

Jharkhand State Electricity Regulatory Commission



Order on

True-up for FY 2024-25, Annual Performance Review
for FY 2025-26, Business Plan and MYT Petition for
the Control Period from FY 2026-27 to FY 2030-31
and Tariff Determination for FY 2026-27

for

Tata Steel Limited (TSL)

Ranchi,

March 23, 2026



Contents

List of Abbreviations	6
List of Table.....	8
Chapter 1: INTRODUCTION	15
Jharkhand State Electricity Regulatory Commission	15
The Petitioner-Tata Steel Limited	17
The Petitioner’s Prayers	17
Chapter 2: PROCEDURAL HISTORY	19
Background	19
Information Gaps in the Petition	20
Inviting Public Comments/Suggestions	20
Submission of Comments/Suggestions and Conduct of Public Hearing.....	21
Chapter 3: BRIEF FACTS OF THE PETITION	22
True-up for FY 2024-25:.....	22
Annual Performance Review for FY 2025-26:	24
Annual Revenue Requirement for FY 2026-27 to FY 2030-31:.....	27
Chapter 4: PUBLIC CONSULTATION PROCESS	32
Chapter 5: TRUE-UP FOR FY 2024-25	36
Consumers, Connected Load and Energy Sales.....	36
Energy Balance	38
Power Purchase Cost	41
Operation and Maintenance Expenses (O&M)	48
Capital Work in Progress (CWIP) and Gross Fixed Assets (GFA)	64
Consumer Contribution	65
Depreciation	66
Interest on Loan.....	68
Interest on Security Deposits.....	71
Return on Equity	73
Interest on Working Capital	74
Funding Cost of Delayed Payment Surcharge (DPS)	76
Non-Tariff Income	77
Revenue from sale of Power	77
Collection Efficiency.....	78



Summary of Annual Revenue Requirement and Gap/(Surplus)	79
Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2025-26.....	82
Consumers, Connected Load and Energy Sales	82
Energy Balance	83
Power Purchase Cost	86
Operation and Maintenance Expenses (O&M)	94
Capital Work in Progress (CWIP) and Gross Fixed Assets (GFA)	97
Consumer Contribution	99
Depreciation	99
Interest on Loan	101
Interest on Security Deposits.....	103
Return on Equity	104
Interest on Working Capital	106
Non-Tariff Income	107
Revenue from sale of power.....	108
Summary of Annual Revenue Requirement and Gap/(Surplus)	109
Chapter 7: APPROVAL OF BUSINESS PLAN FOR FY 2026-27 TO FY 2030-31.	111
Demand and Sales Forecast.....	112
Power Purchase Cost.....	125
Capital Investment Plan	152
Financing of Capital Expenditure Plan	160
Human Resource Plan	161
Chapter 8: MYT for FY 2026-27 TO FY 2030-31 and Aggregate Revenue Requirement & Tariff for FY 2026-27	166
Consumers, Connected Load and Energy Sales.....	166
Distribution Loss	167
Energy Balance	167
Renewable Purchase Obligation.....	167
Power Purchase Cost.....	171
Capital Work in Progress (CWIP) & Gross Fixed Asset (GFA)	171
Consumer Contribution (CC).....	173
Depreciation	173
Interest and Finance Charges	175
Interest on Consumer Security Deposits	178



Return on Equity	180
Interest on Working Capital	184
Operation and Maintenance Expenses (O&M)	189
Non-Tariff Income	198
Summary of ARR for the MYT Control Period from FY 2026-27 to FY 2030-31	199
Gap/(Surplus) at Existing Tariff.....	201
Chapter 9: Cumulative Revenue Gap/(Surplus) till FY 2026-27.....	202
Revenue Gap/(Surplus)	202
Chapter 10: OPEN ACCESS CHARGES.....	206
Wheeling Charges	207
Cross Subsidy Surcharge.....	211
Additional Surcharges	213
Regulatory Surcharge for Open Access Consumers	215
Chapter 11: Proposal for Green Tariff for FY 2025-26	217
Chapter 12: RETAIL TARIFF FOR FY 2026-27.....	223
Chapter 13: SCHEDULE OF CHARGES FOR FY 2026-27.....	225
Chapter 14: TARIFF SCHEDULE	228
Domestic Service- Rural and Urban.....	228
Domestic Service- HT	230
Irrigation & Agriculture Service (IAS)	231
Commercial Service:	232
Low Tension Industrial Service:	234
HT Service:	235
Street Light:	236
HT Institutional Service:	237
Temporary Connection:.....	239
Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV project.....	240
Chapter 15: TERMS AND CONDITION OF SUPPLY	242
Clause I: Penalty for exceeding Billing/Contract Demand	242
Clause II: Jharkhand Electricity Duty	242
Clause III: Delayed Payment Surcharge	242
Clause IV: Voltage Rebate	242
Clause V: Load Factor Rebate	242



