

Jharkhand State Electricity Regulatory Commission



Order on
Business Plan and MYT Petition for Control
Period from FY 2026-27 to FY 2030-31
for
Tata Power Company Limited (TPCL)

Ranchi
March 23, 2026



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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal for Electricity
COD	Date of Commercial Operation
Cr.	Crore
ECR	Energy Charge Rate
FY	Financial Year
GCV	Gross Calorific Value
GFA	Gross Fixed Assets
GoI	Government of India
HO & SS	Head Office and Shared Services
JSERC	Jharkhand State Electricity Regulatory Commission
Kcal	Kilocalorie
Kg	Kilogram
kWh	Kilowatt-hour
LDC	Load Dispatch Centre
LPPF	Landed Price of primary fuel
MAT	Minimum Alternative Tax
MCL	MCL Mahanadi Coalfields Ltd. (IB Valley Coalfields)
ml	Millilitre
MT	Million Tonnes
MU	Million Units
MW	Megawatt
NAPAF	Normative Annual Plant Availability Factor
O&M	Operation and Maintenance
PAF	Plant Availability Factor
PLF	Plant Load Factor
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
RoE	Return on Equity
Rs.	Rupees
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SLM	Straight Line Method
TPCL	Tata Power Company Limited
TSL	Tata Steel Limited
UoM	Unit of Measurement
WB	West Bokaro



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BEFORE

**Jharkhand State Electricity Regulatory Commission,
Ranchi
Case (Tariff) No.: 17 of 2025**

In the matter of:

**Petition for
Business Plan and MYT Petition for Control Period from
FY 2026-27 to FY 2030-31**

In the matter:

Tata Power Corporation Limited (TPCL)
Jojobera Power Plant, P.O. Rahargora, Jamshedpur-
831016..... **Petitioner**

PRESENT

Hon'ble Justice Navneet Kumar Chairperson

Hon'ble Mahendra Prasad Member (Law)

Order dated March 23, 2026

Tata Power Company Limited (hereinafter referred to as TPCL or the Petitioner) filed the Petition dated December 29, 2025 for the approval of Business Plan and MYT for Control Period from FY 2026-27 to FY 2030-31, for Unit-II and Unit-III at Jojobera.



Chapter 1: Introduction



Chapter 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or the “Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand vide its notification dated August 22, 2002 has defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely:
- (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in section 29;
 - (b) to determine the tariff payable for the use of the transmission facilities in the manner provided in section 29;
 - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution, and supply in the State;
 - (d) to promote competition, efficiency, and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003 came into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the functions of State Electricity Regulatory Commission are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
- (a) determine the tariff for generation, supply, transmission, and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
 - (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity



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shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

- (c) facilitate intra-state transmission and wheeling of electricity;
- (d) issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (g) levy fee for the purposes of this Act;
- (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
- (k) discharge such other functions as may be assigned to it under this Act.

1.5 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:

- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
- (b) promotion of investment in electricity industry;
- (c) reorganization and restructuring of electricity industry in the State;
- (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State



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Commission by that Government.

- 1.6 The State Commission shall ensure transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is also guided by the National Tariff Policy, 2016 as brought out by Government of India in compliance to Section 3 of the Act. The objectives of the National Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;
 - (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
 - (d) promote competition, efficiency in operations and improvement in quality of supply;
 - (e) Promote generation of electricity from Renewable sources;
 - (f) Promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid operation and integration of variable renewable energy sources;
 - (g) Evolve a dynamic and robust electricity infrastructure for better consumer services;
 - (h) Facilitate supply of adequate and uninterrupted power to all categories of consumers;
 - (i) Ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

Tata Power Company Limited (TPCL)

- 1.8 Tata Power Company Limited (hereinafter referred to as TPCL or the Petitioner), is a company incorporated under the Indian Companies Act, (VII of 1913) with its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001 and is engaged in the business of Electricity Generation, Transmission and Distribution.
- 1.9 Tata Steel Limited (TSL), which is engaged in the production of iron and steel and is also a distribution licensee in Jamshedpur (Jharkhand),



Business Plan and MYT for FY 2026-27 to FY 2030-31

obtained permission from the Government of Bihar to establish power plants in Jojobera in 1991 through its subsidiary company named Jamshedpur Power Company Limited (JAPCOL) which was subsequently transferred to Tata Power Company Limited (TPCL). TPCL thereafter Commissioned five Units out of which two Units (Unit-II & Unit-III) of 120 MW each at Jojobera is dedicated to supply power to TSL.

- 1.10 TPCL operates five units at Jojobera, Jharkhand with a cumulative capacity of 547.5 MW out of which two units (Unit-II & Unit-III) are the subject matter of tariff determination in this Tariff Order. Both units have an installed capacity of 120 MW each. Unit-II commenced its operations on February 01, 2001 and Unit-III on February 01, 2002.

The Petitioner's Prayers

- 1.11 The Petitioner in the instant Petition made the following prayers before the Commission:

- Accept the Petition;
- Approve the Operational, Fuel and Financial Parameters, Additional Capitalization, Annual Revenue Requirement and Generation Tariff for 4th Control Period from FY 2026-27 to FY 2030-31 for Jojobera Unit-II and Unit-III as proposed in the instant Petition.
- Grant liberty to the Petitioner to approach Hon'ble Commission at appropriate stage subsequently:
 - a. for determination of Supplementary Tariff for FGD System to be installed for Units-II and III including compensation for additional capital cost, operational parameter deterioration and O&M/water expenses in accordance with Regulation 14.16 and all other relevant Regulations/provisions under JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and amendments thereof;
 - b. for approval of the capital expenditure to be incurred under "Change in Law" due to the mandatory use of treated sewage water at Unit 2 and 3 as per National Tariff Policy, 2016;
 - c. for approval of the capital expenditure to be incurred under "Change in Law" due to co-firing of biomass as required by Biomass Policy of Ministry of Power dated 11.11.2025 for Unit 2 and 3;
 - d. for approval of the capital expenditure to be incurred in compliance with CEA (flexible operation of Coal based Thermal Power Generating Units) Regulations, 2023 for



Business Plan and MYT for FY 2026-27 to FY 2030-31

Unit 2 and 3;

- e. for approval of Renovation & Modernisation (R&M) Plan for Units 2 and 3 after carrying out RLA Study as required;
 - f. for claiming compensation for deterioration in operational parameters due to low PLF;
 - g. to claim the actual financial implication, including the renewed Lease Rent and all applicable statutory charges and CESS, due and arising from the renewal of the lease for the sub-leased land, either at the time of Truing-up for the relevant period or as and when the actual liability and final financial outcome of the said renewal matter is determined and settled in terms of Hon'ble Commission's order dated 20.08.2011,
 - h. for seeking revision in tariff due to wage revision agreement being reached/or with subsequent Truing-up Petition(s).
- Allow recovery of depreciation of additional capital expenditure claimed during the fag end in a separate stream of depreciation in next 10 years;
 - Allow Modifications/ additions to the Capex/ Other proposals, if need arises during the proceedings of the present Petition and/ or in subsequent True- up/APR Petitions;
 - Allow recovery of incentives on account of generation, if any, during the true up,
 - Provide an opportunity to the Petitioner to present its case prior to the finalization of the Business Plan and MYT Order. Tata Power believes that such an approach would provide a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
 - Permit the Petitioner to propose suitable changes to the Petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission;
 - Condone any inadvertent omissions/ errors/ rounding-off differences/ shortcomings and permit the Petitioner to add/ alter this filing and make further submissions as may be required at a future date.
 - Pass such further and other Orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.



Chapter 2: PROCEDURAL HISTORY



Chapter 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had passed Business Plan & Multi Year Tariff for Control Period for FY 2016-17 to FY 2020-21 by Order dated February 19, 2018.
- 2.2 Later, the Petitioner had filed a review petition against the MYT Order dated February 19, 2018 which was disposed off by the Commission by Order dated January 9, 2019.
- 2.3 The Commission had passed the True-up for FY 2016-17 by Order dated December 27, 2019.
- 2.4 The Commission had passed the True-up for FY 2017-18, Annual Performance Review for FY 2018-19 and Mid-Term review for Revised Annual Revenue Requirement and Generation Tariff for FY 2019-20 & FY 2020-21 by Order dated February 14, 2020.
- 2.5 The Commission had passed the True-up for FY 2018-19 and Annual Performance Review for FY 2019-20 by Order dated September 09, 2020.
- 2.6 The Commission had passed the True-up for FY 2019-20, Annual Performance Review for FY 2020-21, Business Plan and Multi Year Tariff for the Control Period for FY 2021-22 to FY 2025-26 by Order dated November 04, 2022.
- 2.7 The Commission had passed the True-up for FY 2020-21 and Annual Performance Review for FY 2021-22 by Order dated May 22, 2023.
- 2.8 Later the Petitioner had filed a review petition against the True-up for FY 2019-20, Annual Performance Review for FY 2020-21, Business Plan and Multi Year Tariff for the Control Period for FY 2021-22 to FY 2025-26 by Order dated November 04, 2022 which was disposed off by the Commission by Order dated January 09, 2024.
- 2.9 The Commission had passed the True-up for FY 2021-22 and Annual Performance Review for FY 2021-22 by Order dated January 09, 2024.
- 2.10 The Commission had passed the True-up for FY 2022-23 and Annual Performance Review for FY 2023-24 by Order dated June 06, 2024.
- 2.11 The Commission had passed the True-up for FY 2023-24 and Annual Performance Review for FY 2024-25 by Order dated March 28, 2025.

Information Gaps in the Petitions

- 2.12 In exercise of the Tariff determination process, several deficiencies/information gaps were found in the Petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) No. 13 of 2025/682 dated February 10, 2026.
- 2.13 On March 02, 2026, the Petitioner responded to the query raised by the



Business Plan and MYT for FY 2026-27 to FY 2030-31

Commission and provided the necessary affidavit.

- 2.14 The Commission has re-scrutinized the Petition along with the submission of the Petitioner with respect to information gaps and has considered the same while passing this Order.

Inviting Public Comments/Suggestions

- 2.15 During the scrutiny of the petition, the Commission has directed the Petitioner vide letter no. JSERC/Case (Tariff) No. 13 of 2025/588 dated December 30, 2025 to publish a Public Notice inviting comments/suggestions from public and to make available copies of the Petition to the members of general public on request.
- 2.16 Accordingly, Public Notice was published by the Petitioner in the newspapers for two consecutive days and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public.

Table 1: List of newspapers and dates of publication of public notice by the Petitioner

Newspaper	Date of Publication
Prabhat Khabar (Hindi)	04.01.2026 & 05.01.2026
Hindustan (Hindi)	04.01.2026 & 05.01.2026
The Hindustan Times (English)	04.01.2026 & 05.01.2026
Statesman (English)	04.01.2026 & 05.01.2026

- 2.17 Further, the Commission had organized a Public Hearing on February 17, 2026, where an additional opportunity to all the Stakeholders was provided to submit their comments/suggestions on the instant petition. The newspapers wherein the Notice was published by the Commission are mentioned below:

Table 2: List of newspapers and dates of publication of public notice by the Commission

Newspaper	Date of Publication
Prabhat Khabar (Hindi)	08.02.2026
Dainik Bhaskar (Hindi)	08.02.2026
The Times of India (English)	08.02.2026
The Pioneer (English)	08.02.2026

Submission of Comments/Suggestions and Conduct of Public Hearing

- 2.18 Objections/Comments/Suggestions on the Petition were received. The Objections/Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in Chapter 4 of this Order.



Chapter 3: BRIEF FACTS OF THE PETITION



Chapter 3: BRIEF FACTS OF THE PETITION

3.1 This Chapter summarizes the Petition for MYT for the Control Period from FY 2026-27 to FY 2030-31, as filed by the Petitioner for the Commission’s approval.

MYT Petition for the Control Period from FY 2026-27 to FY 2030-31

3.2 The table below summarizes the Annual Revenue Requirement for the Control Period from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.

Table 3: Annual Revenue Requirement (Rs. Cr.) for Unit-II as submitted by the Petitioner.

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	Rs. Cr.	61.42	66.65	69.17	72.36	76.76
Depreciation	Rs. Cr.	11.47	14.19	15.59	16.54	17.56
Interest on Loan	Rs. Cr.	2.88	3.26	2.66	1.66	0.56
Interest on Working Capital	Rs. Cr.	12.31	13.22	12.84	12.81	13.29
Return on Equity	Rs. Cr.	31.36	32.30	32.76	33.06	33.29
AFC	Rs. Cr.	119.44	129.62	133.01	136.43	141.46
Water Charges	Rs. Cr.	6.32	8.61	7.31	7.22	8.45
Capital Spare	Rs. Cr.					
Security Expenses		0.92	0.97	1.02	1.07	1.12
Incentive (Pre-Tax)	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Energy Charge	Rs. Cr.	248.27	263.27	248.27	242.26	248.27
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.32	3.32	3.32	3.32	3.32
Less: Non-Tariff Income	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Net Annual Revenue Requirement	Rs. Cr.	371.64	399.15	386.29	383.65	395.98

Table 4: Annual Revenue Requirement (Rs. Cr.) for Unit-III as submitted by the Petitioner.

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	Rs. Cr.	58.00	61.37	64.53	66.76	71.58
Depreciation	Rs. Cr.	10.96	12.89	14.32	15.24	16.13
Interest on Loan	Rs. Cr.	2.90	3.31	3.02	2.28	1.31



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Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest on Working Capital	Rs. Cr.	12.77	12.90	13.02	12.59	13.46
Return on Equity	Rs. Cr.	30.15	30.94	31.43	31.73	31.96
AFC	Rs. Cr.	114.79	121.41	126.32	128.60	134.44
Water Charges	Rs. Cr.	7.61	7.73	7.95	6.60	9.19
Capital Spare	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Security Expenses		0.92	0.97	1.02	1.07	1.12
Incentive (Pre-Tax)	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Energy Charge	Rs. Cr.	266.49	264.28	261.13	246.28	261.13
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.30	3.30	3.30	3.30	3.30
Less: Non-Tariff Income	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Net Annual Revenue Requirement	Rs. Cr.	386.50	391.08	393.11	379.24	402.58



Chapter 4: PUBLIC CONSULTATION PROCESS



Chapter 4: PUBLIC CONSULTATION PROCESS

- 4.1 On the Petitioner's plea several stakeholders responded. The Public Hearing was held on February 17, 2026 at Jamshedpur to ensure maximum public participation and transparency wherein Stakeholders put forth their comments and suggestions before the Commission. The list of attendees is attached as **Chapter 9** to this Order.
- 4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which don't fall in the line to True-up, and APR have not been discussed in this Chapter.

Querist- Shri. Rajesh Kumar

Query/ Comments/Suggestions

- 4.3 The requirement for installation of Flue Gas Desulphurization (FGD) systems has been waived off for "Category C" power plants by the Central Government vide recent notification (Notification by MoEFCC dated 11.07.2025), and as such, Jojobera Power Plant is exempted from such installation, being under "Category C".
- 4.4 Why approval for FGD cost is being sought only for Unit-2 and Unit-3, whereas, FGD is being installed for all units of Tata Power at Jojobera. Further, since FGD is related to environmental compliance, the matter falls under the jurisdiction of the Pollution Control Board (JSPCB) and not that of the Hon'ble Commission.
- 4.5 Ash generation is a natural and unavoidable by-product of thermal power generation. However, despite 25 years of operations, no permanent or long-term solution has been implemented in respect of the Fly Ash.
- 4.6 Out of the existing four units being operated by Tata Power, Tata Steel sources power also from units apart from Unit-2 and 3. However, in the Petition, only Unit-2 and Unit-3 are referred to. In this context, it is requested that the Hon'ble Commission should conduct a physical verification of the generating units at least once or twice every year, particularly prior to public hearings, to ensure that the submissions made by Tata Power are fair and transparent.
- 4.7 The Petitioner has not submitted efforts made to procure cheaper or more economical coal sources.
- 4.8 Clarification is required regarding the necessity of undertaking the capital expenditure at this stage and why such proposals were not submitted to the Hon'ble Commission 2-3 years ago. Regarding water charges/ water tax; payment to be verified for allowance of the same.

Petitioner Response



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- 4.9 As regards the query on the installation of FGD, Tata Power would like to submit that the same has been undertaken in accordance with the mandate as per the Notification dated 07th December, 2015 by Ministry of Environment, Forest and Climate Change (MoEFCC), and its subsequent amendments, as well as, in line with the direction of Central Pollution Board (CPCB) vide its letter dated 6th April, 2018. In Order to comply with the aforesaid mandate, approval was sought by the Petitioner from the Hon'ble Commission in respect of Unit-2 and 3, in accordance to the regulations issued by the Hon'ble Commission. The required in-principle approval was accorded by the Hon'ble Commission vide Order dated 30th September, 2020.
- 4.10 Thus, the FGD installation at Unit-2 and 3 of the Jojobera Power Plant, has been implemented as per the mandate, after due approval by this Hon'ble Commission, and represents a bona fide expenditure. It is submitted that a separate Petition in respect of Unit 2 and 3 shall be filed in terms of the GTR-2025, for approval of actual Capital Cost and associated supplementary tariff for FGD system, as prayed in the True Petition for FY 2024-25 and MYT Petition for FY27-31. Tata Power, being a prudent and environmentally responsible utility, has significantly invested in FGD system and NOx-abatement systems across its generating stations to curb environment related issues, which ultimately shall benefit all the stakeholders.
- 4.11 It is submitted that since, Unit-2 and 3 of the Jojobera Power Plant fall within the jurisdiction of the Hon'ble Commission, the Petition is required to be filed before the Hon'ble Commission in respect of the said units only for the approval for capital cost/ supplementary tariff. It is pertinent to note here that the capital cost for Unit-2 and 3 towards implementation of the FGD system imply the capex incurred specifically for Unit-2 and 3, and the common capital expenditure for all the units allocated to Unit-2 and 3 which is as per the methodology approved by the Hon'ble Commission in its Tariff Orders.
- 4.12 In response to the specific contention of the querist regarding the jurisdiction, the Petitioner would like to submit that though the environmental compliances are subject issues of the Pollution Control Board, the tariff determination/ capital cost recovery for such compliances fall squarely within the ambit of the Regulatory Commission, which determines the tariff for the plant i.e. Hon'ble JSERC, in the instant case.
- 4.13 As regards to Ash Generation and its utilisation, it is humbly submitted that Tata Power is committed for 100% ash utilisation and accordingly has tied up with various cement manufacturers, brick kilns etc and implementing the fly ash disposal in low lying areas as per the advisory by Ministry of Power dated 22.02.2022 in pursuance to MoEFCC notification dated 31.12.2021 regarding ash utilization generated by



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Thermal Power

- 4.14 Plants to ensure sustainable disposal of ash. In this regard, it is pertinent to mention here that Tata Power, in compliance with the directive by JSPCB, submits ash generation/ utilisation report to JSPCB on regular basis. Further, compliance to the same is also being reported to the Hon'ble Commission through quarterly reports. The Petitioner have implemented numerous measures as a part of its committed and continuous efforts to contain fly ash emission and its effective disposal, outlined as below:
1. The Fly ash is stored in metallic Silos of capacity as per CPCB guidelines. For disposal, the Fly Ash is transported to cement plants and other disposal sites from Silos in closed metallic pipelines pneumatically or in closed Bulklers.
 2. Dry fog curtain system has been set up along the nearby boundary of plant to control fugitive emission.
 3. Dry Fog Dedusting System (DFDA), Aqua Dedusting System (ADS) and Portable Fogger are installed in Silo area to control fugitive emission during bulker loading.
 4. Ambient Air Quality is monitored at different locations in Jojobera by NABL accredited labs approved by JSPCB, CPCB; and report is submitted to JSPCB regularly.
- 4.15 The querist has contended the reference of only unit-2 and 3 in the Petition, despite the power being sourced by Tata Steel from other units of the generating station as well. In this regard, the Petitioner would like to submit that Unit-2 and 3 have been developed by the Petitioner as IPP Units in terms of the Power Purchase Agreement (PPA) dated 12.09.1997 entered between Tata Steel Limited and Tata Power. Tata Steel Limited procures power from these two units in a capacity of the distribution licensee in the Jamshedpur command area. In line with the provisions of the Electricity Act, the tariff determination of the said two units falls in the jurisdiction of the Hon'ble JSERC, and as such, the Petition for tariff determination (True up/ APR/ MYT) is filed by the Petitioner in respect of these two units only. The Petitioner wishes to express assurance that the additional capital expenditure claimed in the instant MYT Petition, has been proposed after thorough assessment of the requirement of such expenditure, as per the process laid down in the tariff regulations. However, the Petitioner welcomes the suggestion by the querist as regards the physical verification of the generating units by the Hon'ble Commission, if so, required in the view of the Hon'ble Commission.
- 4.16 As regards the contention of the querist that the Petitioner has not submitted efforts made to procure cheaper or more economical coal sources, it is being humbly submitted that in compliance with the direction by this Hon'ble Commission, the Petitioner on regular basis, has

been submitting reports for each quarter with respect to the Fuel Mix with detailed explanation for deviation, if any, from the approved fuel mix and effect thereof on the Energy Charge Rate (ECR). Pertinently, the ECR for FY 2024-25 in respect of Unit-2 and 3 which is well contained within the approved ECR, is a testimony to the effective efforts put in by the Petitioner to optimise the coal mix. It is further submitted that Tata Power is sourcing coal as per FSA under Shakti Round-2 and Round-3, which presently does not fully meet the requirement of the Plant. Therefore, for additional coal requirement, if any, Tata Power is taking due measures to secure the same at the best possible competitive rates through e-auctions conducted by CIL or coal from Tata Steel West Bokaro mines. With such prudent practice, Tata Power evades sourcing of coal from open market which would result in increase in the energy charges, burdening the end consumer.

