY 2022-23.
6. As per Table 6 of the submitted petition, it is observed that the Petitioner has claimed the actual Plant Load Factor (PLF) as 48.08% for FY 2021-22 and 70.33% for FY 2022-23, which is lower than the normative value of 85% as approved by the Commission in the MYT Order dated 14th December 2023 (for the Control Period FY 2021-22 to FY 2025-26) in line with clause 8.4 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

In this regard, the Petitioner is directed to:

- i. Provide a detailed justification for the lower PLF,

- ii. Submit supporting documentary evidence such as system-generated daily/monthly generation reports and SLDC certification, and
 - iii. Furnish cause-wise details (coal shortage, unit outages, SLDC backing down, etc.) which led to PLF being below the normative level in FY 2021-22 and FY 2022-23.
7. As per Table 7 of the submitted petition, it is observed that the Petitioner has claimed the actual Auxiliary Consumption as 9.85% for FY 2021-22 and 10.05% for FY 2022-23, which is higher than the normative value of 9.50% as approved by the Commission in the MYT Order dated 14th December 2023. The Petitioner is directed to provide a detailed justification along with month-wise data certified by the statutory auditor, unit-wise details of partial load operations, start-up/shutdown instances including reserve shutdowns, and coal quality variations. The Petitioner is also required to clarify whether any 4i projects (Identify, Investigate, Implement, Improve) or other initiatives have been undertaken during reserve shutdowns and part-load operation to address these issues.
8. As per Table 9 of the submitted petition, the Petitioner has claimed actual net generation of 1594.51 MUs in FY 2021-22 and 2327.47 MUs in FY 2022-23, against the approved value of 2830.2 MUs for both years in the MYT Order dated 14th December 2023. The Petitioner is directed to reconcile the claimed net generation with the approved values and submit supporting evidence in the form of DCS and SCADA-based generation reports duly certified by the statutory auditor. The Petitioner shall also provide month-wise net generation data for both years for verification.
9. As per the submitted petition, it is observed that the Petitioner has claimed the actual Station Heat Rate (SHR) as 2590.29 kcal/kWh for FY 2021-22 and 2547.24 kcal/kWh for FY 2022-23, against the normative value of 2547 kcal/kWh as approved by the Commission in the MYT Order dated 14th December 2023. The SHR for FY 2021-22 is higher than the approved norm. The Petitioner is directed to provide a detailed justification for the higher SHR in FY 2021-22, along with month-wise SHR data certified by the statutory auditor, supported with details of coal quality, partial load operation, and reserve shutdowns.
10. As per the submitted petition, it is observed that the Petitioner has claimed the landed price of coal as Rs. 3419.46/MT for FY 2021-22 and Rs. 3791.57/MT for FY 2022-23, against the approved value of Rs. 3349.81/MT as per the MYT Order dated 14th December 2023. The Petitioner is directed to provide a detailed justification for the higher landed price of coal, along with documentary evidence including copies of coal invoices, transportation bills, railway freight challans, and details of grade-wise coal procurement. The Petitioner is also required to clarify whether the increase is due to change in source of coal, escalation in notified price, increase in transportation charges, or other reasons, duly certified by the statutory auditor.
11. It is observed from the submitted petition that the Petitioner has included the consumption of stores and spares under Operation and Maintenance (O&M) expenses for FY 2021-22 and FY 2022-23. The Petitioner is directed to provide a detailed justification for including consumption of spares under O&M, as the same does not align with the Commission's approach in earlier tariff orders where O&M was allowed on normative basis.
12. The Petitioner is required to submit documentary evidence of the actual ash disposal expenses incurred during FY 2021-22 and FY 2022-23, duly certified by the statutory auditor, along with copies of vendor bills and payment records.

13. It is observed that TVNL has not claimed water charges for FY 2021-22 and FY 2022-23 citing delays in finalising the methodology for water consumption calculation. The Petitioner is directed to submit details of actual water consumption, methodology adopted for assessment, and documentary evidence from the concerned water authority. The Petitioner is also required to clarify the treatment of past unclaimed water charges and whether these will be included in future petitions.
14. The Petitioner has claimed additional capitalisation of Rs. 5.83 Cr. in FY 2021-22 and Rs. 4.24 Cr. in FY 2022-23. The Petitioner is directed to submit a detailed break-up of works undertaken under capital expenditure and capitalisation schedule for these years, along with sources of funding (debt/equity) and auditor certification. The Petitioner is further required to justify the admissibility of the claimed works with reference to the provisions of Regulation 14 of the JSERC Tariff Regulations, 2020, and to clarify whether any of these works fall under special allowance, R&M, or environmental compliance.
15. The Petitioner has claimed depreciation of Rs. 18.36 Cr. in FY 2021-22 and Rs. 16.33 Cr. in FY 2022-23 against the approved Rs. 18.31 Cr. for both years. The Petitioner is directed to reconcile the depreciation figures with the approved values and submit the detailed methodology adopted for its calculation along with year-wise asset classification, depreciation schedule, and certification from the statutory auditor.
16. It is observed that the Petitioner has claimed interest on loan of Rs. 103.27 Cr. in FY 2021-22 and Rs. 108.84 Cr. in FY 2022-23, against the approved values of Rs. 13.45 Cr. and Rs. 11.80 Cr. respectively. The Petitioner is directed to provide a detailed justification for such a significant increase, along with loan-wise details, repayment schedules, penal interest (if any), and auditor certification. The Petitioner shall also submit supporting documents highlighting the correspondence between the Petitioner and its Beneficiaries regarding delayed payments and the resultant additional interest burden.
17. The Petitioner has claimed interest on working capital of Rs. 32.87 Cr. in FY 2021-22 and Rs. 37.01 Cr. in FY 2022-23, against the approved Rs. 28.37 Cr. and Rs. 28.72 Cr. respectively. The Petitioner is directed to submit detailed workings of each component of working capital (coal, oil, O&M, spares, receivables)
18. It is observed that the Petitioner has claimed Return on Equity (RoE) of Rs. 34.49 Cr. in FY 2021-22 and Rs. 34.72 Cr. in FY 2022-23, against the approved Rs. 27.70 Cr. for both years. The Petitioner is directed to submit detailed justification for the higher RoE claimed, supported with equity infusion details, capitalization schedule, and statutory auditor certification of average equity considered.
19. The Petitioner is directed to reconcile the fixed asset register for FY 2021-22 and FY 2022-23 after physical verification and submit an asset-wise register along with an asset-wise depreciation schedule, duly certified by the statutory auditor. The Petitioner shall also clarify whether assets funded through special allowance, grants, or consumer contributions have been excluded from capitalization.


Secretary