Clause VI: Installation of Shunt Capacitors	243
Clause VII: ToD Tariff.....	243
Clause VIII: Prompt Payment Rebate	243
Clause IX: Rebate for Prepaid Metering	244
Clause X: Rebate for Delayed Billing.....	244
Clause XI: Rebate for Online Payment	244
Clause XII: Electricity Supply Code	244
Clause XIII: Other Terms and Conditions	244
Chapter 16: DIRECTIVES	247
Chapter 17: List of Participant.....	249



List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ACS/ACoS	Average Cost of Supply
APR	Annual Performance Review
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BG	Bank Guarantee
CC	Consumer Contribution
CGRF	Consumer Grievance Redressal Forum
CSD	Consumer Security Deposit
CWIP	Capital Works in Progress
DVC	Damodar Valley Corporation
FPA	Fuel Purchase Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
HP	Horse Power
HT	High Tension
IAS	Irrigation and Agriculture Services
IEX	Indian Energy Exchange
IFC	Interest & Finance Charge
IoWC	Interest on Working Capital
kW	kilo Watt
kWh	kilo Watt hour
kVA	kilo Volt Ampere
kVAh	kilo Volt-Ampere hour
MD	Maximum Demand
MES	Military and Engineering Services
MOD	Merit Order Despatch
MU	Million Units
NTI	Non-Tariff Income
O&M	Operation and Maintenance



Abbreviation	Description
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificates
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RTS	Railway Traction Services
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SOP	Standard of Performance
SS	Street Light



List of Table

Table 1: List of newspapers and dates of publication of public notice by Petitioner	20
Table 2: List of newspapers and dates of publication of Public Notice by the Commission	21
Table 3: Energy Sales (in MUs) as submitted by the Petitioner for FY 2024-25.....	22
Table 4: Energy Balance as submitted by the Petitioner for FY 2024-25.	22
Table 5: Summary of ARR (Rs Cr.) as submitted by the Petitioner for FY 2024-25.....	24
Table 6: Revenue Gap/(Surplus) in Rs. Cr. as submitted by the Petitioner for FY 2024-25.....	24
Table 7: Energy Sales (in MUs) as submitted by the Petitioner for FY 2025-26.....	25
Table 8: Energy Balance (in MUs) as submitted by the Petitioner for FY 2025-26.	25
Table 9: ARR (in Rs Cr.) as submitted by the Petitioner for FY 2025-26.	27
Table 10: Revenue Gap/(Surplus) in (Rs Cr.) as submitted by the Petitioner for FY 2025-26.	27
Table 11: ARR (Rs. Cr.) as submitted by the Petitioner for MYT Period FY 2026-27 to FY 2030-31.	28
Table 12: Capital Expenditure schemes proposed for the MYT Period FY 2026-27 to FY 2030-31.....	28
Table 13: Capitalisation proposed by the Petitioner for the MYT Period FY 2026-27 to FY 2030-31.....	29
Table 14: Purposed Tariff as submitted by the Petitioner for FY 2026-27.	31
Table 15: Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner.....	37
Table 16: Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner and approved by the Commission.	37
Table 17: Energy Balance (in MUs) as submitted by the Petitioner.....	38
Table 18: Energy Requirement (MUs) as approved by the Commission.	40
Table 19: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner.....	42
Table 20: RPO as submitted by Petitioner for FY 2024-25.....	44
Table 21: Summary of RPO compliance as submitted by the Petitioner for FY 2024-25.....	45
Table 22: Rooftop Solar Capacity submitted by the Petitioner	46
Table 23: Power Procurement Cost (Rs Cr.) for as approved by the Commission FY 2024-25.	46
Table 24: O&M Cost submitted by the Petitioner as per Audited Accounts for FY 2024-25.....	49
Table 25: Employee expense claimed by the Petitioner for FY 2024-25	49
Table 26: A&G expense claimed by the Petitioner for FY 2024-25	49
Table 27: R&M expense claimed by the Petitioner for FY 2024-25.....	50
Table 28: Normative Employee expense claimed by the Petitioner for FY 2024-25	50
Table 29: Normative A&G expense claimed by the Petitioner for FY 2024-25	51
Table 30: Comparative analysis of Regulation on A&G for other states	51
Table 31: R&M expenses for the control period as per approved K-Factor.....	56
Table 32: R&M expenses for the control period as per claimed K-Factor.....	57
Table 33: Normative R&M claimed by the Petitioner for FY 2024-25.....	58
Table 34: Normative O&M Expenses (Rs Cr.) as submitted by the Petitioner for FY 2024-25 ...	59
Table 35: Net O&M Expenses including sharing of Gain/Loss (in Rs Cr.) as submitted by the Petitioner.....	59
Table 36: Normative Employee Expenses (Rs Cr.) as approved by the Commission.....	62
Table 37: Normative A&G Expenses (Rs Cr.) as approved by the Commission.....	63
Table 38: Normative R & M Expenses (Rs. Cr.) as approved by the Commission.....	63
Table 39: Normative O&M Expenses (Rs Cr.) as approved by the Commission	63