- 4.17 As regards the proposed Capital Expenditure, it is humbly submitted that all the Capital Expenditure proposed by the Petitioner is in line with the provisions of JSERC Generation Tariff Regulations. The proposed schemes of add-cap are duly supported with detailed justifications for such expenditure, such as, Detailed Project Reports (DPRs), OEM recommendations, Obsolescence certificates, mandates/recommendations by statutory bodies, other documentary evidences, as required, applicable and feasible on case-to-case basis. Pertinently, the proposed expenditure is essential to maintain plant efficiency, reliability, and safety, which ultimately benefits consumers by ensuring reliable and sustained power supply preventing costly breakdowns. The requirement of claimed additional capital expenditure has been discussed by the Petitioner during the course of presentation in Public Hearing dated 17.02.2026. The Petitioner would like to submit that such expenditure has been proposed after thorough assessment in the present MYT Petition, as per the process laid down in the tariff regulations.
- 4.18 It is further submitted that Tata Power has claimed Add Cap as per the Asset Register, and all capitalisation claimed are duly supported by auditor certificates. All cost proposals and expenditures are backed by appropriate supporting documents, as per the provisions of JSERC Generation Tariff Regulations.
- 4.19 With regards the Water Charges, it is to be submitted that the Government of Jharkhand (GoJ) has issued the revised water notification, w.e.f. the 1st April 2023. In terms of the revised notification, there is separate classification for supply for industrial usage and supply for municipal usage. Tata Steel vide its email communication dated 05.07.2023, informed Tata Power that they agreed to the rates for supply of water for industrial usage and have started paying the same in its entirety to GoJ and further requested Tata Power to also make full payment in terms of Invoices raised from 01.04.2023. As such, since FY

2023-24 onward, including the instant Petition for truing up of FY 2024-25, the Petitioner has been claiming 100% of the base water charges and 100% of the tax component, since no dispute is pending before any court, 01.04.2023 onwards. This has also been acknowledged and approved by the Hon'ble Commission vide respective Orders. The Petitioner has enclosed the copies of the Raw Water Bills for the year as ANNEXURE P16, along-with the audited summary of monthly water bills as ANNEXURE P17, for enabling prudence of the water charges claimed.

Querist- Shri. Dilip Singh

Public Comments/Suggestions

4.20 There is an approximately 4 K.M ash slurry pipeline running from Tata Power to the JEMCO ash pond. There are several leakages in the slurry pipe, resulting in ash slurry flowing onto the road along the route from JEMCO to Tata Power. Additionally, ash is overflowing from the JEMCO ash pond, affecting lives of common people living in the nearby area. Therefore, the Hon'ble Commission should look into the matter.

Petitioner Response

4.21 The Petitioner would like to submit that there are total 5 Ash Slurry Pipe lines running from the Plant to the ash pond. Out of these, 3 remain in service at a given time. The pipelines are upkept in healthy condition by preventive maintenance practices and in case of any functional issue, the affected pipeline is immediately shut down with a changeover to spare one.

4.22 In order to avoid the incidents of leakage etc, the thickness of pipelines is got measured by a third-party expert and corrective action is taken as required on immediate basis. Due to proactive maintenance practices by Tata Power, leakage in slurry pipelines is extremely rare, with last such incidence occurred in May, 2022 which was attended immediately.

4.23 It is however, important to submit that ash slurry pipes, pond and associated systems have been functional over more than 20 years. While there is no frequent occurrence of leakage or overflow, occasional slurry leakage might have occurred due to ageing of the system. In the recent thickness test conducted to assess Ash Slurry Pipe it was observed that at several locations bottom thickness value has fallen below the allowable thickness limit. The existing ash conveying pipelines and ash slurry discharge pipes, including associated bends and reducers, have undergone significant deterioration due to prolonged service life.

4.24 Accordingly, Tata Power has requested the Hon'ble Commission to approve the additional capital expenditure for the replacement of these systems. It is further submitted that JSPCB conducts visits to inspect and no objection or adverse comment has ever been received from it in



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this regard. Nevertheless, Tata Power remains fully committed to community welfare and proactive mitigation of environmental risks.

Querist- Shri Narayan Chandra Verma

Public Comments/Suggestions

4.25 There are frequent incidents of pipeline leakages, ash overflow, and the dispersal of fly ash onto the roofs of residential houses located near the boundary of the power plant. The Hon'ble Commission is requested to look into the matter.

Petitioner Response

- 4.26 As regards to the query regarding leakage of pipes, the same has already been replied in response to the query raised by Sh. Dilip Singh, the same are not being reiterated for the sake of brevity.
- 4.27 As regards the concern of fly ash dispersal in the nearby residential areas, it is submitted that Tata Power is fully committed to safeguarding the environmental wellbeing of communities residing around the power plant. The Petitioner has installed Continuous Ambient Air Quality Monitoring Station (CAAQMS) in Jojobera with data connectivity to JSPCB and CPCB and daily AQI data of Jojobera is updated on display board. The directions issued by JSPCB time to time in this regard are duly followed. It is also submitted that the FGD system being operational at the Petitioner's plant shall further reduce/ contain the stack emission level.
- 4.28 Ash pond certification is carried out every year by CPCB authorized auditors. Ash water recycling system has been functional and all ash from ash slurry gets settled in ash pond and clear water comes to plant for further ash conveying. Three ash recycling pumps are in place, out of which, two remains in service with one standby.
- 4.29 It is humbly submitted that with all above mentioned measures undertaken and the guidelines of CPCB for operation and maintenance of ash pond are strictly adhered, and as such, there is no reported incidence of ash pond overflowing and water entering to nearby areas. However, Tata Power would like to submit that in case of occurrence of such event, the same shall be promptly examined and all necessary corrective actions shall be taken.

Querist- Shri Raju Ji

Public Comments/Suggestions

- 4.30 The querist reiterated the issues highlighted by other stakeholders with respect to fly ash and pipe leakage.
- 4.31 The Querist submitted that certain gas-based generating units are



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already operational within the Jojobera Power Plant premises. In light of this, clarification should be asked from Tata Power as to why it continues to propose procurement of coal when gas-based generation capacity exists within the plant.

Petitioner Response

- 4.32 As regards to the query regarding pollution problem, the same has already been replied in response to the query raised by Sh. Dilip Singh.
- 4.33 As regards the contention on coal procurement and gas-based generation, it is humbly submitted that the instant Petitions (True Up/ APR/ MYT) have been filed before this Hon'ble Commission in respect of Unit-2 and 3, for the reasons as explained in response to Query No. 1.4 (responded at para 1.12) above, with jurisdiction of the Hon'ble Commission. These two units (Unit No.2 and 3) are necessarily coal based generating units on virtue of their technical design and boiler specifications, which is, further in line with the Power Purchase Agreement duly approved by the Hon'ble Commission between the Generating Company and the Power Procurer. Accordingly, coal is procured for these referred units as a primary fuel. It is humbly submitted that the reference to the gas -based generation units by the querist is not relevant to the instant Petitions and hence, liable to be rejected.



Chapter 5: Approval of Business Plan for the Control Period from FY 2026-27 to FY 2030-31



Chapter 5: Approval of Business Plan for the Control Period from FY 2026-27 to FY 2030-31

- 5.1 The Commission had passed order on MYT for the 3rd Control Period i.e., FY 2021-22 to FY 2025-26 vide Order dated November 04, 2022 based on the principles specified in the JSERC Generation Tariff Regulations, 2020.
- 5.2 The Commission had passed review order case no. 18 of 2022 vide order dated January 09, 2024 based on principles specified in the JSERC Generation Tariff Regulations, 2015, and JSERC Generation Tariff Regulations 2020 along with amendment thereof.
- 5.3 The Commission had passed True-up for FY 2021-22 and Annual Performance Review for FY 2022-23 by Order dated January 09, 2024.
- 5.4 The Commission had passed True-up for FY 2022-23 and Annual Performance Review for FY 2023-24 by Order dated June 06, 2024.
- 5.5 The Commission had passed True-up for FY 2023-24 and Annual Performance Review for FY 2024-25 by Order dated March 28, 2025.
- 5.6 In the instant petition the Petitioner has sought approval for the approval of Business Plan and MYT for the Control Period from FY 2026-27 to FY 2030-31 based on the provisions of Electricity Act and Generation Tariff Regulation 2025. Detailed approach and methodology adopted by the Petitioner for projection of Operational, Financial parameters as well as for projection of each element of ARR vis-à-vis the methodology adopted by the Commission has been discussed in the subsequent chapter of this Order.
- 5.7 The Commission on the basis of provisions of the Generation Tariff Regulations, 2025, has determined the MYT for the Control Period from FY 2026-27 to FY 2030-31 on consideration of:
 - Certified Document submitted by the Petitioner;
 - Methodology adopted by the Commission in its earlier Orders.

Business Plan

- 5.8 The Petitioner is required to file Business Plan for approval before the Commission as per Regulation 6.5 and Regulation 6.6 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025. The relevant Clauses are reproduced below:

“Business Plan

*6.5 Each Generating Company shall file for the Commission’s approval a Business Plan approved by an authorized signatory, as per the timelines specified in **Section A 39** of*



these Regulations.

6.6 The Business Plan shall be for the entire Control Period and shall inter-alia contain: -

- a) **Capital Investment Plan:** The Generating Company shall submit the Capital Investment Plan for the entire Control Period, detailing the investments planned by the Generating Company along with the corresponding capitalization schedule and financing plan. This Plan shall also include capacity enhancement plan, if any, and proposed efficiency improvements and its cost benefit analysis. It shall also submit plant-wise details of Capital Structure and cost of Financing (interest on Debt) and return on equity, after considering the existing market conditions, terms of the existing loan agreements, risk associated in generating business and creditworthiness;
- b) **Operational Plan:** A set of targets proposed for performance parameters such as Annual Plant Availability Factor (PAF), Plant Load Factor (PLF), Gross Station Heat Rate (SHR), Secondary Fuel Oil Consumption, Auxiliary Power Consumption (Aux) etc., and shall also include Unit-wise Outage Plan;
- c) **Human Resource Plan:** Human Resource Plan with manpower planning including details of the estimated year wise manpower addition and retirements for the Control Period to run the power plant efficiently and effectively;
- d) **Non-Tariff Income:** Proposals for Non-Tariff Income with item-wise description and details;
- e) **Income from Other Business:** Proposals in respect of income from Other Business; and

Business Plan shall also contain the requisite information for the preceding Control Period:

Provided that requisite information for the preceding Control Period shall include year-wise audited data on Scheme-wise capital investment, capacity enhancement plan, if any, proposed efficiency improvements and its cost benefit analysis, quality improvement measures undertaken, Employee Expenses, Repair & Maintenance Expenses and A&G Expenses along with detailed break up and any other information used for preparing projections of various performance parameters and other components during the Control Period. In case of a new generating plant,



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such information is required to be submitted for the period of operations up to the start of the Control Period.”

- 5.9 In accordance with above said Regulations, the Petitioner has filed the Business Plan for the Control Period from FY 2026-27 to FY 2030-31 for approval before the Commission for Unit-II & Unit-III (2x120 MW) of Jojobera Power Plant.
- 5.10 The Commission in its discrepancy note directed the Petitioner to provide detailed justification, PR and Cost-benefit analysis along with the Residual life assessment Report for the capital expenditure/scheme proposed for each year of the Control Period at the fag-end period of the plant as per Clause 14.5 of the Regulation. In compliance to above, the Petitioner vide its data-gap reply dated February 15, 2025 submitted the Detail Project Report (DPR) for the schemes proposed in the Petition for the Control Period from FY 2026-27 to FY 2030-31 along with approval of the Competent Authority.
- 5.11 The Petitioner further added that the MYT Business Plan submitted for the Control Period from FY 2026-27 to FY 2030-31 are broadly classified into five heads as mentioned below.
- **Operational Performance Plan** - The Operational Performance Plan gives the detailed performance trajectory of Jojobera Units 2 & 3 for the Control Period from FY 2026-27 to FY 2030-31.
 - **Annual Shutdown Plan** - The Annual Shutdown Plan of the Units throughout the Control Period provides brief description of the planned maintenance schedule and activities for Jojobera Units 2 & 3.
 - **Fuel Procurement Plan** - The Fuel Procurement Plan provides details about the future fuel procurement to ensure the fuel availability as per the Generation schedule along with challenges associated to it.
 - **Capital Expenditure Plan** - The Capital Expenditure Plan provides the details of the Capital Expenditure (Capex) Schemes proposed for the Control Period along with phasing of Capex and Capitalization for each year of the Control Period. Tata Power has planned Capex and Capitalization for the sustenance of the generating station along with estimated decapitalization plan against the replacement schemes.
 - **O&M Expenses Plan** - The O&M Expenses plan covers running and maintaining a generating station, including manpower, repairs, spares, consumables, and insurance etc. for the Control Period. Tata Power has projected O&M expenses on normative based in



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accordance with the provisions of GTR 2025. The detailed approach and methodology considered for projection of O&M expenses has been discussed under Operation and Maintenance section.

Operational performance plan for the control period FY 2026-27 to FY 2030-31

Petitioner's Submission

- 5.12 The Petitioner submitted that Jojobera Units 2 & 3 supply reliable and quality power to Tata Steel Distribution Licensee over the years to meet the increased demand of Jamshedpur City.
- 5.13 For the 4th Control Period, the Petitioner submitted that the operational performance has been projected by considering Heat Rate and Specific LDO Consumption as defined under Regulation 16.1 of JSERC GTR, 2025. Gross Generation of the Units, PLF and Plant Availability Factor have been projected based on the demand of the Tata Steel Distribution Licensee.
- 5.14 With regard to auxiliary power consumption, the Petitioner submitted that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. The implementation of the FGD system shall require higher auxiliary power consumption along with consumption of the limestone/reagent. In this regard, it is submitted that JSERC GTR, 2025 provides for auxiliary consumption to be allowed separately for the FGD system. The relevant extract of the Regulation is as under:

“6. ‘Auxiliary Energy Consumption’

.....

*Provided further that auxiliary energy consumption **for compliance of revised emission standards**, sewage treatment plant and external coal handling plant (jetty and associated infrastructure shall be considered separately;”*

- 5.15 For the purpose of MYT, the Petitioner submitted that the Normative Auxiliary Power Consumption of 10% has been considered as per JSERC GTR 2025. It may please be noted that the Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3. Accordingly, for the purpose of accurate and realistic projections, the Petitioner has considered an additional auxiliary energy consumption of 1% in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, over and above the normative auxiliary energy consumption of 10% applicable for the generating station. Hence, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus



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generation on projected basis. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.

- 5.16 As regard the procurement of the coal, the Petitioner submitted that it has been procuring required coal under SHAKTI Scheme for Units 2 & 3. The coal available under SHAKTI Scheme is sufficient to meet the requirement at 75% PLF, coming from mines of Coal India Limited. which is comparatively of inferior quality than washed coal/imported coal. With deterioration in coal quality more quantity of coal is required to be charged in the boiler, which will further increase the heat losses and impacts boiler efficiency. Consequently, this will impact the present operational performance level and same is for the reasons which is beyond the control of the Petitioner. The Petitioner humbly seeks liberty to claim any variation in heat loss due to inferior quality of coal at the time of truing up.
- 5.17 As regard the life of both the units, it was submitted by the Petitioner that the JSERC tariff regulations define the useful life of the thermal generation plant as 25 years. However, in case of Unit 2 & 3, the Hon'ble Commission has considered the same as 30 years, in line with the PPA term which has been contended by the Petitioner with the APTEL through Appeal No. 321 of 2023. The said appeal is under active consideration of the APTEL. Pending the decision in the appeal, the Petitioner, in the instant Petition, has considered the useful life of both the Units in line with the view taken by the Hon'ble Commission in its Tariff Orders i.e. 30 years and has accordingly calculated the parameters of ARR. Accordingly, Unit-2 shall complete its useful life in FY 2030-31 and Unit-3 in FY 2031-32. It is submitted that it will be challenging for the Petitioner to maintain the desired level of performance, particularly the PLF during the fag end of the life. Further, Tata Power humbly seeks liberty of the Hon'ble Commission to re-approach the Hon'ble Commission at the time of True Up for the respective years, in case of any adverse impact on operational performances on account of lower PLF.
- 5.18 Based on the above discussions, the Petitioner has projected operational performance for each year of the 4th Control Period as shown in the table below:

Table 5: Operational Performance parameters of Unit-II and III for FY 2026-27 to FY 2030-31 as submitted by the Petitioner.

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Unit 2						
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365



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Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
PLF	%	71.12%	89.83%	71.12%	65.33%	71.12%
Heat Rate	Kcal/kWh	2567	2567	2567	2567	2567
Normative Auxiliary Energy Consumption	%	10%	10%	10%	10%	10%
Additional Auxiliary Energy Consumption due to FGD	%	1%	1%	1%	1%	1%
Plant Availability	%	89.90	99.40	91.10	99.30	89.70
Sp. LDO Consumption	ml/kWh	0.5	0.5	0.5	0.5	0.5
Unit-3						
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
PLF	%	85.75%	80.85%	77.58%	59.89%	77.58%
Heat Rate	Kcal/kWh	2577	2577	2577	2577	2577
Normative Auxiliary Energy Consumption	%	10%	10%	10%	10%	10%
Additional Auxiliary Energy Consumption due to FGD	%	1%	1%	1%	1%	1%
Plant Availability	%	99.30	89.90	99.30	91.10	99.30
Sp. LDO Consumption	ml/kWh	0.5	0.5	0.5	0.5	0.5

Commission's Analysis

Plant Availability Factor

- 5.19 The Commission has scrutinized the submission made by the Petitioner and observed that the Petitioner has projected the Plant availability factor based on the demand of its beneficiary Tata Steel Distribution Licensee, which is higher than the normative value of 85% as per Regulations.
- 5.20 The Commission approves the normative availability (NAPAF) as 85% for each financial year of the Control Period in accordance with '**clause 16.1**' of JSERC Generation Tariff Regulation 2025, and provisionally approves the projected Plant Availability Factor as mentioned below for the Control Period from FY 2026-27 to FY 2030-31.



Business Plan and MYT for FY 2026-27 to FY 2030-31

Table 6: Plant availability as approved by the Commission.

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
UNIT-II						
NAPAF	%	85.00	85.00	85.00	85.00	85.00
Projected Plant Availability	%	89.90	99.40	91.10	99.30	89.70
UNIT-III						
NAPAF	%	85.00	85.00	85.00	85.00	85.00
Projected Plant Availability	%	99.30	89.90	99.30	91.10	99.30

Auxiliary Consumption

- 5.21 The Commission has examined the submission of the Petitioner that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. Hence, Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3, and for the purpose of accurate and realistic projections the Petitioner has considered an additional auxiliary energy consumption of 1% in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, over and above the normative auxiliary energy consumption of 10% applicable for the generating station. Hence, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus generation on projected basis. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.
- 5.22 In this regard, the Commission clarifies that the impact of the FGD system on Auxiliary Power Consumption may be considered strictly in accordance with the applicable Regulations and subject to prudence check, including examination of the necessity and justification of installation of the FGD system during the fag end period of the generating station. Such consideration may be undertaken at the appropriate stage. For the purpose of the instant Order, however, the Commission has computed the ex-bus generation by taking the Normative Auxiliary Power Consumption as 10% in accordance with **“clause-16.1”** of JSERC Generation Tariff Regulation 2025. Further, for computation of Energy Charges also, the Commission has considered the normative Auxiliary Power Consumption of 10% in terms of the applicable JSERC Regulations.



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Table 7: Auxiliary Consumptions as approved by the Commission.

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
UNIT-II						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
UNIT-III						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00

Plant Load Factor and Generation

- 5.23 On scrutinizing and analyzing the material, information, actual figure and details submitted by the Petitioner, the Commission observes that Gross Generation of the both the Units and PLF have been projected by the Petitioner based on the demand of the Tata Steel Distribution Licensee, which is lower than the normative one as specified in the regulation, for most of the years of the Control Period.
- 5.24 This specifies that the Petitioner has deviated from the normative Plant Load Factor norms specified in **clause 16.1** of the Regulations, 2025. The Commission in its GTR-2025 has specified the norms for Normative Plant Load Factor as 85% for both the Units. Thus, the Commission approves the Gross Generation and corresponding Plant Load Factor on normative basis for each year of the Control Period i.e. from FY 2026-27 to FY 2030-31. Any deviation in the Plant Load Factor may be considered at the time of True- up/APR Petition, subject to prudence check.

Table 8: Plant Load Factor and Generation as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
UNIT-II						
Gross Generation	MU	893.52	895.97	893.52	893.52	893.52
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative PLF	%	85.00	85.00	85.00	85.00	85.00
UNIT-III						
Gross Generation	MU	893.52	895.97	893.52	893.52	893.52
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative PLF	%	85.00	85.00	85.00	85.00	85.00

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Gross Station Heat Rate (GHR)

5.25 The Commission observes that the Petitioner has projected station heat rate in line with Clause 6.1 of JSERC Generation Tariff Regulations, 2025. Hence, the Commission approves the GHR at 2567 kCal/kWh for Unit-II and 2577 kCal/kWh for Unit-III for all the years of the Control Period FY 2026-27 to FY 2030-31.

Table 9: Gross Station Heat Rate (GHR) as approved by the Commission.

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
UNIT-II						
Normative Station Heat Rate	kCal/kWh	2567.00	2567.00	2567.00	2567.00	2567.00
UNIT-III						
Normative Station Heat Rate	kCal/kWh	2577.00	2577.00	2577.00	2577.00	2577.00

Specific Fuel Oil Consumption

5.26 In accordance with **clause 16.1** of JSERC Generation Tariff Regulation 2025, the Commission approves the normative specific fuel oil consumption as 0.5 ml/kWh for both the Units for all the years of the Control Period FY 2026-27 to FY 2030-31 as shown below.

Table 10: Specific Fuel Oil Consumption as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
UNIT-II						
Specific Fuel Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
UNIT-III						
Specific Fuel Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50

Annual Shutdown Plan for FY 2026-27 to FY 2030-31

Petitioner's Submission

5.27 The Petitioner submitted that Annual Shutdown (“ASD”) for Jojobera Units 2 & 3 is a planned outage undertaken in alternate year for each unit for capital overhauling of the Unit in addition to regular R&M works and forced shutdowns/breakdowns. It has been prepared on the basis of the following considerations:

- Scheduled Preventive Maintenance and Operational constraints
- Requirements for technological up-gradations
- To undertake any performance improvement measures

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- d) Statutory compliances
- e) Life sustenance
- f) Conduct RLA study

5.28 The Petitioner further appraised that maintenance plan has been prepared based on operational challenges, past operation and maintenance experience, OEM recommendations, Capex Plan and major maintenance schedules. The projected ASD for Jojobera Units 2 & 3 during the 4th Control Period FY 2026-27 to FY 2030-31 is provided in the following Table.

Table 11: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as submitted by the Petitioner.

Unit	FY27	FY28	FY29	FY30	FY31
Unit 2	Dec-Jan: 35 days outage for Annual Overhauling	-	Dec-Jan: 30 days outage for Annual Overhauling	-	Dec-Jan: 35 days outage for Annual Overhauling
Unit 3	-	Jan-Feb: 35 days outage for Annual Overhauling	-	Mar: 30 days outage for Annual Overhauling	-

Commission's Analysis

5.29 The Commission has gone through the submissions of the Petitioner. The Annual Shutdown Plan as approved by the Commission for the Control Period from FY 2026-27 to FY 2030- 31 is mentioned below. Further, the Petitioner is directed to communicate the Commission any deviation from the approved Plan with proper reasoning.

Table 12: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as approved by the Commission.

Unit	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
Unit 2	Dec-Jan: 35 days outage for Annual Overhauling	-	Dec-Jan: 30 days outage for Annual Overhauling	-	Dec-Jan: 35 days outage for Annual Overhauling
Unit 3	-	Jan-Feb: 35 days outage for Annual Overhauling	-	Mar: 30 days outage for Annual Overhauling	-

Fuel Procurement Plan



Petitioner's Submission

- 5.30 It was submitted by the Petitioner that Tata Power has entered into the Fuel Supply Agreements (FSAs) with various subsidiaries, namely Eastern Coal Field Limited (ECL), Central Coal Field Limited (CCL) and Mahanadi Coalfield Limited (MCL) of Coal India Limited (CIL) under SHAKTI Scheme. Under SHAKTI Round 2, Tata Power received total allocations of about 4,64,300 Tons from ECL (85500), CCL (193000) and MCL (185800). Under SHAKTI Round 3, Tata Power secured an additional quantum of 5,77,100 Tons per annum from CCL. The benefits of SHAKTI coal, including a discount of 4 paise and 7 paise per unit on actual coal consumption corresponding to Round 2 and Round 3 allocations respectively, shall be passed on to the distribution licensee as per SHAKTI scheme. However, the above quantum is only sufficient for meeting the coal requirement for about 75% PLF.
- 5.31 As we have seen in the past for both e-auction coal/ or in linkage coal, the availability of Coal from these subsidiaries of CIL has been uncertain/unpredictable and at times the stocks have come to very critical level for which Tata Power had to immediately scout for coal from private washeries/or imported coal to maintain the reliability of the generation. Despite of advance payments, the rakes booked had been pending for very long time. Consequently, it not only posed generation reliability issue but also impacted the overall generation cost. Also, because of advances being blocked for long period, it adversely impacts company's working capital requirement. Therefore, 100% dependence on supplies from these subsidiaries for SHAKTI coal would not be desirable. In order to ensure higher reliability/availability of supply Tata Power has considered 90% of the coal allocations under SHAKTI scheme from these subsidiaries for planning purposes for the Fourth Control Period, though company will endeavor to utilize the coal available from these sources to the maximum extent possible.
- 5.32 Also, FSAs under SHAKTI scheme provide for penalty and incentive on offtake quantities. As per the FSA, offtake lower than 75% attracts a penalty whereas offtake higher than 90% earns an incentive, i.e., at higher prices.
- 5.33 Further, normative availability for Unit 2 and Unit 3 is specified at 85% in GTR 2025, therefore, Petitioner is required to have a firm arrangement for balance requirement to ensure 85% availability. This shortfall is proposed to be met through Middling Coal from West Bokaro Collieries of Tata Steel.
- 5.34 Taking into consideration above discussion and unpredictability of supply from subsidiaries of Coal India Limited, to ensure reliability of supply as well as to present the realistic picture, the Petitioner has considered 90% coal from each allocation under SHAKTI for projection



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for the 4th Control Period. The balance coal will be met through Middling Coal and is to be sourced from West Bokaro Collieries of Tata Steel in Jharkhand being the most reliable source. However, the actual mix of coal may vary, which shall be submitted to Hon'ble Commission at the time of true-up of the respective year of the Control Period.

- 5.35 The Coal from these sources is brought to Jojobera Power Plant through railway wagons. Each rake of railway wagons consists of about 59 wagons (usually N Box type) with carrying capacity of 60-64 Tons of Coal. Further, Tata Power procures the Secondary Fuel Oil, i.e., Light Diesel Oil ("LDO") from IOL, HPCL etc.
- 5.36 Based on such arrangement of fuel procurement, Tata Power ensures:
- I. Fuel Security
 - II. Fuel Quality
 - III. Optimization of the cost across the Fuel Supply Chain and through cost-effective Fuel mix.
- 5.37 It is further submitted that in case of acute shortages/crisis of supply from contracted/linked sources, Tata Power will procure indigenous Coal through e- auction/private market/or Imported Coal from overseas and will seek liberty of the Commission to update such deviations/shortages/crisis and procurement of alternative coal in the quarterly fuel reports being submitted to the Commission as per directions of the Commission.
- 5.38 The Coal Procurement Plan for the Units 2 and Unit 3 is based on the power demand of Tata Steel Distribution Licensee for each year of the Control Period. Considering the demand projections for the MYT Control Period, the fuel procurement projections are shown in the Tables below. Some key assumptions considered for the projections are as follows.
- Heat Rate and Sp. LDO consumption for the Unit 2 and Unit 3 have been considered on normative basis, in line with GTR, 2025.
 - Auxiliary Energy Consumption has been considered at 11% (10% Normative + 1% additional due to FGD).
 - As stated above, coal from SHAKTI Scheme has been considered at 90% of the ACQ for the year and the balance coal is being met through Middling Coal.
 - The Normative Transit Loss of 0.8% has been considered for computation of Coal requirement from the abovementioned sources.

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- Gross Calorific Value ("GCV") of Coal and LDO has been considered based on weighted average calorific value of actuals from August-2025 to October-2025 as per Regulation 17.10 of GTR 2025.

5.39 Based on the above discussions, projected Fuel Mix and Coal Procurement plan for each year of the 4th Control Period are shown in the tables below:

Table 13: Fuel Mix of Unit-2 for FY 2026-27 to FY 2030-31 as submitted by the Petitioner

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	10.96%	28.31%	10.96%	3.85%	10.96%
CCL Coal [SHAKTI 3]	%	49.34%	39.73%	49.34%	53.28%	49.34%
CCL Coal [SHAKTI 2]	%	16.50%	13.29%	16.50%	17.82%	16.50%
MCL Coal [SHAKTI 2]	%	15.89%	12.79%	15.89%	17.15%	15.89%
ECL Coal [SHAKTI 2]	%	7.31%	5.89%	7.31%	7.89%	7.31%

Table 14: Fuel Mix of Unit-3 for FY 2026-27 to FY 2030-31

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	25.30%	21.35%	18.11%	0.00%	18.11%
CCL Coal [SHAKTI 3]	%	41.39%	43.59%	45.38%	57.03%	45.38%
CCL Coal [SHAKTI 2]	%	13.84%	14.58%	15.18%	19.07%	15.18%
MCL Coal [SHAKTI 2]	%	13.33%	14.03%	14.61%	18.36%	14.61%
ECL Coal [SHAKTI 2]	%	6.13%	6.46%	6.72%	5.53%	6.72%

Table 15: Wt. Avg. GCV of Coal and LDO of Unit-2 for Aug-2025 to Oct-2025

Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
Middling Coal Consumption	Ton	0	104	1900	2,004
Middling GCV	Kcal/Kg	0	4127	4127	4127
CCL Coal Consumption [SHAKTI 3]	Ton	18417	32846	13559	64822
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3814	3750	3648	3747
CCL Coal Consumption [SHAKTI 2]	Ton	21612	9695	13119	44426
GCV of CCL Coal [SHAKTI 2]	Kcal/Kg	3779	3535	3852	3747
MCL Coal Consumption [SHAKTI 2]	Ton	4688	7501	8024	20213
GCV of MCL Coal [SHAKTI 2]	Kcal/Kg	3388	3142	2702	3024
ECL Coal Consumption [SHAKTI 2]	Ton	2030	4731	6114	12875
GCV of ECL Coal [SHAKTI 2]	Kcal/Kg	4882	4853	4846	4854



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Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
LDO Consumption	KL	13.50	3.13	11.00	27.63
LDO GCV	Kcal/L	8408	8469	8330	8384

Table 16: Wt. Avg. GCV of Coal and LDO of Unit-3 for Aug-2025 to Oct-2025

Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
Middling Coal Consumption	Ton	0	0	1781	1781
Middling GCV	Kcal/Kg	0	0	4127	4127
CCL Coal Consumption [SHAKTI 3]	Ton	18881	30140	14487	63508
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3815	3750	3652	3747
CCL Coal Consumption [SHAKTI 2]	Ton	21813	10656	15890	48359
GCV of CCL Coal [SHAKTI 2]	Kcal/Kg	3787	3534	3800	3736
MCL Coal Consumption [SHAKTI 2]	Ton	3438	5100	5996	14534
GCV of MCL Coal [SHAKTI 2]	Kcal/Kg	3373	3142	2692	3011
ECL Coal Consumption [SHAKTI 2]	Ton	2019	4346	7087	13452
GCV of ECL Coal [SHAKTI 2]	Kcal/Kg	4882	4853	4846	4854
LDO Consumption	KL	4.00	2.50	6.00	12.50
LDO GCV	Kcal/L	8408	8469	8330	8383

5.40 Further, for the purpose of computing the fuel requirement, the GCV of the coal has been reduced by 85 kCal/kg on account of variation during storage at generating station as allowed in the JSERC GTR, 2025.

Table 17: Coal Procurement Plan for Unit-2 for the Control Period from FY 2026-27 to FY 2030-31

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
Normative Generation at 85% NAPAF	MUs	893.52	895.97	893.52	893.52	893.52
Heat Rate	Kcal/kWh	2567	2567	2567	2567	2567
Total Heat Input to Boiler	MKCal	1919124	2430641	1919124	1762885	1919124
Sp. LDO Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
GCV of LDO	Kcal/L	8384	8384	8384	8384	8384
LDO Consumption	KL	373.81	473.44	373.81	343.37	373.81
Heat Input by LDO	MKCal	3134	3969	3134	2879	3134



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Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Heat Input by Coal	MKCal	1915990	2426672	1915990	1760006	1915990
GCV of Middling/Alternative Coal	Kcal/Kg	4042	4042	4042	4042	4042
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of CCL Shakti Coal [SHAKTI 2]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of MCL Shakti Coal [SHAKTI 2]	Kcal/Kg	2939	2939	2939	2939	2939
GCV of ECL Shakti Coal [SHAKTI 2]	Kcal/Kg	4769	4769	4769	4769	4769
Middling/Alternative Coal Mix	%	10.96%	28.31%	10.96%	3.85%	10.96%
CCL Coal Mix [SHAKTI 3]	%	49.34%	39.73%	49.34%	53.28%	49.34%
CCL Shakti Coal Mix [SHAKTI 2]	%	16.50%	13.29%	16.50%	17.82%	16.50%
MCL Shakti Coal Mix [SHAKTI 2]	%	15.89%	12.79%	15.89%	17.15%	15.89%
ECL Shakti Coal Mix [SHAKTI 2]	%	7.31%	5.89%	7.31%	7.89%	7.31%
Equivalent GCV of Coal Consumed	Kcal/Kg	3669.77	3742.23	3669.77	3640.09	3669.77
Middling/Alternative Coal Consumption	Ton	57220	183576	57220	18625	57220
CCL Coal Consumption [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Shakti Coal Consumption [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Shakti Coal Consumption [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Shakti Coal Consumption [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Transit Loss in Middling/Alternate Coal	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Coal [SHAKTI 3]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Shakti Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in MCL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in ECL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%



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Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling/Alternative Coal Procurement	Ton	57681	185056	57681	18775	57681
CCL Coal Procurement [SHAKTI 3]	Ton	259695	259695	259695	259695	259695
CCL Coal Procurement [SHAKTI 2]	Ton	86850	86850	86850	86850	86850
MCL Coal Procurement [SHAKTI 2]	Ton	83610	83610	83610	83610	83610
ECL Coal Procurement [SHAKTI 2]	Ton	38475	38475	38475	38475	38475
Total Consumption	Ton	522101	648457	522101	483506	522101
Total Procurement	Ton	526311	653686	526311	487405	526311

Table 18: Coal Procurement Plan for Unit-3 for the Control Period from FY 2026-27 to FY 2030-31

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
Normative Generation at 85% NAPAF	MUs	893.52	895.97	893.52	893.52	893.52
Heat Rate	Kcal/kWh	2577	2577	2577	2577	2577
Total Heat Input to Boiler	MKCal	2322918	2196180	2101598	1622386	2101598
Sp. LDO Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
GCV of LDO	Kcal/L	8383	8383	8383	8383	8383
LDO Consumption	KL	450.70	426.11	407.76	314.78	407.76
Heat Input by LDO	MKCal	3778	3572	3418	2639	3418
Heat Input by Coal	MKCal	2319140	2192608	2098179	1619747	2098179
GCV of Middling/Alternative Coal	Kcal/Kg	4042	4042	4042	4042	4042
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of CCL Shakti Coal [SHAKTI 2]	Kcal/Kg	3651	3651	3651	3651	3651
GCV of MCL Shakti Coal [SHAKTI 2]	Kcal/Kg	2926	2926	2926	2926	2926
GCV of ECL Shakti Coal [SHAKTI 2]	Kcal/Kg	4769	4769	4769	4769	4769
Middling/Alternative Coal Mix	%	25.30%	21.35%	18.11%	0.00%	18.11%
CCL Coal Mix [SHAKTI 3]	%	41.39%	43.59%	45.38%	57.03%	45.38%
CCL Shakti Coal Mix [SHAKTI 2]	%	13.84%	14.58%	15.18%	19.07%	15.18%
MCL Shakti Coal Mix [SHAKTI 2]	%	13.33%	14.03%	14.61%	18.36%	14.61%
ECL Shakti Coal Mix [SHAKTI 2]	%	6.13%	6.46%	6.72%	5.53%	6.72%



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Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Equivalent GCV of Coal Consumed	Kcal/Kg	3726.31	3709.61	3695.95	3585.95	3695.95
Middling/Alternative Coal Consumption	Ton	157488	126181	102816	0	102816
CCL Coal Consumption [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Shakti Coal Consumption [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Shakti Coal Consumption [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Shakti Coal Consumption [SHAKTI 2]	Ton	38167	38167	38167	24979	38167
Transit Loss in Middling/Alternate Coal	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Coal [SHAKTI 3]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Shakti Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in MCL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in ECL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Middling/Alternative Coal Consumption	Ton	158758	127198	103646	0	103646
CCL Coal Procurement [SHAKTI 3]	Ton	259695	259695	259695	259695	259695
CCL Coal Procurement [SHAKTI 2]	Ton	86850	86850	86850	86850	86850
MCL Coal Procurement [SHAKTI 2]	Ton	83610	83610	83610	83610	83610
ECL Coal Procurement [SHAKTI 2]	Ton	38475	38475	38475	25181	38475
Total Consumption	Ton	622369	591062	567697	451693	567697
Total Procurement	Ton	627388	595828	572276	455336	572276

Commission's Analysis

5.41 The Commission observed that the Petitioner has participated in bid process for coal allocation under Shakti Scheme round-II and round-III and were able to secure coal from ECL, CCL and MCL mines of Coal India



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- Limited. Such steps will not only increase the reliability towards availability of coal but also improve the economics of fuel purchase, which shall lead to decrease in the energy charge rate.
- 5.42 The Commission observed that under SHAKTI Round 2, the Petitioner received total allocations of about 4,64,300 Tons. Out of which, 85500 Tons were allocated from ECL, 193000 Tons from CCL and 185800 Tons from MCL. Under SHAKTI Round 3, the Petitioner secured an additional quantum of 5,77,100 Tons per annum from CCL.
- 5.43 The Commission further observed that the Petitioner has proposed only 90% of coal allocated under Shakti Scheme for calculating the coal mix citing various challenges like delay on CIL side even after deposit of advanced payment, unreliable supply etc. Further, to meet its coal requirement over and above the allocated coal, the Petitioner proposed to fulfill through middling coal sourced from West Bokaro Collieries of Tata Steel in Jharkhand.
- 5.44 Considering the submission of the Petitioner to consider 90% of coal allocated under Shakti Scheme for calculating the coal mix due to various said reasons, the Commission approves the same. However, the Commission directs the Petitioner to ensure that 100% offtake of coal allocated under Shakti Scheme is secured. Further, the Petitioner should take every effort to optimise its fuel procurement cost.
- 5.45 The Commission also observed from the Petitioner’s submission that to ensure 85% normative availability as specified in GTR-2025, the Petitioner is required to have a firm arrangement for balance coal. This shortfall is also proposed to be met through Middling Coal from West Bokaro Collieries of Tata Steel. However, it is also observed that the coal procurement projection as done by the Petitioner is based on the projected PLF (which is based on the demand of its beneficiary Tata Steel Distribution Licensee) rather than normative PLF.
- 5.46 The Commission has approved the Plant Load Factor (PLF) on normative basis of 85%. Thus, taking into consideration of Petitioner’s proposal to consider 90% of coal allocated under Shakti Scheme for calculating the coal mix and remaining requirement to be met with by middling Coal, the Commission has computed the coal mix for the Control Period from FY 2026-27 to FY 2030-31 as shown in below tables.
- 5.47 Further, the Petitioner is directed to communicate the Commission of any deviation from the approved Plan with proper reasoning on Quarterly basis.

Table 19: Coal Mix for Unit-II as approved by the Commission

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	24.36%	24.55%	24.36%	24.36%	24.36%
CCL Coal [SHAKTI 3]	%	41.91%	41.81%	41.91%	41.91%	41.91%

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Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
CCL Coal [SHAKTI 2]	%	14.02%	13.98%	14.02%	14.02%	14.02%
MCL Coal [SHAKTI 2]	%	13.49%	13.46%	13.49%	13.49%	13.49%
ECL Coal [SHAKTI 2]	%	6.21%	6.19%	6.21%	6.21%	6.21%

Table 20: Coal Mix for Unit-III as approved by the Commission

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	24.70%	24.89%	24.70%	24.70%	24.70%
CCL Coal [SHAKTI 3]	%	41.73%	41.62%	41.73%	41.73%	41.73%
CCL Coal [SHAKTI 2]	%	13.96%	13.92%	13.96%	13.96%	13.96%
MCL Coal [SHAKTI 2]	%	13.44%	13.40%	13.44%	13.44%	13.44%
ECL Coal [SHAKTI 2]	%	6.18%	6.17%	6.18%	6.18%	6.18%

5.48 The Commission observed that the Petitioner has projected the GCV of the primary fuel based on the actual value for the period from August 2025 to October 2025. The Commission provisionally approves the GCV as projected by the Petitioner, in accordance with **clause 17.10** of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, subject to truing up based on actual.

5.49 Further, for the purpose of computing the fuel requirement, the GCV of the coal has been reduced by 85 kCal/kg on account of variation during storage at generating station as per JSERC GTR, 2025.

Table 21: GCV for Unit-II as approved by the Commission

GCV	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Kcal/Kg	4041.61	4041.61	4041.61	4041.61	4041.61
CCL Coal [SHAKTI 3]	Kcal/Kg	3661.92	3661.92	3661.92	3661.92	3661.92
CCL Coal [SHAKTI 2]	Kcal/Kg	3662.41	3662.41	3662.41	3662.41	3662.41
MCL Coal [SHAKTI 2]	Kcal/Kg	2939.35	2939.35	2939.35	2939.35	2939.35
ECL Coal [SHAKTI 2]	Kcal/Kg	4769.18	4769.18	4769.18	4769.18	4769.18

Table 22: GCV for Unit-III as approved by the Commission

GCV	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Kcal/Kg	4041.61	4041.61	4041.61	4041.61	4041.61
CCL Coal [SHAKTI 3]	Kcal/Kg	3661.94	3661.94	3661.94	3661.94	3661.94
CCL Coal [SHAKTI 2]	Kcal/Kg	3650.82	3650.82	3650.82	3650.82	3650.82
MCL Coal [SHAKTI 2]	Kcal/Kg	2926.34	2926.34	2926.34	2926.34	2926.34
ECL Coal [SHAKTI 2]	Kcal/Kg	4768.64	4768.64	4768.64	4768.64	4768.64

5.50 Based on the approved coal mix and GCV, the coal consumption and coal procurement plan for the Control Period from FY 2026-27 to FY 2030-31

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is shown below.

Table 23: Coal Procurement Plan for Unit-II as approved by the Commission

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Ton	149740	151292	149740	149740	149740
CCL Coal [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Coal [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Coal [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Coal [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Net Coal Consumption	Ton	614621	616173	614621	614621	614621
Transit Loss	%	0.8	0.8	0.8	0.8	0.8
Coal Procurement Plan	Ton	619538	621102	619538	619538	619538

Table 24: Coal Procurement Plan for Unit-III as approved by the Commission

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Ton	152469	154027	152469	152469	152469
CCL Coal [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Coal [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Coal [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Coal [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Net Coal Consumption	Ton	617350	618908	617350	617350	617350
Transit Loss	%	0.8	0.8	0.8	0.8	0.8
Coal Procurement Plan	Ton	622289	623860	622289	622289	622289

Capital Expenditure Plan

Petitioner's Submission

5.51 The Petitioner submitted that The additional capitalization proposed for Jojobera Unit 2 and Unit 3 for the Control Period from FY 2026-27 to FY 2030-31 is comprised of the following:

- I. Additional Capitalization pertaining to Capital Expenditure Schemes proposed for 4th Control Period from FY 2026-27 to FY 2030-31.
- II. Additional Capitalization pertaining to spill over works from previous control period. (already approved by the Commission)
- III. Decapitalization Plan for replacement schemes from FY 2026-27 to FY 2030-31.

5.52 The Petitioner submitted that the Commission vide APR Order dated

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28.03.2025, had directed the Petitioner to conduct Residual Life Study (RLA) for Jojobera Units 2 & 3. It is submitted that RLA study requires extensive study of critical equipment and many of them require outage to undertake those studies. This requirement poses a critical challenge in the planning of the RLA activities, since, for the generating station, it is essential to ensure uninterrupted power supply. On this backdrop, the RLA is being meticulously planned so as to align it with the planned outages, to the best extent possible. The various options and decisions for conducting RLA study are being actively evaluated by the management of the Petitioner Company. It is submitted that the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which is tentatively planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For “Balance of Plant”, the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit-3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible. It is further submitted that the Petitioner shall update the Hon’ble Commission in respect of RLA along-with the cost, through subsequent Petitions.

- 5.53 As regards the Capex requirement, it is most humbly submitted that the Petitioner, adhering to the standard practices of regular maintenance, has been able to run both the units in an optimal and safe manner, even on completion of the useful life of 25 years as defined in the regulations. For the upcoming control period, the Petitioner has projected capital expenditure only for the schemes/ works which are essential for the smooth and sustained operations of Unit-2 and Unit-3, in accordance with the provisions of Regulation 14.3 and 14.4 of JSERC GTR 2025.
- 5.54 Accordingly, Tata Power has proposed for various Additional Capital Expenditure Schemes for Control Period FY 2026-27 to FY 2030-31 as presented in the table below along with justification for each such proposed Capital Expenditure Scheme for the kind perusal of the Hon’ble Commission. The detailed phasing along with the relevant regulations under which the capital expenditure for such Schemes have been claimed is summarized in the Table below:

Table 25: Capex Plan for the Control Period from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
1.	Turning Gear Hydraulic Motor	2&3	2 Set	0.93	Regulation 14.3 (a) and 14.4 (d)	Motor is critical part of Turbine and necessary to maintain reliability/availability of units. The absence of the same will lead to long outage of Unit and hamper



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Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
						plant generation. Due to its continuous operation, the motors have undergone wear and tear and have also outlived their useful life and will require replacements for continuous operation of the plant
2.	Turbine Parting plane fasteners	2&3	1 Sets	8.60	Regulation 14.3 (a) and 14.4 (d)	Turbine Parting plane fasteners have been in service for more than 20 years. Over-aged fasteners with elevated hardness pose failure risk; replacement prevents forced outages in major turbine assemblies.
3.	LP Turbine last stage blades	2&3	2 Sets	5.00	Regulation 14.3 (a) and 14.4 (d)	Severe steam erosion impacting reliability and unit availability; and needs replacement for reliable operation of turbine and Unit availability.
4.	CT Tower Fills pack assembly	2&3	12 Sets	8.00	Regulation 14.3 (a) and 14.4 (d)	CT Tower Fills are in choked condition and needs replacement to restore cooling efficiency and condenser vacuum performance; predominantly for operation/ efficiency sustenance.
5.	Ash conveying Pipe & Bends	2&3	2 Lots	21.00	Regulation 14.3 (a), 14.4(b) and 14.4(d) and 14.4(f)	High erosion/leakage affects ash evacuation and causes environmental/public nuisance; replacement improves process performance and compliance.
6.	Ash Slurry and Recovery pumps system	2&3	2 Lots	5.00	Regulation 14.3 (a), 14.4 (d) and 14.4 (f)	Ash slurry and Recovery Pumps are high prone to ash erosion; It will prevent ash pond overflow and community impact; focuses on sustained process performance and operability of disposal systems.
7.	Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant)	2&3	2 Set	7.50	Regulation 14.3 (a), 14.4 (d)	Main plant structures are in service for more than 20 years. Many of the structures have degraded over the period and needs to be refurbished for



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Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
	& Aux. System)					avoiding any catastrophic failure and ensure reliable operation of Unit.
8.	APH Tube replacement	2&3	9000 0 Tube	22.00	Regulation 14.3 (a), 14.4 (d)	APH Tubes have eroded to a considerable level. Many tubes have been plugged which is hampering Unit performance with high current drawl by draught fan. For reliable operation of Unit APH tube replacement to be carried out.
9.	Coal Bends, MPO, Coal pipe	2&3	2 Lots	5.00	Regulation 14.3 (a), 14.4 (d)	Erosion/leakage in coal discharge causes pollution & mill unavailability; replacements improve operational efficiency and reduce emissions/fugitive dust.
10.	Chimney structure & Landing platform Refurbishment	2&3	2 Set	4.00	Regulation 14.3 (a), 14.4 (d)	Chimney structure and landing platform have aged and are in damaged condition; Structural refurbishment is required for integrity and safe access; It is life-extension/Upgradation activity.
11.	Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	Common	2 Sets	1.70	Regulation 14.3 (b) and 14.4(e)	Installation of wheel gripper as per RDSO guidelines is required for meeting regulatory norms and safe operation of Wheel Gripper.
12.	132 kV ABB BLK Breaker Replacement	2&3	7	0.60	Regulation 14.3 (c)	OEM recommended obsolete; replacing critical grid interface breakers safeguards reliability & protection integrity.
13.	Testing Equipment	2&3	3	0.50	Regulation 14.3 (a), 14.4 (d)	Testing equipment need for reliable diagnostic/protection testing for primary equipment; supports outage prevention by condition assessment. Winding resistance, Tan Delta, 10 KV Megger, LCM, DCRM, 1-phase and 3 phase injection kit.



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Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
14.	U#2/3 Station Battery Bank (220V DC)	2&3	1- Bank	0.70	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
15.	U#2 Unit Battery Bank- 220V	2	1- Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
16.	U#3 Unit Battery Bank- 220V	3	1- Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
17.	CHP LT Breaker Replacement	2&3	11	0.40	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging LT breakers reduces trip/failure risk in coal handling; reliability improvement.
18.	CHP HT Breaker Replacement	2&3	14	0.35	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging CHP HT Breaker reduces trip/failure risk in coal handling; reliability improvement
19.	U-2 24v bank-1	2	1	0.25	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
20.	U-3 24v bank-1 & 2	3	1	0.50	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
21.	FBT for change over relay	2&3	2	0.30	Regulation 14.3 (a), 14.4 (d)	Essential for reliable change-over; In order to prevents control failures and outages, the Petitioner required to maintain as spare part.
22.	Jemco MCC retrofitting	Common	1	0.50	Regulation 14.3 (a), 14.4 (d)	Repetitive problem of jaw failures leading to flashover.



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Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
23.	Unit #2 Revamping of SWAS	2	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
24.	Unit #3 Revamping of SWAS	3	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
25.	Master Clock System	2&3	1 lot	1.50	Regulation 14.3 (c)	OEM recommended Obsolescence; required for operational efficiency enhancement.
26.	CT Chemical dosing system	2&3	2	1.27	Regulation 14.3 (a)	Aged dosing equipment; refurb/replacement is part of major cooling system upkeep—life-extension & water treatment integrity.
27.	Fire equipment/ system upgradation	2&3	1	7.00	Regulation 14.3 (a), 14.4 (b) and 14.4(e)	Aged fire protection is a safety-critical system; upgradation is required statutory compliance.
28.	IT infrastructure upgradation	Common	1	2.5	Regulation 14.3 (c)	Going forward, operating the plant requires added/ and upgraded infrastructure in terms of Digital Network upgradation/addition of Laptop /Desktop for facilitating the various interfaces at multiple points with needed/necessary upgradation.

5.55 The Petitioner further submitted the details of some already approved schemes, which are spill over works from previous Control Period. The Commission, vide Order dated 28.03.25 for APR of FY 2024-25, had approved various Additional Capital Expenditure Schemes during FY 2024-25 and FY 2025-26. However, few of them could not be completed or carried out due to various uncontrollable reasons. The Commission would appreciate that the capitalization of such approved schemes requires considerable time as it involves several negotiations with vendors, quality checks and efficient Commissioning methodologies in order to optimize the cost and flawless execution of the Projects. The following are the major reasons for the deviation in Capitalization Plan of

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some of the Capital Expenditure Schemes.

- I. Changes in the maintenance plan in view of variation in the operational plan or variations in technical requirements.
- II. Changes in the Annual Shutdown Plan or duration of the Annual Outage of the Units due to unavoidable circumstances viz. high lead time in delivery of the equipment, non-availability of specialized OEM Engineers, etc.
- III. Re-negotiations with the vendors on account of deviations in Cost and Budgeting as planned.
- IV. Reassessment of necessity/usefulness of Schemes owing to ever-changing scenario.

5.56 The deferment of the schemes on account of the abovementioned reasons, have already been informed to the Commission through the Quarterly Reports of the FY 2024-25 and also vide Petition for True Up of FY 2024-25 and APR of FY 2025-26. In view of above, the Petitioner requested the Commission to allow capitalization of already approved Capital Expenditure Schemes, as shown in the table below.

Table 26: Spill over work from previous Control Period (Rs. Cr.)

Particulars	Capitalisation Value
Unit 2 Standalone	
Upgradation of Cyber Security	3.57
Spray Nozzle for Boiler	0.70
Upgradation of Digital Automatic Voltage Regulator (DAVR)	1.30
Total Spilled Over Works	5.57

5.57 The Petitioner further submitted that Regulation 14.3 and 14.4 of JSERC GTR, 2025 specify various provisions for allowance of Additional Capital Expenditure (“Add Cap”) incurred or projected to be incurred in respect of new project or existing project falling within Original Scope of work or beyond the Original Scope of work after the cutoff date. Further Regulation 14.5 provides for ACE to be incurred during the fag end of the project.

5.58 Considering the above discussion, the Petitioner presented a summary of proposed Additional Capitalization pertaining to unit-2 and 3 for each year of the Control Period (in Rs. Lakh) as shown below.

Table 27: Summary of Proposed Additional Capitalization pertaining to Unit-2&3 for each



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year of the Control Period (Rs. Lakh)

Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
Standalone unit 2						
U#2 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-2 24v bank-1	25.00	25.00	-	-	-	-
Unit#2 Revamping of SWAS	125.00	125.00	-	-	-	-
Sub-Total	205.00	205.00	-	-	-	-
Standalone unit 3						
U#3 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-3 24v bank-1 & 2	50.00	50.00	-	-	-	-
Unit#3 Revamping of SWAS	125.00	-	125.00	-	-	-
Sub-Total	230.00	105.00	125.00	-	-	-
Unit 2 and 3						
Turning Gear Hydraulic Motor	92.50	46.25	46.25	-	-	-
Turbine Parting plane fasteners	860.00	860.00	-	-	-	-
LP Turbine last stage blades	500.00	500.00	-	-	-	-
CT Tower Fills pack assembly	800.00	400.00	400.00	-	-	-
Ash conveying Pipe & Bends	2,100.00	420.00	420.00	420.00	420.00	420.00
Ash Slurry and Recovery pumps system	500.00	150.00	200.00	150.00	-	-
Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant & Aux. System)	900.00	180.00	180.00	180.00	180.00	180.00
APH Tube replacement	2,200.00	500.00	500.00	500.00	500.00	200.00
Coal Bends, MPO, Coal pipe	500.00	100.00	100.00	150.00	150.00	-
Chimney structure & Landing platform Refurbishment	400.00	200.00	200.00	-	-	-



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Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
CHP LT Breaker Replacement	40.00	20.00	20.00	-	-	-
CHP LT Breaker Replacement	35.00	20.00	15.00	-	-	-
132kV ABB BLK Breaker Replacement	60.00	30.00	30.00	-	-	-
FBT for change over relay	30.00	30.00	-	-	-	-
Testing Equipments	50.00	25.00	25.00	-	-	-
U#2/3 Station Battery Bank (220V DC)	70.00	70.00				
Master Clock System	150.00	-	150.00	-	-	-
CT Chemical dosing system	127.00	127.00		-	-	-
Fire equipment/system upgradation	700.00	300.00	300.00	100.00	-	-
Sub-Total	10,114.50	3,978.25	2,586.25	1,500.00	1,250.00	800.00
Common (Apportioned for Unit 2 and 3)						
Jemco MCC retrofitting	21.92	21.92	-	-	-	-
Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	74.52	37.26	37.26	-	-	-
IT Infrastructure upgradation	109.59	54.79	54.79	-	-	-
Sub-Total	206.03	113.97	92.05	-	-	-
Total Capex	10,755.53	4,402.22	2,803.30	1,500.00	1,250.00	800.00

5.59 It is further submitted that some of the Schemes are commonly proposed for Unit 2 and Unit 3, however, with actual progress on scheme, discussions with vendors regarding supply of material, the availability of outage, actual capitalization/phasing in each Unit may vary. Hence, the Petitioner sought liberty of the Commission to apprise such inter-se adjustments among Unit 2&3 in the quarterly additional capitalisation reports or during true-up exercise of respective year.

5.60 Regarding the De-capitalization schedule for FY 2026-27 to FY 2030-31, the Petitioner submitted that based on principles as explained in the True

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Up and APR petition regarding de-capitalization, the Decapitalization against the proposed Capital Expenditure Schemes involving complete or partial Replacement of the assets have been worked out and the same has been considered for arriving at net Addition for each year of the 4th Control Period. However, it may kindly be noted that such decapitalization is on provisional basis and is subject to truing-up of respective years. Proposed decapitalization for FY 2026-27 to FY 2030-31 is summarized in the following Table:

Table 28: Summary of Proposed De-Capitalization pertaining to Unit-2&3 for each year of the Control Period (Rs. Lakh)

Particulars	FY27	FY28	FY29	FY30	FY31
De-capitalisation Unit 2	6.66	3.60	1.99	1.64	1.04
De-capitalisation Unit 3	5.84	3.93	1.99	1.64	1.04

- 5.61 Regarding the Capitalization on account of Renovation and Modernization, the Petitioner submitted that in terms of Regulations 14.8-14.10, the Petitioner is required to file an application with Detailed Project Report inter-alia containing all the information as specified in these Regulations for the purpose of seeking approval of the Additional Capital Expenditure required for carrying out Renovation and Modernization of Unit 2 and Unit 3 for extension of life beyond the useful life. It is submitted that extensive study is required to be performed for each critical equipment during the RLA Study to understand the requirement and to prepare the R&M plan in consultation with beneficiaries, OEMs.
- 5.62 As also discussed herein above, the Petitioner is in the process of conducting the RLA study and due to time constraint, the compilations of overall capitalization requirements for the Control Period could not be completed and, therefore, Tata Power humbly seeks liberty of the Commission to modify/make additions to the above Capex proposal, if need arises during the proceedings of the present Petition and/or in subsequent True-up/APR Petitions along with due approval from Management and Tata Steel Distribution Licensee.

Commission's Analysis

- 5.63 The Commission has relied upon Regulation A14 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 for the approval of additional capitalization for the Control Period from FY 2026-27 to FY 2030-31.
- 5.64 The Commission observed that both the plants of the Petitioner are going to end their useful life in 2026 and 2027 respectively. In this regard as per clause 14.5 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, the Petitioner is required to submit the RLA of both the units before any additional capitalization.

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Further, it is observed from the Petitioner's submission, which states that

“the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which was planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For “Balance of Plant”, the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit-3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible”.

5.65 Furthermore, in the discrepancy note to the Petitioner, the Commission directed the Petitioner to submit scheme-wise detailed justification for the necessity of each line item proposed under the new schemes, along with a cost-benefit analysis demonstrating tangible operational, financial, or efficiency gains as well as DPR and Residual Life Assessment report of the project. The Commission further directed the Petitioner to submit the present status of the RLA study, including the date of commencement of the study, the scope of work undertaken, and the tentative timeline for completion of the RLA study, along with any interim findings, if available. The Commission also directed the Petitioner to submit the Obsolescence certificate for all the assets claimed for FY 2026-27 to FY 2030-31 under Clause 14.3 (C) of the JSERC generation tariff regulation, 2025.

5.66 In response, the Petitioner submitted the DPR of all the new assets proposed for FY 2026-27 to FY 2030-31 supported by other necessary documentary evidence. However, the Petitioner failed to provide the Obsolescence certificate as asked by the Commission citing that,

“It is being humbly submitted that many of the assets have completed the asset life, rendering the spare parts unavailable and the asset non-serviceable. In such cases, even obtaining Obsolescence Certificate by the OEM is also practically not possible. In such a scenario, it is most humbly requested that unavailability of the Obsolescence Certificate may kindly be condoned by the Hon'ble Commission on said grounds and the proposed schemes may kindly be allowed considering the difficulty to service and repair the assets”

5.67 Regarding the RLA study, the Petitioner in the data-gap response submitted that

“.....RLA for “Boiler Pressure Parts” has been carried out for Unit 2&3 as a practice in accordance with Indian Boiler Regulations (IBR) in December 2021 and February 2021, respectively. Similarly, RLA for Turbine and other critical components has also been undertaken in line with OEM recommendations and prevailing utility practices for Unit 2&3 in January 2025 and February 2021, respectively. It may be noted that the stipulated frequency of the Boiler RLA is every 6



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years, whereas, for Turbine and other critical components, the same is typically every 5 years. Summary of the past and upcoming RLAs is presented in the table below.

Particulars	Last RLA	Next RLA
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28

.....

Further, as regards the RLA for “Balance of Plant”, which is typically required post 25 years of life of the asset, is under active consideration of the management. The same shall be scheduled, keeping in consideration, the planned RLAs as mentioned herein above and requirement of outage for such RLA.”

- 5.68 The Commission observed that the Petitioner has conducted RLA for Boiler and Turbine for Unit-2 and 3 between Dec-21 to Jan-25. However, RLA for “Balance of Plant” as required after 25 years of useful life has not been conducted yet.
- 5.69 It is further observed that the Commission, for the first time, vide its APR Order for FY 2019-20 dated 09.09.2020, and in all subsequent tariff orders thereafter, had been consistently directing the Petitioner to undertake a **Residual Life Assessment (RLA) study. A considerable period has elapsed since the issuance of the said directions; however, the Petitioner has not yet completed the RLA study.**
- 5.70 Considering the above facts and circumstances, the Commission doesn’t approve any new additional capitalization schemes proposed, for the Control Period from FY 2026-27 to FY 2030-31.
- 5.71 However, the Commission, after scrutinizing the carry forward schemes which were spilled over from previous Control Period, has allowed the capital expenditure schemes and the related capitalization after due prudence check. The Commission also directs the Petitioner to strictly ensure that the schedule of Capital Expenditure and Capitalization should be strictly adhered.
- 5.72 The approved spillover work for standalone Unit-2 from previous Control period to be done in the upcoming Control Period from FY 2026-27 to FY 2030-31 has been summarized in the tables below. Further it is clarified that there is no spillover work for Unit-3 in the upcoming Control Period.
- 5.73 The Commission shall review the capital expenditure and capitalization actually done by the Petitioner while true-up in accordance with Clause

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6.8 to Clause 6.10 of the Generation Tariff Regulations, 2025.

Table 29: Spill over work from previous Control Period (Rs. Cr.) as approved by the Commission.

Particulars	Capitalisation Value (FY 2026-27)
Unit 2 Standalone	
Upgradation of Cyber Security	3.57
Spray Nozzle for Boiler	0.70
Upgradation of Digital Automatic Voltage Regulator (DAVR)	1.30
Total Spilled Over Works	5.57

5.74 Further, the Commission also disapproves the de-capitalisation plan corresponding to new assets as projected by the Petitioner.

Financing of Capital Expenditure Plan

Petitioner's Submission

5.75 The Petitioner has submitted the financing of the proposed Capex schemes, envisaged to be done through internal accrual. Therefore, financing of Additional Capitalization has been considered at Normative Debt: Equity ratio of 70:30 as per JSERC GTR, 2025.

Commission's Analysis

5.76 The Commission observed that the Petitioner has projected to finance the capital expenditure during the Control Period from FY 2026-27 to FY 2030-31 through internal accruals. Thus, in accordance with Clause 15.7(1) & 15.7(2) of Regulations, 2025, the Commission accordingly approves Normative Equity to the tune of 30% and considered the remaining 70% as Normative Debt. However, the Petitioner is directed to submit the detail of actual equity infusion towards capital assets at the time of True up.

Operation & Maintenance Expenses Plan

Petitioner's Submission

5.77 The Petitioner has submitted the as per Regulation 15.40 of JSERC GTR, 2025, the O&M expenses for the Base Year (FY 2025-26) have to be determined on the basis of the audited accounts from FY 2020-21 to FY 2024-25. Accordingly, the Petitioner has considered expenses booked under P&L from FY 2020-21 to FY 2025-26 towards employee expenses, other A&G expenses and R&M expenses to derive the normative O&M expenses for ensuing Control Period.

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5.78 The escalation factor to be applied for projecting the O&M expenses has been considered as per the above provisions of JSERC GTR, 2025 and approach adopted by the Commission in the previous Control Period. The Petitioner has calculated the Consumer Price Index (CPI inflation) and Wholesale Price Index (WPI inflation) based on the average increase in the CPI and WPI respectively for immediately preceding 5 years before the base year. The summary of the escalations considered for projection of O&M expenses for the 4th Control Period is presented in table below:

Table 30: Inflation Index considered for projection of O&M Expenses.

Particular	FY20	FY21	FY22	FY23	FY24	FY25
CPI	322.5	338.69	356.06	377.62	397.2	410.64
WPI	121.8	123.38	139.41	152.53	151.42	154.86
Wtd. Avg. Index (0.55*CPI + 0.45*WPI)	232.19	241.8	258.57	276.33	286.6	295.54
% Increase	6.09%	4.14%	6.93%	6.87%	3.72%	3.12%
Average Increase in 5 Years	4.96%					

Projection of Employee Expenses

Petitioner's Submission

5.79 The Petitioner has computed employee expenses based on average of past 5 years' actual expenses i.e. FY 2020-21 to FY 2024-25, Growth Factor and applicable Inflation Factor.

5.80 For the 4th Control Period, Tata Power has projected manpower strength and corresponding growth rate as per the Human Resource requirement in Jojobera Unit 2 and Unit 3. It is submitted that the Petitioner is not envisaging any increase in the no. of employees during the 4th control period for the existing generation facility (excluding FGD). However, the Petitioner seeks liberty to approach the Commission in case of variation in manpower requirement at the time of True Up. Accordingly, the Projected manpower details and growth rate is shown in the table below.

Table 31: Growth Factor for the MYT Period (%) as submitted by the Petitioner

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Management Cadre	157	157	157	157	157	157
Non- Management Cadre	42	42	42	42	42	42
Total	199	199	199	199	199	199

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Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Increase	0	0	0	0	0	0
Growth (G) (in%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

5.81 The broad approach adopted by the Petitioner to project employee expenses for the 4th Control Period has been discussed in the para below:

- I. Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).
- II. The average (Mid-Year Value) has been escalated year on year (Y-O-Y) basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.
- III. For employee expenses projection, NIL growth rate has been considered for entire control period. However, any variation in growth rate will be submitted during True Up of respective year.
- IV. The base year expenses i.e. FY 2025-26, as computed above, has been further escalated using required inflation index to arrive at employee expenses for each year of the 4th Control Period.

5.82 As regards the terminal benefits, the Petitioner submitted that it has projected terminal benefits by considering actual expenses incurred towards terminal benefits during FY 2024-25 for both Unit 2 and Unit 3 and escalated with required inflation factor, as shown in the above table, to arrive at terminal benefit for each year of the 4th Control Period.

5.83 Based on the methodology discussed above, actual Employee Expenses and projected Employee Expenses for the 4th Control Period are shown in the table below:

Table 32: Actual Employee Exp. (Excl. Terminal Benefits) for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Unit 2						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.41	11.03	10.66
Unit 3						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.39	11.02	10.66

Table 33: Projected Employee Exp. And Terminal Benefits for Unit 2&3 (Rs. Cr. for the



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Control Period.

Particulars	FY27	FY28	FY29	FY30	FY31
Unit 2					
Employee Expenses excl. Terminal Benefits	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
Unit 3					
Employee Expenses excl. Terminal Benefits	11.19	11.74	12.32	12.93	13.57
Terminal Benefits	0.90	0.95	0.99	1.04	1.10

Commission's Analysis

- 5.84 The Commission relies upon Clause 15.40 to 15.42 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 to project the O&M expenses for the Control Period.
- 5.85 For approval of Employee Expenses for the Control Period, the Commission is of the opinion that the methodology adopted by the Petitioner is legitimate. And hence adopted the same methodology. Further, the growth factor is considered as zero, as no additional manpower has been projected by the Petitioner. The Growth factor shall be subject to truing up on the basis of actual nos. of employees. Thus, the Employee expenses approved for the control period is as shown below.
- 5.86 Inflation factor for the Control Period has been computed by taking the average of last five-year inflation factor, i.e. from FY 2020-21 to FY 2024-25. The inflation factor so computed comes out to be 4.96%.
- 5.87 For the Projection of terminal benefits also, the Commission adopts the same methodology as that of Employee expenses, which shall be subject to truing-up based on actuals.

Table 34: Projected Employee Exp. and Terminal Benefits for Unit 2&3 (Rs. Cr.) as approved by the Commission for the Control Period.

Particulars	FY 2025-26 (Base Year)	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30	FY 2030- 31
Unit-II						
Employee Expenses	10.66	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.69	0.72	0.76	0.79	0.83	0.87
Unit-III						
Employee Expenses	10.66	11.19	11.74	12.32	12.93	13.57



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Particulars	FY 2025-26 (Base Year)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Terminal Benefits	0.69	0.72	0.76	0.79	0.83	0.87

Projection of Administrative and General Expenses

Petitioner's Submission

5.88 It was submitted the Petitioner has computed other A&G expenses, Head Office Expenses, Legal Expenses and Security Expenses based on average of past 5 years' actual expenses i.e. FY 2020-21 to FY 2024-25. The approach adopted by Tata Power is as follows:

- I. As per Regulation 15.46 of JSERC GTR, 2025, Security Expenses shall be allowed separately. Accordingly, Tata Power has projected security expenses separately based on the approach the past 5 years actual expenses.
- II. Actual Other A&G expenses for past 5 years have been considered and then adjusted expenses that are being projected separately i.e. legal charges, filing fees and Security Expenses.
- III. After the adjustments, Mid-Year Value (FY 2022-23) has been computed based on 5 years average adjusted A&G expenses.
- IV. With respect to Head office, Legal and Security Expenses, Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).
- V. The average (Mid-Year Value) has been escalated Y-O-Y basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.
- VI. The base year expenses i.e. FY 2025-26, as computed above, have been further escalated using required inflation index to arrive other A&G, Head Office, Legal and Security expenses for each year of 4th Control Period.

5.89 Based on the above discussion and applicable regulatory provisions, past years' expenses and projected A&G expenses are shown in the table below.



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Table 35: Actual Other A&G Exp. for Unit 2 (Rs. Cr.) from FY 2020-21 to FY 2024-25

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Other A&G Expenses	8.71	5.06	6.38	5.97	7.09	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
Net other A&G Expenses	7.65	4.30	5.39	5.06	5.91	6.55

Table 36: Actual Other A&G Exp. for Unit 3 (Rs. Cr.) from FY 2020-21 to FY 2024-25

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Other A&G Expenses	8.53	4.88	6.08	4.52	6.87	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
Net other A&G Expenses	7.47	4.12	5.08	3.61	5.70	6.01

Table 37: Actual HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Unit-2						
Head Office Expenses	11.69	12.76	9.55	11.53	14.60	13.90
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88
Unit-3						
Head Office Expenses	10.99	11.35	10.35	11.85	14.03	13.54
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88

Table 38: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Unit 2					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office	14.59	15.32	16.07	16.87	17.71



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Particulars	FY27	FY28	FY29	FY30	FY31
Expenses					
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12
Unit 3					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

Commission’s Analysis

- 5.90 The Commission has estimated the Base Year value of Administrative & General Expenses (excluding Legal Expenses and Application Fees & Publication Expenses) as per the following approach.
- 5.91 The average of past five years’ actual audited A&G expenses from FY 2020-21 to FY 2024-25 has been considered for deriving normative A&G Expenses for FY 2022-23 (which is the mid-year). The average of such expenses has been escalated twice with inflation factor @ 4.96% to arrive at the normative expenses for Base Year i.e., FY 2025-26. The Base Year expenses so calculated are further escalated with inflation factor to find the A&G expenses of each year of the Control Period, which shall be subject to truing up based on actual Inflation rate.
- 5.92 Further, Security Expenses and Legal Expenses have been allowed as per Clause 15.46 and Clause 15.43 of the GTR-2025.
- 5.93 HO expenses, legal expenses and security expenses have also been projected based on the same methodology as discussed above.
- 5.94 Accordingly, the Commission approves the projected A&G expenses, HO expenses, Legal expenses and Security expenses as per the table shown below.

Table 39: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	FY27	FY28	FY29	FY30	FY31
Unit II					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office Expenses	14.59	15.32	16.07	16.87	17.71
Legal Expenses	0.02	0.02	0.02	0.02	0.02

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Particulars	FY27	FY28	FY29	FY30	FY31
Security Expenses	0.92	0.97	1.02	1.07	1.12
Unit III					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

Application Fee & Publication Expenses

Petitioner's Submission

- 5.95 The Petitioner has claimed the application fee and publication expenses as per Regulation 28.1 of JSERC GTR, 2025.
- 5.96 Further, the Petitioner submitted that the application fee has been projected in accordance JSERC (Fees, Fines & Charges) Regulations, 2024 wherein the Fees Schedule has been provided.
- 5.97 Further, publication fees have been projected for 4th Control Period by considering actual publication fees for FY 2024-25 and escalated Y-O-Y basis using applicable inflation index to compute publication fees for each year of the Control Period.
- 5.98 The application and publication fees proposed for 4th Control Period are shown in the table below.

Table 40: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Unit 2					
Application Fees / Filing Fees	0.11	0.11	0.11	0.11	0.11
Publication Expenses	0.09	0.10	0.10	0.10	0.11
Application and Publication fees	0.20	0.21	0.21	0.21	0.22
Unit 3					
Publication Fees	0.11	0.11	0.11	0.11	0.11
Filing Fees	0.09	0.10	0.10	0.10	0.11
Application and Publication fees	0.20	0.21	0.21	0.21	0.22

Commission's Analysis

- 5.99 The Petitioner relies on clause 28.1 of JSERC GTR, 2025 for allowing the application fee and publication expenses.



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5.100 Further, the Commission observed that the Petitioner projected the Application fee in accordance with the Fees Schedule of JSERC (Fees, Fines & Charges) Regulations, 2024, which is also allowed by the Commission.

5.101 Publication expenses have been projected by escalating the actual publication expenses of FY 2024-25 by the calculated inflation factor @4.96% to arrive at the value for Base-year. Which is again escalated by the inflation factor to project the publication expenses of each year of the Control Period.

5.102 The application and publication fees as approved by the Commission for 4th Control Period are shown in the table below.

Table 41: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	Base year FY26	FY27	FY28	FY29	FY30	FY31
Unit 2						
Application Fees / Filing Fees	0.11	0.11	0.11	0.11	0.11	0.11
Publication Expenses	0.09	0.09	0.10	0.10	0.10	0.11
Application and Publication fees	0.20	0.20	0.21	0.21	0.21	0.22
Unit 3						
Publication Fees	0.11	0.11	0.11	0.11	0.11	0.11
Filing Fees	0.09	0.09	0.10	0.10	0.10	0.11
Application and Publication fees	0.20	0.20	0.21	0.21	0.21	0.22

Projection of R&M Expenses

Petitioner's Submission

5.103 The Petitioner has claimed the R&M expenses as per Regulation 15.42 of JSERC GTR, 2025.

5.104 The percentage constant 'K' factor has been computed based on past 5 years opening GFA and actual R&M expenses. Then based on the 5 years' average percentage 'K', base value of 'K' has been arrived using applicable inflation index.

5.105 Further, for computation of R&M expenses for the Control Period, projected opening GFA is multiplied with the base year 'K' factor and cumulative inflation index for respective year. It may be noted that the R&M expenses are higher in the year when annual shutdown is taken for overhauling purpose.

5.106 Projected R&M expenses and computation of percentage constant 'K' are shown in the Table below:



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Table 42: Actual R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Unit 2						
Opening GFA	483.52	488.62	490.89	491.27	496.58	499.72
Actual R&M Expenses	10.34	25.16	11.91	13.79	31.87	21.88
Percentage constant 'K'	2.14%	5.15%	2.43%	2.81%	6.42%	4.38%
Unit 3						
Opening GFA	464.33	473.22	475.01	475.68	480.98	481.00
Actual R&M Expenses	21.73	10.19	11.55	24.55	11.76	18.76
Percentage constant 'K'	4.68%	2.15%	2.43%	5.16%	2.44%	3.90%

Table 43: Projected R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Unit 2					
Opening GFA	510.76	532.18	541.98	547.48	552.09
Percentage constant 'K'	4.38%	4.38%	4.38%	4.38%	4.38%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
'K' Factor with cumulative inflation	4.60%	4.82%	5.06%	5.31%	5.58%
Projected R&M Expenses	23.48	25.67	27.44	29.09	30.79
Unit 3					
Opening GFA	493.48	509.15	519.86	525.37	529.98
Percentage constant 'K'	3.90%	3.90%	3.90%	3.90%	3.90%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
'K' Factor with cumulative inflation	4.09%	4.30%	4.51%	4.73%	4.97%
Projected R&M Expenses	20.21	21.88	23.45	24.87	26.33

Commission's Analysis

5.107 The Commission, in line with clause 15.42 of the Generation Tariff Regulation, 2025, has taken into account both the 'K' factor and inflation factor while deriving the R&M Expenses. By taking the average of the ratio of actual percentage of R&M expenses to the approved GFA for the past

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five years i.e. FY 2020-21 to FY 2024-25, the Commission approves the 'K' factor for the fourth control period for Unit-2 as 4.38% and for Unit-3 as 3.90%.

5.108 The calculated inflation factor has been taken to calculate the projection of R&M expenses for each year of the Control Period.

5.109 The R&M Expenses as approved by the Commission for the Control Period from FY 2026-27 to FY 2030-31 has been tabulated below.

Table 44: Projected R&M for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	Base Year FY26	FY27	FY28	FY29	FY30	FY31
R&M Expenses (Unit-II)	21.89	23.48	24.88	26.12	27.41	28.77
R&M Expenses (Unit-III)	18.77	20.21	21.21	22.26	23.36	24.52

Projection of Ash Disposal Expenses

Petitioner's Submission

5.110 The Petitioner submitted that Ash Disposal expenses have been allowed by the Commission on actual basis in view of the Judgement of the Hon'ble APTEL dated 10.08.2016 in respect of Jojobera unit 2 & 3. In line with this approach, the Petitioner has projected Ash Disposal Expenses based on the Ash Disposal Plan for the upcoming Control Period.

5.111 The total Ash Generation for the Control Period from FY 2026-27 to FY 2030-31 has been worked out considering average ash percentage of 41% for coal consumed during previous years. The projected Ash Generation for Unit-2 and Unit-3 has been shown in the table below:

Table 45: Projected Ash Generation from FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Coal consumption: Unit-2	522101	648457	522101	483506	522101
Coal consumption: Unit-3	622369	591062	567697	451693	567697
Ash Generation (@41%)					
Ash Generation: Unit-2	214061	265867	214061	198237	214061
Ash Generation Unit-3	255171	242335	232756	185194	232756
Total Ash Generation	469232	508203	446817	383432	446817

5.112 The Petitioner further submitted that as per the industry practice, 80% of the total Ash Generation has been considered as Fly Ash and the balance 20% has been considered as Bottom Ash. The following Table shows the generation of Fly Ash and Bottom Ash for Unit 2 & 3 of Jojobera Power Plant.

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Table 46: Projected Fly Ash and Bottom Ash from FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Fly Ash Generation (80% of Total Ash Generation)					
Unit-2	171249	212694	171249	158590	171249
Unit-3	204137	193868	186205	148155	186205
Total Fly Ash Generation	375386	406562	357454	306745	357454
Bottom Ash Generation (20% of Total Ash Generation)					
Unit-2	42812	53173	42812	39647	42812
Unit-3	51034	48467	46551	37039	46551
Total Bottom Ash Generation	93846	101641	89363	76686	89363

5.113 The Bottom Ash being wet in nature is sent to the Ash Pond through Slurry Pumps for subsequent disposal to designated low lying areas. On the other hand, Tata Power ensures maximum utilization of Fly Ash which is pegged more than 74% of the total Fly Ash generated annually, considering the average ash utilization (%) of the last five years. Following are the key modes of Fly Ash utilization by Jojobera Power Plant:

- I. Fly Ash in the tune of about 42% of total Fly Ash generated is supplied to Nuvoco Cements free of cost through pipelines by pressurized air which further utilizes the Fly Ash for Cement manufacturing.
- II. About 15% of fly ash is supplied to Shree cement through bulker mode at the rate shown in table below, wherein the Petitioner bears the transportation cost.
- III. About 14.58% of fly ash is supplied to RMC/Brick Plant through bulker/Truck mode at cost shown in the Table below.
- IV. About 5% of fly ash is supplied to RMC/Brick Plant through bulker/Truck mode at free of cost.
- V. The balance unutilized Fly Ash is transferred to JEMCO Ash Pond after mixing with water through the Wet Disposal System for temporary storage in view of the inherent space constraint and subsequently disposed of in the designated low-lying areas. Considering the huge volume of Ash generated on daily basis and the limited capacity of the JEMCO Ash Ponds, these ponds have to be evacuated very frequently, and the Ash is disposed of to designated places. In addition, the Pond Ash always contains moisture in the tune of 30%.



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5.114 The Petitioner further mentioned that since they have considered 76.58% fly ash utilization for the next control period, they have computed amount of pond ash generated for each year by summing up the balanced unutilized quantity and bottom ash generated in each year and further adding up 30% estimated moisture. We have assumed 100% total ash utilization in every year considering the guidelines of CPCB/MOEF.

5.115 Computation of Pond Ash generation for each year as per the above-mentioned methodology is produced below:

Particulars	Unit	FY27	FY28	FY29	FY30	FY31
Nuvoco Cement	MT	157662	170756	150131	128833	150131
Shree cement	MT	56308	60984	53618	46012	53618
RMC with cost	MT	52603	52603	52603	52603	52603
RMC with Zero Cost	MT	18769	20328	17873	15337	17873
Total fly ash utilization	MT	285342	304671	274224	242785	274224
Remaining fly ash	MT	90044	101891	83230	63960	83230
Pond ash	MT	183890	203531	172593	140647	172593
30% Moisture	MT	239058	264591	224371	182841	224371
Pond ash Disposal Cost	Rs,	81,771,664	95,030,785	84,614,692	72,400,473	93,287,697

5.116 With respect to rate of Ash utilization, utilization rate of Pond Ash and Fly Ash offtake by Shree Cement has been considered for with 5% Y-O-Y escalation on rate of FY26 and rate for utilization by RMC is escalated with 5% in FY28, FY30 and FY31. Fly Ash Estimated percentage of fly ash utilization & corresponding rates of each avenue along-with rate of Pond Ash Evacuation for the period FY 2026-27 to FY 2030-31 is produced below for the reference of the Commission.

Particulars	Utilization	UOM	FY27	FY28	FY29	FY30	FY31
Est. Pond Ash evacuated to fill low lying areas	100%	Rs./Ton	342.06	359.16	377.12	395.98	415.77
Est. Fly Ash Off-take by Nuvoco Cements	42%	Rs./Ton	0.00	0.00	0.00	0.00	0.00
Est. Quantity of Ash Supplied to Shree Cement	15%	Rs./Ton	115.50	121.28	127.34	133.71	140.39



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Particulars	Utilization	UOM	FY27	FY28	FY29	FY30	FY31
Est. Quantity Delivered to Brick Plant & RMC	~14.58%*	Rs./Ton	60.00	63.00	63.00	66.15	69.46

Ash Disposal contract with RMC is for 120000 MT per annum for Jojobera units. For the projection purpose, total contracted capacity of 120000 MT is apportioned to Jojobera Unit- 2 and 3 in the ratio of installed capacity (120000 240/547.5). Approx 14.58% is coming for 4th Control Period. Any variation in actual % will be submitted to Hon'ble Commission at the time of True Up of respective year.

5.117 The Projection of total Ash Utilization expense of Unit 2 & 3 for the 4th Control Period has been computed by considering the assumptions & rates as mentioned above. Further this expense has been allocated to Unit 2 and Unit 3 separately based on the ratio of the coal consumption in each year. The Petitioner has incorporated this methodology, as the same was already approved by Commission in previous orders.

Table 47: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Total Ash disposed to the Ash Pond	Ton	183890	203531	172593	140647	172593
Estimated evacuation of Pond Ash (% of opening stock)	%	100%	100%	100%	100%	100%
Ash Disposal from Pond during the year	Ton	183890	203531	172593	140647	172593
Closing stock of Ash in the Ash Pond at the end of the year	Ton	0	0	0	0	0
Moisture Addition during Ash Disposal	%	30%	30%	30%	30%	30%
Total Ash to be evacuated including moisture	Ton	239058	264591	224371	182841	224371
Est. Pond Ash evacuated to fill low lying areas	Ton	239058	264591	224371	182841	224371
Cost of Pond Ash evacuation	Rs in Cr	8.18	9.50	8.46	7.24	9.33
Est. Fly Ash Off-take by Nuvoco Cement	Ton	157662	170756	150131	128833	150131
Cost of Fly Ash Utilization by Nuvoco Cement	Rs in Cr	0	0	0	0	0
Est. Quantity of Ash Supplied to Shree Cement	Ton	56308	60984	53618	46012	53618



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Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Cost of Fly Ash Utilization by Shree Cement	Rs in Cr	0.65	0.74	0.68	0.62	0.75
Est. Quantity Delivered to Brick Plant & RMC	Ton	52603	52603	52603	52603	52603
Cost of Fly Ash Utilization to Brick Plant & RMC	Rs in Cr	0.32	0.33	0.33	0.35	0.37
Total Ash Disposal Expenses of Unit 2 & 3	Rs in Cr	9.14	10.57	9.48	8.20	10.45
Total Coal Consumption	MT	1144469	1239518	1089798	935199	1089798
Projected Coal Consumption Unir-2	MT	522101	648457	522101	483506	522101
Projected Coal Consumption Unir-3	MT	622369	591062	567697	451693	567697
Ratio of coal consumption (Unit-2)	%	46%	52%	48%	52%	48%
Ratio of coal consumption (Unit-3)	%	54%	48%	52%	48%	52%
Ash Disposal Expenses: Unit-2	Rs. Cr.	4.17	5.53	4.54	4.24	5.00
Ash Disposal Expenses: Unit-3	Rs. Cr.	4.97	5.04	4.94	3.96	5.44

Commission's Analysis

- 5.118 The Commission observed that the Petitioner projected the ash disposal expenses based on projection of ash generation for the Control Period FY 2026-27 to FY 2030-31. Projection of ash generation further depends upon the projection of total coal consumption in Unit-2 and 3, which eventually depends upon the projected-plant load factor for the Control Period.
- 5.119 The Commission, in the chapter "Business Plan", subsection- "Operational performance plan for the control period FY 2026-27 to FY 2030-31" of this order, approved the plant load factor at normative basis of 85% as per Regulations, against the Petitioner's claim which is based upon the demand forecast of the Tata Steel Distribution Licensee.
- 5.120 Consequently, the Commission, based on the approved PLF of 85% for the Control Period, computed the projected Gross power generation, coal-consumption and hence the ash generation.
- 5.121 The Commission observes that to ensure 100% ash utilization, the Petitioner is supplying Fly ash to Nuvoco Cement, Shree Cement and RMC brick plant. As well as the remaining Fly ash and bottom ash is sent

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to Ash-Pond, from where it is evacuated to fill low lying areas.

5.122 Thus, the Commission, after prudence check of available facts and circumstances and after considering the same methodology as adopted by the Petitioner for the computation of ash-disposal expenses, taking into account the approved PLF of 85%, has computed the ash-disposal expenses for the Control Period as shown in below table. The same shall be subject to true-up based on actuals.

Table 48: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Ash Disposal Expenses: Unit-2	Rs. Cr.	4.99	5.25	5.49	5.76	6.05
Ash Disposal Expenses: Unit-3	Rs. Cr.	5.01	5.28	5.51	5.79	6.08

Raw Water Charges

Petitioner's Submission

5.123 The Petitioner submitted that Regulation 15.46 of JSERC GTR, 2025 outlines the provisions in context to the recovery of Water Charges.

5.124 The Petitioner submitted that raw water expenses depend on the Gross Generation during the year and the specific Raw Water consumption per Unit. The specific raw water consumption has been considered by taking the weighted average of specific raw water consumption for the period from FY 2020-21 to FY 2024-25 which works out to 2.342 m³/MWh for Jojobera Unit 2 and 2.336 m³/MWh for Unit 3.

5.125 Further, actual applicable rate for FY 2024-25 consisting of Base Water Charge rate and water tax has been escalated by 7.5% year on year to arrive at the projected rate for each year of the Control Period.

Table 49: Rate of Raw water applicable for Unit-II and III from FY 2026-27 to FY 2030-31

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Base Charges	Rs./m ³	18.93	20.35	21.87	23.52	25.28
Water Tax	Rs./m ³	17.20	18.49	19.87	21.36	22.96
Rate of Raw Water	Rs./m ³	36.12	38.83	41.75	44.88	48.24

5.126 Based on the above discussion and considering the Gross Generation and Sp. Raw water Consumption projected for FY 2026-27 to FY 2030-31, the Raw Water Expenses for the Control Period FY 2026-27 to FY 2030-31 for Jojobera Unit 2 and Unit 3 have been presented in the following Tables:



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Table 50: Raw water expenses for Unit-II from FY 2026-27 to FY 2030-31

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Gross Generation	MUs	747.53	751.53	881.23	878.51	802.79
Raw Water Consumption	m ³	1915962	1735917	1993007	2032250	1833667
Specific Raw Water Consumption	m ³ /MWh	2.56	2.31	2.26	2.31	2.28
Wtd. Avg. Raw Water Consumption	m ³ /MWh	2.342				
Ensuing Control Period	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
Specific Raw Water Consumption	m ³ /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m ³	1,750,646	2,217,257	1,750,646	1,608,122	1,750,646
Base Water Charge Rate	Rs./m ³	18.93	20.35	21.87	23.52	25.28
Raw Water Tax Rate	Rs./m ³	17.20	18.49	19.87	21.36	22.96
Total Raw Water Charge Rate	Rs./m³	36.12	38.83	41.75	44.88	48.24
Base Water Charges	Rs. Cr.	3.31	4.51	3.83	3.78	4.43
Raw Water Tax	Rs. Cr.	3.01	4.10	3.48	3.44	4.02
Total Raw Water Expenses	Rs. Cr.	6.32	8.61	7.31	7.22	8.45

Table 51: Raw water expenses for Unit-III from FY 2026-27 to FY 2030-31

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Gross Generation	MUs	669.80	863.28	907.14	834.78	882.75
Raw Water Consumption	m ³	1729628	1990347	2053098	1934624	2003659
Specific Raw Water Consumption	m ³ /MWh	2.58	2.31	2.26	2.32	2.27
Wtd. Avg Raw Water Consumption	m ³ /MWh	2.336				
Present Control Period	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
Specific Raw Water Consumption	m ³ /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m ³	2,105,430	1,990,558	1,904,831	1,470,486	1,904,831
Base Water Charge Rate	Rs./m ³	18.93	20.35	21.87	23.52	25.28



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Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Raw Water Tax Rate	Rs./m ³	17.20	18.49	19.87	21.36	22.96
Total Raw Water Charge Rate	Rs./m³	36.12	38.83	41.75	44.88	48.24
Base Water Charges	Rs. Cr.	3.99	4.05	4.17	3.46	4.82
Raw Water Tax	Rs. Cr.	3.62	3.68	3.79	3.14	4.37
Total Raw Water Expenses	Rs. Cr.	7.61	7.73	7.95	6.60	9.19

Commission's Analysis

- 5.127 The Commission placed its reliance on clause 15.46 of JSERC GTR, 2025 to allow the recovery of Water Charges.
- 5.128 The Commission, similar to the projection of Ash-disposal expenses-as discussed above, observes that the water expenses also depends upon the projected gross power generation and hence on projected PLF.
- 5.129 Thus, the Commission, taking into account the PLF of 85% for the Control Period, and considering the same methodology as adopted by the Petitioner, has computed the water expenses as shown below, subject to true-up based on actuals.

Table 52: Projected Raw Water Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Raw water Expenses: Unit-2	Rs. Cr.	7.56	8.15	8.73	9.39	10.09
Raw water Expenses: Unit-3	Rs. Cr.	7.54	8.13	8.71	9.37	10.07



Chapter 6: DETERMINATION OF MULTI YEAR TARIFF FOR THE CONTROL PERIOD FROM FY 2026- 27 TO FY 2030-31



Chapter 6: DETERMINATION OF MULTI YEAR TARIFF FOR THE CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31

6.1 The Petitioner, in the current Petition has outlined the Operational and financial projections for Jojobera Unit-II and Unit-III and has computed each element of ARR for the 4TH Control Period i.e. FY 2026-27 to FY 2030-31, taking into the following consideration:

- Norms and Principles outlined in the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations 2025;
- MYT Business Plan covering Operational and Financial Plan submitted for the Control Period from FY 2026-27 to FY 2030-31;
- Actual Operational and Financial Performance of the last Control Period i.e. FY 2020-21 to FY 2024-25 along with the performance parameters to be used for the Base Year i.e. FY 2025-26;
- Demand projection of Tata Steel for the 4TH Control Period i.e. FY 2026-27 to 2030-31;
- Expected changes in each element of cost for the 4TH Control Period.

6.2 The Commission has scrutinized the Petition filed by the Petitioner for determination of Generation Tariff for the MYT Control Period i.e. FY 2026-27 to 2030-31, in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2025. The component-wise description of the Petitioner's submission and the Commission's analysis thereon is given below.

Projected Operational Performance- FY 2026-27 to FY 2030-31

6.3 It is observed that the Petitioner had projected the Operational Performance Parameters in its MYT Business Plan for FY 2026-27 to FY 2030-31. Which is based on various factors, past financial years' actual performance and in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2025.

6.4 The Commission has already scrutinized the Operational Performance Parameters submitted by the Petitioner in its MYT Business Plan. The Commission after prudence check has approved the Operational Performance Parameters for Jojobera Generating Stations Unit-II and Unit-III as detailed in Chapter:5, Sub-Section: Operational performance plan for the control period FY 2026-27 to FY 2030-31. Therefore, it has

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not been repeated here for the sake of brevity.

Projected Fuel Parameters, Energy Charge Rate and Energy Charges - FY 2026-27 to FY 2030-31

- 6.5 This section outlines the components of Fuel Parameters for the Control Period FY 2026-27 to FY 2030-31 in accordance with the provisions 17.10,17.11, 17.14 and 17.15 of the JSERC GTR, 2025.
- 6.6 The above quoted provisions of the JSERC GTR, 2025 stipulate the guidelines for arriving at the initial Landed Price and Gross Calorific value of Coal and Secondary Fuel oil. Accordingly, the Petitioner, based on such guidelines arrived at the initial Base Values of GCV and Base Price of Coal & Secondary Fuel oil for the Control Period FY 2026-27 to FY 2030-31 by considering actual weighted average values for preceding 3 months viz. August 2025 to October 2025.
- 6.7 The Commission has already scrutinized the Fuel Cost Parameters, such as Coal Mix, Gross Calorific Value (GCV) of coal, Transit loss, etc. submitted by the Petitioner in its MYT Business Plan. The Commission after prudence check has approved these Fuel Cost Parameters for Jojobera Generating Stations Unit-II and Unit-III as detailed in Chapter:5, Sub-Section: 'Fuel Procurement plan' for the control period FY 2026-27 to FY 2030-31. Therefore, it has not been repeated here for the sake of brevity. However, landed cost of primary and secondary fuel as well as GCV of secondary fuel was not discussed in the corresponding chapter and hence described below.
- 6.8 The Commission has approved the landed cost of coal for the Control Period FY 2026-27 to FY 2030-31 by considering actual weighted average values of landed cost of coal for preceding 3 months viz. August 2025 to October 2025. It is further noted that CCL, vide notification dated 11.12.2025, notified increased CESS under Jharkhand Mineral Bearing Land CESS Act 2024 at Rs. 450/Tonne with effect from 10.12.2025, from the existing cess of Rs. 250/ Tonne, which was notified vide notification dated 20.03.2025. The Commission while approving the landed cost of coal has duly taken into consideration the increased cess. Thus, the Commission in this MYT Order provisionally approves the landed price of primary fuel as mentioned below, subject to truing up based on the actuals as per audited accounts.

Table 53: Landed Price of Coal for Unit 2 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Middling Coal	5587.00	5587.00	5587.00	5587.00	5587.00
ECL [Shakti 2] Coal	5650.22	5650.22	5650.22	5650.22	5650.22



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Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
CCL [Shakti 2] Coal	3844.07	3844.07	3844.07	3844.07	3844.07
MCL [Shakti 2] Coal	2657.02	2657.02	2657.02	2657.02	2657.02
CCL [Shakti 3] Coal	3833.82	3833.82	3833.82	3833.82	3833.82
Landed Price of Coal	4216.38	4219.83	4216.38	4216.38	4216.38

Table 54: Landed Price of Coal for Unit 3 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Middling Coal	5587.00	5587.00	5587.00	5587.00	5587.00
ECL [Shakti 2] Coal	5648.36	5648.36	5648.36	5648.36	5648.36
CCL [Shakti 2] Coal	3854.27	3854.27	3854.27	3854.27	3854.27
MCL [Shakti 2] Coal	2656.38	2656.38	2656.38	2656.38	2656.38
CCL [Shakti 3] Coal	3834.23	3834.23	3834.23	3834.23	3834.23
Landed Price of Coal	4223.83	4227.26	4223.83	4223.83	4223.83

6.9 The Commission in this Order has provisionally approved the calorific value and landed price of Secondary Fuel as submitted by the Petitioner and directs the Petitioner to submit the actual values along with auditor's certificate at the time of true up.

Table 55: Landed Price and GCV of secondary fuel for Unit 2&3 from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Unit-II						
Calorific Value	kCal/L	8384.18	8384.18	8384.18	8384.18	8384.18
Landed Price	Rs./kL	69785.30	69785.30	69785.30	69785.30	69785.30
Unit-III						
Calorific Value	kCal/L	8383.04	8383.04	8383.04	8383.04	8383.04
Landed Price	Rs./kL	69816.76	69816.76	69816.76	69816.76	69816.76

Energy Charge Rate (ECR)

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Petitioner's Submission

- 6.10 The Petitioner has computed the ECR as per Clauses 17.7 to 17.11 of JSERC GTR, 2025, which stipulate the guidelines for the computation of Energy Charges.
- 6.11 The Petitioner submitted that the rate of Energy Charges for the Control Period FY 2026-27 to FY 2030-31 has been computed considering base Gross Calorific Value, Landed Price of Coal and LDO based on actual weighted average cost of primary fuel and secondary fuel of for Aug-2025 to Oct-2025 in accordance with Regulations 17.10 of the JSERC GTR, 2025.
- 6.12 Further, it is submitted that Normative Heat Rate and Normative Auxiliary Power Consumption as specified in the Regulation 16.1 of JSERC GTR, 2025 for the Unit 2 and Unit 3 for the above period is considered for computing the energy charge rate for FY 2026-27 to FY 2030-31. Further, as brought out above in sub-section on Operational Performance, the discount of 4 paise/kWh in Round 2 and 7 paise/kWh in Round 3 of Shakti Coal has been considered in this Petition. Also, fuel mix has been considered based on the coal consumption plan as discussed in the MYT Business Plan.
- 6.13 Further as per Regulation 17.8(a) of JSERC GTR 2025, Weighted Average Gross calorific value of coal as received has been considered after reducing 85 Kcal/Kg on account of variation during storage at generating station.
- 6.14 Detailed computations of Energy Charge Rate and Energy Charges of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 have been presented in the following Tables.

Table 56: Energy Charge Rate (ECR) and energy charges for Unit 2&3 from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Unit-II						
ECR	Rs/kWh	3.12	3.30	3.12	3.05	3.12
Energy charges	Rs. (Cr.)	248.27	263.27	248.27	242.26	248.27
Unit-III						
ECR	Rs/kWh	3.35	3.31	3.28	3.10	3.28
Energy charges	Rs. (Cr.)	266.49	264.28	261.13	246.28	261.13

Commission's Analysis

- 6.15 As per Clause 8.17 of JSERC Generation Tariff Regulation, 2025, the energy (variable) charge shall cover primary fuel and secondary fuel costs



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and shall be payable by every Beneficiary for the energy scheduled to be supplied to such beneficiary during the calendar month on an ex-power plant basis, at the specified energy charge rate of the month (with fuel price adjustment).

- 6.16 Further, in accordance with clause 17.1 and 17.8 of JSERC Generation Tariff Regulation 2025, the Commission has done the computation of ECR to be charged by the Petitioner as per the formula specified. The table below detailed the ECR for Unit-II and Unit-III as approved by the Commission, subject to truing up based on actuals.

Table 57: Energy Charge Rate (ECR) for Unit 2 from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative Auxiliary Consumption	%	10.00%	10.00%	10.00%	10.00%	10.00%
Normative Gross Station Heat Rate	kcal/kWh	2567.00	2567.00	2567.00	2567.00	2567.00
Normative Specific Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
Calorific Value of Oil	kcal/mL	8.38	8.38	8.38	8.38	8.38
GCV of Primary Fuel	kcal/kg	3,725.74	3,726.54	3,725.74	3,725.74	3,725.74
Landed Price of Primary Fuel	Rs./Ton	4.22	4.22	4.22	4.22	4.22
Landed Price of Secondary Fuel	Rs./kL	0.07	0.07	0.07	0.07	0.07
Energy Charge Rate (ECR)	Rs/kWh	3.261	3.263	3.261	3.261	3.261

Table 58: Energy Charge Rate (ECR) for Unit 3 from FY 2026-27 to FY 2030-31 as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative Auxiliary Consumption	%	10.00%	10.00%	10.00%	10.00%	10.00%
Normative Gross Station Heat Rate	kcal/kWh	2,577.00	2,577.00	2,577.00	2,577.00	2,577.00
Normative Specific Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
Calorific Value of Oil	kcal/mL	8.38	8.38	8.38	8.38	8.38
GCV of Primary Fuel	kcal/kg	3,723.75	3,724.55	3,723.75	3,723.75	3,723.75



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Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Landed Price of Primary Fuel	Rs./Ton	4.22	4.23	4.22	4.22	4.22
Landed Price of Secondary Fuel	Rs./kL	0.07	0.07	0.07	0.07	0.07
Energy Charge Rate (ECR)	Rs/kWh	3.281	3.283	3.281	3.281	3.281

Summary of Fuel Cost

6.17 The table below provides the summary of Fuel Cost as approved by the Commission for the Control Period from FY 2026-27 to FY 2030-31.

Table 59: Fuel Cost for Unit-II as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	259.15	260.01	259.15	259.15	259.15
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	262.26	263.14	262.26	262.26	262.26

Table 60: Fuel Cost for Unit-III as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	260.76	261.63	260.76	260.76	260.76
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	263.88	264.76	263.88	263.88	263.88

Financial Performance- FY 2026-27 to FY 2030-31

Petitioner's Submission

6.18 The Petitioner submitted that the proposed Additional Capitalization for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been discussed in detail in earlier submission of this MYT Petition and the same has been considered to arrive at the net Additions in each year of the Control Period:

6.19 Considering the same, the following tables summarize capitalization and decapitalization details pertaining to Unit 2 and Unit 3 proposed for the Control Period from FY 2026-27 to FY 2030-31 along with the Capitalization pertaining to spilled over works from the previous Control period as explained in the Business Plan chapter above.

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Table 61: Summary of Add. Capitalization of Unit-II as proposed by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04

Table 62: Summary of Add. Capitalization of Unit-III as proposed by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04

6.20 Accordingly, the Gross Fixed Asset of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been shown in the following Tables. The closing Gross Fixed Asset ("GFA") for FY 2025-26 has been considered as the opening GFA for the Control Period FY 2026-27 to FY 2030-31.

Table 63: Summary of projected GFA of Unit-II as proposed by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Gross Block	510.76	532.18	541.98	547.48	552.09
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04
Closing Gross Block	532.18	541.98	547.48	552.09	555.05

Table 64: Summary of projected GFA of Unit-III as proposed by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Gross Block	493.48	509.15	519.86	525.37	529.97
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04
Closing Gross Block	509.15	519.86	525.37	529.97	532.93

Commission's Analysis

6.21 The Commission, in Chapter-5, subsection- 'Capital Expenditure Plan' of this order, has given detailed rationale behind approving and disapproving the proposed additional capitalization schemes for each year of the Control Period from FY 2026-27 to FY 2030-31. The same has not been repeated here for the sake of brevity.

6.22 Accordingly, the approved Capital Expenditure Plan and the Gross Fixed Assets as approved by the Commission for the Control Period is shown below.

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Table 65: Gross Fixed Assets (GFA) for Unit-II as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening GFA	510.75	515.77	515.77	515.77	515.77
Capitalization	5.57	0.00	0.00	0.00	0.00
Decapitalization	0.55	0.00	0.00	0.00	0.00
Closing GFA	515.77	515.77	515.77	515.77	515.77

Table 66: Gross Fixed Assets (GFA) for Unit-II as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening GFA	493.46	493.46	493.46	493.46	493.46
Capitalization	0.00	0.00	0.00	0.00	0.00
Decapitalization	0.00	0.00	0.00	0.00	0.00
Closing GFA	493.46	493.46	493.46	493.46	493.46

Depreciation

Petitioner's Submission

- 6.23 The Petitioner has considered Clause 15.28 to 15.34 of the JSERC GTR-2025 for the calculation of Depreciation.
- 6.24 It is submitted that the Petitioner in accordance with Regulation 15.30 of Generation Tariff Regulations, 2020 and the approach followed by the Commission in the MYT Order dated 04.11.2022 and subsequent True up orders for FY 2021-22, FY 2022-23 and FY 2023-24 dated 22.05.2023, 06.06.2024 and 28.03.2025, respectively, has considered the useful life as 30 years, for the purpose of depreciation, subject to the decision of the Appeal No. filed with the APTEL. The detailed submission in this regard has been made at para 29 of the instant petition. The relevant extract of the MYT Order is reproduced below for kind reference of the Commission:

8.24 *The Commission has scrutinized the detail submitted by the Petitioner, observes that the Plant is in its fag life and **overall depreciation of the generating stations had reached 70% for both the Units.** Hence, in accordance with proviso of Regulations 15.30, the Commission has computed the depreciation for the Control Period from FY 2021-22 to FY 2025-26.*

8.25 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 the attribute



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of long term PPA.

8.26 Hence, the Commission in view of PPA tenure, has spread the remaining depreciable amount in PPA life (30 years) which shall economize the power cost, and has approved the depreciation taking into PPA life instead of Useful life.

- 6.25 Pursuant to above and noting that the cumulative depreciation on total assets [i.e. GFA (Including Additional Capitalization)] has crossed 70% for both the Units 2 and 3, the Petitioner, in terms of above Order of the Hon'ble Commission and in accordance with Regulation 15.30, has spread the balance depreciable value pertaining to assets in service/ approved schemes upto FY 2025-26 (i.e. 90% of the Capital Cost minus Cumulative depreciation recovered for assets in service upto FY 2025-26) over the balance useful life (taking useful life of 30 years as per the methodology adopted by the Commission) of the Plant.
- 6.26 As submitted, the useful life of the Unit-2 and Unit-3 has been aligned with the useful life as considered by the Commission and accordingly, the Unit-2 and Unit - 3 shall complete useful life in FY 31 and FY 32 respectively. During the fag end, i.e. during the upcoming control period, the Petitioner has planned certain additional capital expenditure required for the sustenance of the plant and for reliable operations. It is submitted that if the depreciation on the same is claimed in line with the depreciation on the assets in service till FY 2025-26, i.e. by spreading the same till completion of 30 years of life, the same would result in sudden spike in tariff. In order to avoid tariff shock to the consumer and ensure a balanced recovery of these costs, the Petitioner has proposed to recover the depreciation on these assets added in the fag end, in a separate stream. This approach is consistent with the regulatory precedents where depreciation is calculated in distinct stages to accommodate terminal-year investments. The methodology is described in the succeeding paragraphs.
- 6.27 In the proposed methodology, all the previously approved schemes are being depreciated through the regular depreciation stream within the units' remaining useful life of 30 years. Under second stream, the Petitioner has computed depreciation for additional capital expenditure claimed during the fag end, by depreciating such additional capital expenditure equally over a 10-year period (i.e. 5 years of remaining PPA life and 5 years of extended useful life). It is pertinent to note here that the Tariff Regulations notified by Central Electricity Regulatory Commission (CERC) recognize operational life of the thermal power plant as 35 years. The approach of spreading the depreciation over 10 years, is thus consistent with the concept of operational life as defined in the CERC tariff regulations.
- 6.28 It is submitted that the CERC, in the case of approval of tariff for Singrauli

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STPS of NTPC in order dated 25.8.2011 in Petition No.225/2009 had adopted the same approach. CERC held that allowing an accelerated recovery of 90% depreciation for assets capitalized during a generating station's terminal year would not be in the interest of the beneficiaries as it would cause an undue tariff spike. By spreading the depreciation over a 10-year period, the Petitioner ensures that beneficiaries are not overburdened with excessive depreciation payments during the final years of the station's life. It is submitted that the Petitioner intends to operate the generating station for a sufficiently longer period to recover the full depreciation of these new assets, thereby maintaining tariff stability while fulfilling necessary capital requirements.

- 6.29 Based on the above discussion, summary of projected Depreciation for each year of the Control Period (FY 2026-27 to FY 2030-31) is shown in the table below:

Table 67: Projected Depreciation for Unit-II as proposed by the Petitioner

Particular	FY27	FY28	FY29	FY30	FY31
Depreciation on the approved ad cap (till March 2026)					
Original (A)	1.62	1.93	2.15	2.21	2.47
Add Cap (B)	8.83	9.46	9.46	9.46	9.46
Depreciation on the approved ad cap (C=A+B)	10.45	11.38	11.60	11.67	11.93
Depreciation on New Add Cap (start from 01.04.2026)					
Dep. On add cap (D)	1.01	2.81	3.98	4.87	5.64
Total Depreciation (E=C+D)	11.47	14.19	15.59	16.54	17.56

Table 68: Projected Depreciation for Unit-III as proposed by the Petitioner

Particular	FY27	FY28	FY29	FY30	FY31
Depreciation on the approved ad cap (till March 2026)					
Original (A)	2.94	3.06	3.24	3.28	3.40
Add Cap (B)	7.06	7.06	7.06	7.06	7.06
Depreciation on the approved ad cap (C=A+B)	10.00	10.12	10.30	10.33	10.45
Depreciation on New Add Cap (start from 01.04.2026)					
Dep. On add cap (D)	0.97	2.78	4.02	4.91	5.67
Total Depreciation (E=C+D)	10.96	12.89	14.32	15.24	16.13

Commission's Analysis

- 6.30 The Commission relies upon Clause 15.28 to 15.34 of the JSERC Generation Tariff Regulation -2025 for the calculation of Depreciation.

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6.31 Clause 15.30 of the said Regulation stipulates as under:

15.30 Depreciation shall be calculated annually, based on ‘Straight Line Method’ at rates specified in 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.”

6.32 As per above mentioned regulation, considering the fact that the generating unit of the Petitioner is at the fag end of their useful life, the depreciable value of the assets is to be recovered over the extended life of the plant after carrying the residual life assessment in case it is found that the residual life of the Unit is beyond the useful life. However, since the Petitioner hasn’t carried out the RLA of the whole generating units, so it is difficult to assess the extended life of the unit.

6.33 In absence of RLA, the Commission has not approved any new expenditure as already discussed in the relevant section of this order. Hence, the Commission also disapproves the depreciation on the new assets. Depreciation on the already approved assets will be done as per the methodology already adopted by the Commission, considering the useful life of the units equal to the PPA life of 30 years.

6.34 The Commission, considering the available facts and circumstances and after prudence check approves the depreciation for each year of the Control Period as tabulated below.

Table 69: Depreciation (Rs. Cr.) for Unit-2 and 3 as approved by the Commission

Depreciation	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Unit-II	10.99	10.08	10.08	10.08	10.08

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Unit-III	10.43	11.43	12.28	12.86	13.58
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Interest on Loan

Petitioner's Submission

- 6.35 The Petitioner submitted that the Debt-Equity ratio for existing projects as on 31.03.2026 and any Additional Capitalization incurred thereafter has been stipulated under Regulations 15.6 & 15.7 in JSERC GTR, 2025.
- 6.36 Since the Petitioner is proposing to fund Additional Capitalization during 4th Control Period FY 2026-27 to FY 2030-31 through internal resources, it has considered normative debt: equity ratio of 70:30 for these Additional Capitalization in accordance with the provisions of above said Regulations.
- 6.37 For computation of interest on capital loan, the Petitioner has considered following approach:
- Closing balance of normative loan for FY 2025-26 (APR) is considered as opening loan for FY 2026-27.
 - Loan addition during each year of the Control Period is considered at 70% of proposed additional capitalization of respective year of the Control Period.
 - As per the provision of GTR 2025, proposed depreciation on the account of additional capitalization is considered as repayment.
- 6.38 Since, there is no actual loan for these units, the rate of interest has been considered as Bank Rate (SBI MCLR) as on 01.04.2025 plus 200 basis points, which comes out to be 11.00% for Unit 2 and Unit 3 in accordance with Regulations 15.18 of GTR 2025.
- 6.39 Based on the above discussion, projected interest on capital loan for each year of the Control Period is shown in the table below.

Table 70: Interest on loan for Unit-2 for FY 27 to FY 31 as submitted by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Loan	21.31	31.13	28.24	20.05	10.10
Additional Capitalization during the year	28.08	13.39	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	19.66	9.37	5.25	4.38	2.80
Repayment (=Depreciation on Add Cap)	9.84	12.26	13.44	14.32	12.90
Closing Debt	31.13	28.24	20.05	10.10	0.00



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Particulars	FY27	FY28	FY29	FY30	FY31
Average Loan Balance	26.22	29.68	24.14	15.07	5.05
Computation of IoL					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
Interest on Loan	2.88	3.27	2.66	1.66	0.56

Table 71: Interest on loan for Unit-3 for FY 27 to FY 31 as submitted by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Loan	22.88	29.92	30.33	24.50	16.92
Additional Capitalization during the year	21.51	14.64	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	15.06	10.25	5.25	4.38	2.80
Repayment (=Depreciation on Add Cap)	8.03	9.83	11.08	11.96	12.73
Closing Debt	29.92	30.33	24.50	16.92	6.99
Average Loan Balance	26.40	30.12	27.42	20.71	11.95
Computation of IoL					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
Interest on Loan	2.90	3.31	3.02	2.28	1.31

Commission's Analysis

- 6.40 The Commission has scrutinized the additional capitalization as proposed by the Petitioner in its MYT Petition. It is observed that as the Petitioner is planning to finance the projected Additional Capitalization for FY 2026-27 to FY 2030-31 from internal accruals and hence, no project specific debt for any of the proposed Capex Schemes is anticipated. Accordingly, the Commission, after prudence check approves the normative loan addition, which is 70% of the approved additional capitalization for the Control Period from FY 2026-27 to FY 2030-31 in accordance with Clause 15.6 of the Generation Tariff Regulation-2025.
- 6.41 The Commission has considered the deemed loan repayment equal to depreciation as approved by the Commission.
- 6.42 In accordance to Clause 15.18 of JSERC Generation Tariff Regulations, 2025, the Commission approves the interest rate as 11.00% (SBI MCLR as on 01.04.2025 plus 200 bp) for both the Units as shown below.



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Table 72: Interest on Loan for Unit-II (Rs. Cr.) as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	21.28	16.41	8.55	0.70	-
Deemed Loan Addition	3.90	0.00	0.00	0.00	-
Deemed Loan Repayment	8.77	7.86	7.86	0.70	-
Closing Loan	16.41	8.55	0.70	0.00	-
Average Loan balance	18.85	12.48	4.63	0.35	-
Interest Rate	11.00%	11.00%	11.00%	11.00%	11.00%
Interest on Loan	2.07	1.37	0.51	0.04	-

Table 73: Interest on Loan for Unit-III (Rs. Cr.) as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	22.85	15.80	8.75	1.70	-
Deemed Loan Addition	0.00	0.00	0.00	0.00	-
Deemed Loan Repayment	7.05	7.05	7.05	1.70	-
Closing Loan	15.80	8.75	1.70	0.00	-
Average Loan balance	19.33	12.28	5.23	0.85	-
Interest Rate	11.00%	11.00%	11.00%	11.00%	11.00%
Interest on Loan	2.13	1.35	0.58	0.09	-

Return on Equity

Petitioner's Submission

- 6.43 For computation of Return on Equity, the Petitioner has considered the opening Equity for FY 2026-27 equals to closing Equity for FY 2025-26 ((as per the Petition filed for APR of FY 2025-26)) and Equity addition during each year of the Control Period has been considered at 30% of proposed net additional capitalization for respective year of the Control Period.
- 6.44 With respect to rate of Return on Equity Regulations 15.10 of JSERC GTR, 2025 stipulate the detailed methodology.
- 6.45 Further, Regulations 15.11 and 15.12 of JSERC GTR, 2025 specify the norms for Income Tax on RoE.
- 6.46 In terms of Regulation 15.9, Post Tax Return on Equity is allowed at 15%

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and according to Regulation 15.11, the Income Tax shall be limited to tax on the allowed return on equity. Regulation 15.12 is applicable at the time of truing up. Therefore, Income Tax applicable on allowed Post Tax Return on Equity of 15% is to be considered for the 4th Control Period. For ensuring net Post Tax Return of 15%, it is necessary to gross-up this rate by Tax Rate applicable to the Petitioner, as per applicable provisions of Income Tax Act, to arrive at Pre-tax Return on Equity or Return on Equity including Income Tax. Accordingly, for the projection of RoE for 4th Control Period, applicable special rate of 25.17% has been considered.

Table 74: Return on equity for Unit-II (Rs. Cr.) for FY 27 to FY 31

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	153.23	159.65	162.59	164.24	165.63
Net Equity Addition	6.43	2.94	1.65	1.38	0.89
Closing Balance of Equity	159.65	162.59	164.24	165.63	166.51
Average Equity Balance	156.44	161.12	163.42	164.93	166.07
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
Return on Equity	31.36	32.30	32.76	33.06	33.29

Table 75: Return on equity for Unit-III (Rs. Cr.) for FY 27 to FY 31

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	148.04	152.74	155.95	157.61	158.99
Net Equity Addition	4.70	3.21	1.65	1.38	0.89
Closing Balance of Equity	152.74	155.95	157.61	158.99	159.88
Average Equity Balance	150.39	154.35	156.78	158.30	159.43
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
Return on Equity	30.15	30.94	31.43	31.73	31.96

Commission's Analysis

6.47 The Commission has scrutinized the additional capitalization as proposed by the Petitioner in its MYT Petition. The Commission after



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prudence check approves normative equity addition, for the Control Period from FY 2026-27 to FY 2030-31.

- 6.48 The opening Equity for FY 2026-27 has been taken equal to closing Equity for FY 2025-26.
- 6.49 In accordance with Clause 15.9 and Clause 15.10 of the JSERC Generation Tariff Regulations, 2025, the Commission has approved the Return on Equity at 15.00% which is grossed up provisionally applicable rate of 25.17% as projected by the Petitioner, subject to truing up based on actuals.

Table 76: Return on equity for Unit-II (Rs. Cr.) for the Control Period as approved by the Commission.

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Equity	153.20	154.70	154.70	154.70	154.70
Addition	1.51	0.00	0.00	0.00	0.00
Closing Equity	154.70	154.70	154.70	154.70	154.70
Average Equity	153.95	154.70	154.70	154.70	154.70
Rate of Return	15.00%	15.00%	15.00%	15.00%	15.00%
ROE (post-tax)	20.04%	20.04%	20.04%	20.04%	20.04%
ROE after MAT	25.17%	25.17%	25.17%	25.17%	25.17%
Return on Equity	30.86	31.01	31.01	31.01	31.01

Table 77: Return on equity for Unit-III (Rs. Cr.) for the Control Period as approved by the Commission.

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Equity	149.23	149.23	149.23	149.23	149.23
Addition	0.00	0.00	0.00	0.00	0.00
Closing Equity	149.23	149.23	149.23	149.23	149.23
Average equity	149.23	149.23	149.23	149.23	149.23
Rate of Return	0.15	0.15	0.15	0.15	0.15
ROE (post-tax)	20.04%	20.04%	20.04%	20.04%	20.04%
ROE after MAT	25.17%	25.17%	25.17%	25.17%	25.17%
Return on Equity	29.91	29.91	29.91	29.91	29.91

Interest on Working Capital

Petitioner's Submission

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- 6.50 The Petitioner has computed the Interest on Working Capital in accordance with Regulation 15.23 of JSERC GTR, 2025.
- 6.51 In accordance with Regulations 15.23, the Petitioner has claimed cost of Coal for 20 days towards Coal Stock applicable for Non-Pit Head Generating Stations and Cost of Coal for 30 days corresponding to generation at NAPAF in computation of working capital requirement for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31. It is further submitted that for the purpose of computing Working Capital, the components of Coal Cost, Secondary Fuel Oil Cost and Receivables have been computed at Normative Plant Availability of 85% for the whole year and apportioned to 20/30 days as specified in the JSERC GTR, 2025. Further, as specified in the above Regulations, the Working Capital for Unit 2 and Unit 3 also includes projected Annual O&M Expenses apportioned to 1 month and the cost of Maintenance Spares at 20% of Annual O&M Expenses.
- 6.52 As specified in Regulation 15.26 of JSERC GTR, 2025, the Rate of Interest on Working Capital has been projected considering the Bank Rate (SBI MCLR Rate) as on 30.09.2025 at 8.75% + 3.50% i.e. 12.25% (as per the web-link <https://sbi.bank.in/web/interest-rates/interest-rates/mclr-historical-data>). The Bank rate as shown above shall be applicable for computation of Interest on Working Capital for each year of the Control Period FY 2026-27 to FY 2030-31.
- 6.53 Accordingly, the Petitioner, based on the above Regulations has worked out the Interest on Working Capital for the Control Period FY 2026-27 to FY 2030-31. for Unit 2 and Unit 3 as shown in the following Tables

Table 78: IoWC for Unit-II as submitted by the Petitioner

Particulars	FY27	FY28	FY29	FY30	FY31
Interest on Working Capital	12.31	13.22	12.84	12.81	13.29

Table 79: IoWC for Unit-III as submitted by the Petitioner.

Particulars	FY27	FY28	FY29	FY30	FY31
Interest on Working Capital	12.77	12.90	13.02	12.59	13.46

Commission's Analysis

- 6.54 The Commission has relied upon Clause 15.23, 15.26 and 15.27 of JSERC Generation Tariff Regulations, 2025 for the computation of Interest on Working Capital (IOWC).
- 6.55 The SBI MCLR plus 350 bp as on September 30, 2025 has been considered for the purpose of computation of Interest on Working Capital (IOWC) as per Clause 15.26 of JSERC Generation Tariff Regulation, 2025. The Interest on Working Capital (IOWC) as approved by the Commission



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is summarized in the following table.

Table 80: IoWC for Unit-II as approved by the Commission

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.50	35.52	35.50	35.50	35.50
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.93	47.29	47.49	47.87	48.33
Working Capital as O&M Expenses for 1 month	5.88	6.21	6.53	6.87	7.23
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	12.41	13.08	13.72	14.40	15.11
Total Working Capital	101.24	102.62	103.75	105.16	106.69
Computation of Interest on Working Capital					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital	12.40	12.57	12.71	12.88	13.07

Table 81: IoWC for Unit-III as approved by the Commission

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.62	35.74	35.62	35.62	35.62
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.41	46.95	47.24	47.66	48.17
Working Capital as O&M Expenses for 1 month	5.53	5.82	6.12	6.44	6.78
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	11.57	12.15	12.74	13.37	14.04
Total Working Capital	99.65	101.18	102.24	103.62	105.13
Computation of Interest on Working Capital					
Bank Rate as on	12.25%	12.25%	12.25%	12.25%	12.25%



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Particulars	FY27	FY28	FY29	FY30	FY31
30.09.2020 +(3.5%)					
Interest on Working Capital	12.21	12.65	12.78	12.95	13.14

Incentive

Petitioner's Submission

- 6.56 The Petitioner submitted that 173. Regulation 17.5 of the JSERC GTR, 2025 stipulates the norm for the Incentive applicable to a Generating Station.
- 6.57 Although there has been excess generation in some financial years of the Control Period, Tata Power is not proposing any incentive at this stage, considering that PLF and the corresponding generation will vary at the time of True-Up. Therefore, the Petitioner seeks the liberty of the Commission to claim the incentive at the time of True-Up for the respective year.

Commission's Analysis

- 6.58 The Commission at this stage is not considering any incentive as per the submission of the Petitioner. The same shall be taken into consideration of at the time of true up along with documentary support on the basis of actual audited data.

Non-Tariff Income

Petitioner's Submission

- 6.59 The Petitioner submitted that Regulation 15.48 specified following with respect to Non-Tariff Income:

“15.48 The amount of Non-Tariff Income relating to the generating business as approved by the Commission shall be deducted from the ARR in determining the Tariff of the generating business:

Provided that the Generating Company shall submit full details of its forecast of Non- Tariff Income to the Commission in such form as may be stipulated by the Commission.”

- 6.60 Since the components of Non-Tariff Income constitute very small proportion of total Annual Fixed Cost and income therefrom is highly irregular and unpredictable, the Petitioner for the purpose of computing Annual Fixed Cost for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has considered the same as Nil. Actual values under different heads shall be submitted to the Commission at the time of True-

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up for necessary deduction from Annual Fixed Cost.

Commission's Analysis

6.61 The Commission has considered the submission of the Petitioner and NTI will be allowed at the time of true-up as per actuals.

Shakti Scheme Discount

Petitioner's Submission

6.62 The Petitioner submitted that a discount of 4 paise/kWh is required to be passed on to beneficiaries on units generated corresponding to Shakti Coal under round 2 and 7 paise/kWh for units generated corresponding to Shakti Coal under round 3 as per the methodology approved by the Commission in the Amended PPAs between Jojobera and Tata Steel for Jojobera Units 2&3. Accordingly, projected discounts for Unit 2 and Unit 3 are summarized in Tables below:

Table 82: Projected SHAKTI Discount for Unit-2 as submitted by the Petitioner

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Sales due to ECL [Shakti 2] Coal	MUs	63.11	63.11	63.11	63.11	63.11
Sales due to CCL [Shakti 2] Coal	MUs	109.40	109.40	109.40	109.40	109.40
Sales due to MCL [Shakti 2] Coal	MUs	84.53	84.53	84.53	84.53	84.53
Discount Amount (@ Rs. 0.04/kWh Discount Rate)	Rs. Cr.	1.03	1.03	1.03	1.03	1.03
Sales due to CCL [SHAKTI 3] Coal	MUs	327.08	327.08	327.08	327.08	327.08
Discount Amount (@ Rs. 0.07/kWh Discount Rate)	Rs. Cr.	2.29	2.29	2.29	2.29	2.29
Total SHAKTI DISCOUNT	Rs. Cr.	3.32	3.32	3.32	3.32	3.32

Table 83: Projected SHAKTI Discount for Unit-3 as submitted by the Petitioner

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Sales due to ECL [Shakti 2] Coal	MUs	62.86	62.86	62.86	41.14	62.86
Sales due to CCL [Shakti 2] Coal	MUs	108.63	108.63	108.63	108.63	108.63



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Sales due to MCL [Shakti 2] Coal	MUs	83.82	83.82	83.82	83.82	83.82
Discount Amount (@ Rs. 0.04/kWh Discount Rate)	Rs. Cr.	1.02	1.02	1.02	0.93	1.02
Sales due to CCL [SHAKTI 3] Coal	MUs	325.81	325.81	325.81	325.81	325.81
Discount Amount (@ Rs. 0.07/kWh Discount Rate)	Rs. Cr.	2.28	2.28	2.28	2.28	2.28
Total SHAKTI DISCOUNT	Rs. Cr.	3.30	3.30	3.30	3.22	3.30

Commission's Analysis

6.63 The Commission has scrutinized the detail projected by the Petitioner and further in line to FSA and PPA approval from the Commission. The Commission provisionally approves the discount amount due to Shakti Scheme coal as mentioned below, subject to truing up

Table 84: Shakti Scheme Discount for Unit-II as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to ECL Coal (Round-II)	MU	63.11	63.11	63.11	63.11	63.11
Sales due to CCL Coal (Round-II)	MU	109.40	109.40	109.40	109.40	109.40
Sales due to MCL Coal (Round-II)	MU	84.53	84.53	84.53	84.53	84.53
Discount Amount (@ Rs. 0.04/kWh Discount Rate) for shakti 2	Rs. Cr.	1.03	1.03	1.03	1.03	1.03
Sales due to CCL Coal (Round-III)	MU	327.08	327.08	327.08	327.08	327.08
Discount Amount (@ Rs. 0.07/kWh Discount Rate) for shakti 3	Rs. Cr.	2.29	2.29	2.29	2.29	2.29
Discount Amount	Rs. Cr.	3.32	3.32	3.32	3.32	3.32

Table 85: Shakti Scheme Discount for Unit-III as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to ECL Coal (Round-II)	MU	62.86	62.86	62.86	62.86	62.86



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Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to CCL Coal (Round-II)	MU	108.63	108.63	108.63	108.63	108.63
Sales due to MCL Coal (Round-II)	MU	83.82	83.82	83.82	83.82	83.82
Discount Amount (@ Rs. 0.04/kWh Discount Rate) for shakti 2	Rs. Cr.	1.02	1.02	1.02	1.02	1.02
Sales due to CCL Coal (Round-III)	MU	325.81	325.81	325.81	325.81	325.81
Discount Amount (@ Rs. 0.07/kWh Discount Rate) for shakti 3	Rs. Cr.	2.28	2.28	2.28	2.28	2.28
Discount Amount	Rs. Cr.	3.30	3.30	3.30	3.30	3.30

Summary of Annual Revenue Requirement

Commission's Analysis

6.64 On consideration of the submission and details furnished by the Petitioner, the Commission approves the Annual Fixed Cost (AFC) for the Control Period from FY 2026-27 to FY 2030-31 as summaries below.

Table 86: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-2.

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	62.06	65.39	68.60	71.99	75.56
Depreciation	10.99	10.08	10.08	10.08	10.08
Interest on Loan	2.07	1.37	0.51	0.04	0.00
Interest on Working Capital	12.40	12.57	12.71	12.88	13.07
Return on Equity	30.86	31.01	31.01	31.01	31.01
Annual Fixed Cost	118.38	120.42	122.91	126.00	129.72
Water Charge	7.56	8.15	8.73	9.39	10.09
Security Expenses	0.92	0.97	1.02	1.07	1.12

Table 87: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-3.

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	57.86	60.74	63.72	66.87	70.18
Depreciation	10.43	11.43	12.28	12.86	13.58

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Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest on Loan	2.13	1.35	0.58	0.09	0.00
Interest on Working Capital	12.21	12.65	12.78	12.95	13.14
Return on Equity	29.91	29.91	29.91	29.91	29.91
Annual Fixed Cost	112.53	116.08	119.27	122.69	126.82
Water Charge	7.54	8.13	8.71	9.37	10.07
Security Expenses	0.92	0.97	1.02	1.07	1.12

6.65 The summary of Annual Fixed Charge after taking into account the normative availability factor of 85% for FY 2026-27 to FY 2030-31 as approved by the Commission is shown below.

Table 88: AFC (Rs. Crore) after availability as approved by the Commission for Unit-II

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Annual Fixed Cost	118.38	120.42	122.91	126.00	129.72
Availability (%)	89.90%	99.40%	91.10%	99.30%	89.70%
AFC after Availability	118.38	120.42	122.91	126.00	129.72

Table 89: AFC (Rs. Crore) after availability as approved by the Commission for Unit-III

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Annual Fixed Cost	112.53	116.08	119.27	122.69	126.82
Availability (%)	99.30%	89.90%	99.30%	91.10%	99.30%
AFC after Availability	112.53	116.08	119.27	122.69	126.82

6.66 The summary of Energy Charges for the Control Period from FY 2026-27 to FY 2030-31 as approved by the Commission is shown below.

Table 90: Energy Charge as approved by the Commission for Unit-II

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	259.15	260.01	259.15	259.15	259.15
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	262.26	263.14	262.26	262.26	262.26

Table 91: Energy Charge as approved by the Commission for Unit-III

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	260.76	261.63	260.76	260.76	260.76

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Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	263.88	264.76	263.88	263.88	263.88

6.67 The summary of recoverable Annual Revenue Requirement (ARR) for the Control Period from FY 2026-27 to FY 2030-31 as approved by the Commission is shown below

Table 92: Annual Revenue (Rs. Crore) for Unit-II as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
ARR after Availability	Rs. Cr.	389.13	392.68	394.92	398.72	403.20
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.32	3.32	3.32	3.32	3.32
Net ARR	Rs. Cr.	385.81	389.36	391.60	395.41	399.88

Table 93: Annual Revenue (Rs. Crore) for Unit-III as approved by the Commission

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
ARR after Availability	Rs. Cr.	384.87	389.93	392.87	397.00	401.88
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.30	3.30	3.30	3.30	3.30
Net ARR	Rs. Cr.	381.57	386.63	389.57	393.70	398.58



Chapter 7: STATUS OF EARLIER DIRECTIVES

Chapter 7: STATUS OF EARLIER DIRECTIVES

7.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directive	Status	View of the Commission
1. Energy Charge Optimization		
The Commission had observed that due to various reasons like primary fuel mix, GCV and Landed price the energy charge rate is too high. The Petitioner is required to prepare its strategy for coal procurement plan to optimize its energy charge	This is to submit that this directive is being complied through Quarterly Directive Reports submitted to Hon'ble Commission. The Petitioner took adequate measures to minimize the fuel mix variations and accordingly the energy charge rate has been contained well within the approved numbers.	The Commission has acknowledged the status of compliance and direct the Petitioner to continue optimizing its energy charge.
2. Capex Planning		
The Commission had directed the Petitioner to ensure that proper planning should be carried out before finalization and submission of Capex plan before the Commission for approval. Further, in case there is need to review/revise any scheme or change in the Scope of Work, the same is required to be submitted before the Commission with proper justification for approval.	Revised Phasing of Capex has been submitted in instant Petition. The same has been also duly apprised through respective quarterly reports.	The Commission has taken note of the status of compliance and instructs the Petitioner to keep presenting the same in this regard.
3. Residual Life Study		
The Commission had observed that both the Units (Unit-II & Unit-III) have a remaining useful life of less than ten years as per regulations. The	Tata power is Planning for carrying out RLA for critical equipments in the upcoming annual shutdown. However, comprehensive RLA for	The Commission directs the Petitioner to carry out a residual life Assessment (RLA) study as soon as possible before any additional capitalization



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Directive	Status	View of the Commission
Petitioner is required to carry out residual life study before any additional capitalization in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is to submit the complete scope of work to be carried under RLA for Commission's approval.	undertaking Renovation and Modernization of the Plant is under the consideration of management and is yet to be finalized and same shall be intimated to the Hon'ble Commission as soon as it is finalised.	in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is required to submit the complete scope of work to be carried under RLA for Commission's approval.
4. Start Ups		
The Commission had directed to submit monthly details of a number of unit-wise start-ups taken after shutdown. Also, details should include the monthly quantity of secondary fuel consumed during plant start up and flame support if required. The same should be submitted with subsequent APR and True-up Petitions."	The same has been Annexed as Annexure P27	The Commission directs the Petitioner to continue with the same Practice in the future also.
5. Compliance of directives issued in earlier Orders		
In addition to above, the Petitioner is also directed to submit the compliance to the directives issued by the Commission in its earlier Orders.	This is to submit that the Petitioner is duly submitting the quarterly reports in respect of variation in fuel mix, revision in capex phasing and ash utilization as per the directions of the Hon'ble Commissions.	The Commission directs the Petitioner to continue with the same Practice in the future also.



Chapter 8: DIRECTIVES



Chapter 8: DIRECTIVES

Primary Fuel

- 8.1 The Commission has observed that due to various reasons like primary fuel mix, GCV and Landed price the energy charge rate is too high. The Petitioner is required to prepare its strategy for coal procurement plan to optimize its energy charge.

Residual Life Study

- 8.2 The Commission has observed that both the Units (Unit-II & Unit-III) have remaining useful life less than 10 years as per regulations. Accordingly, the Commission directs the Petitioner to carry out residual life study before any additional capitalization in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is to submit the complete scope of work to be carried under RLA for Commission's approval.
- 8.3 In the event the Petitioner proceeds with capitalization in violation of this direction, without fulfilling the prescribed prerequisite conditions, the Commission shall be constrained to withhold/disallow such capitalization, if any. This is on account of the Petitioner's continued non-compliance with the Commission's directive to conduct the RLA, as consistently mandated in its Orders since FY 2020.

Compliance of directives issued in earlier Orders

- 8.4 As a consequence, the Petitioner is directed to submit the compliance to the directives issued by the Commission in its earlier Orders, inter alia, particularly with respect to the compliance of Residual Life Study (RLA) within six months from today, failing which an appropriate action shall be taken by the Commission.

Pipeline leakage and Ash Overflow

- 8.5 The Commission directs the petitioner to make temporary arrangement for ash overflow and fly ash management till the approval of capital expenditure by the commission. Any mishap due to the same shall be attributable to the petitioner.



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This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on March 23, 2026 (March Twenty-Three Two Thousand Twenty-Six)

Date: 23.03.2026

Place: Ranchi

Sd/-

(Mahendra Prasad)

Member (Law)

Sd/-

(Justice Navneet Kumar)

Chairperson

Chapter 9: List of Participant

Table 94: List of participant who attend Public Hearing

Sl. No.	Name S/Shri	Address / Organization if any
1	Gaurav Bawase	Tata Power, Jamshedpur
2	Nezamuddin Khan	Telco, Jamshedpur
3	Anshul De	Tata power
4	Udit Agarwal	Fistupur
5	D. K. Singh	Baridih
6	M. K. Singh	Sahara City
7	Amitava Das	Baridih, Jamshedpur
8	Santosh Kr. Hogle	Govindpur
9	Raj Kr	Sonari
10	Nirmal Prasad	Dainik jagran
11	Pratik	Hindustan
12	Ranjan Kr. Jha	Chamakta Aina
13	Jitendra Kr. Jena	Sakchi
14	Ankit Kumar Singh	Baridih
15	Rakesh Talukdar	Tata Steel Limited
16	Himanshu kohor	Baridih
17	Kush Kumar	TATA Steel
18	Chandrasekhar Singh	TPCL
19	U R Prasharara Rao	Tata Power
20	Pradeep Kumar	Tata Steel
21	Manish Kshyap	Deloitte
22	Abhishek Bosh	Tata Power
23	Ashutosh	Tata Steel
24	Arpita Maity	Tata Steel
25	A N Choudhary	Tata Steel UISL
26	Sunil Kr. Kunwar	Tata Power



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Sl. No.	Name S/Shri	Address / Organization if any
27	Dilip Singh	Rahargora
28	Nayarayn Chandra Verma	Jojobera
29	Debahuti Pati	Tata Power
30	Harpreet Kaur	Tata Steel