Table 40: Actual O&M Expense (in Rs Cr.) approved by the Commission.....	64
Table 41: Net O&M Expenses (Rs Cr.) for FY 2024-25 as approved by the Commission.....	64
Table 42: CWIP and GFA (in Rs Cr.) for FY 2024-25 as submitted by the Petitioner.....	64
Table 43: CWIP and GFA (in Rs Cr.) as approved by the Commission.	65
Table 44: Details of Consumer contribution as submitted by the Petitioner	66
Table 45: Consumer Contribution (Rs Cr.) as approved by the Commission.	66
Table 46: Depreciation (Rs Cr.) on assets as submitted by the Petitioner.....	67
Table 47: Depreciation (Rs Cr.) as approved by the Commission.	68
Table 48: Normative Loan & Normative Equity added during the Year (Rs. Cr.).....	68
Table 49: Interest on Loan (Rs. Cr.) as submitted by the Petitioner.....	69
Table 50: Normative Loan and Normative Equity (Rs Cr.) added during FY 2024-25.....	71
Table 51: Interest on Normative Loan (in Rs Cr.) as approved by the Commission.....	71
Table 52: Interest on CSD (Rs Cr.) as submitted by the Petitioner.	71
Table 53: Interest on CSD (Rs. Cr.) as approved by the Commission.	72
Table 54: Return on Equity (Rs Cr.) as submitted by the Petitioner.	73
Table 55: Return on Equity (Rs Cr.) as approved by the Commission.....	74
Table 56: Interest on Working Capital (Rs Cr.) as submitted by the Petitioner	74
Table 57: Interest on Working Capital (in Rs. Cr.) as approved by the Commission.	76
Table 58: Non-Tariff Income (Rs Cr.) as submitted by the Petitioner	77
Table 59: Non-Tariff Income (Rs Cr.) as approved by the Commission.....	77
Table 60: Revenue (Rs Cr.) as approved by the Commission for FY 2024-25	78
Table 61: Collection Efficiency Revenue (Rs Cr.) as submitted by the Petitioner for FY 2024-25	79
Table 62: Summary of ARR (Rs Cr.) as approved by the Commission.	80
Table 63: Summary of ARR (Rs. Cr.) as approved by the Commission.	80
Table 64: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission for FY 2025-26	82
Table 65: Energy Balance (in MUs) as submitted by the Petitioner for FY 2025-26	83
Table 66: Energy Balance (MUs) as approved by the Commission.....	85
Table 67: Renewable Purchase Obligation as per RPO obligation Regulation.	88
Table 68: RPO unit for FY 2025-26 as submitted by the Petitioner.....	88
Table 69: RPO as submitted by Petitioner for FY 2025-26.....	88
Table 70: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner	90
Table 71: Power Procurement Cost (Rs. Cr.) as approved by the Commission for FY 2025-26..	92
Table 72: Normative Employee Expenses as submitted by Petitioner.	94
Table 73: Normative A&G Expenses as submitted by Petitioner.....	95
Table 74: Normative R&M Expenses as submitted by Petitioner for FY 2025-26 (Rs. Cr.)	95
Table 75: Normative O&M Expenses (Rs Cr.) as submitted by the Petitioner.	96
Table 76: Normative O&M Expenses (Rs. Cr.) as approved by the Commission	97
Table 77: CWIP and GFA (in Rs Cr.) as submitted by the Petitioner for FY 2024-25.....	97
Table 78: CWIP and GFA (in Rs Cr.) as approved by the Commission.	98
Table 79: Consumer Contribution (Rs Cr.) Capitalised and Received as submitted by the Petitioner.....	99
Table 80: Consumer Contribution (Rs Cr.) as approved by the Commission	99
Table 81: Depreciation (Rs Cr.) on assets created out of CC as submitted by the Petitioner.....	100
Table 82: Depreciation (Rs Cr.) as approved by the Commission	101



Table 83: Normative Loan & Normative Equity (Rs. Cr.) added during the Year.....	101
Table 84: Interest on Normative Loan (Rs. Cr.) as submitted by the Petitioner.....	102
Table 85: Normative Loan and Normative Equity (in Rs Cr.) added during FY 2025-26.....	102
Table 86: Interest on normative Loan (in Rs Cr.) as approved by the Commission.....	103
Table 87: Interest on CSD (Rs Cr.) as submitted by the Petitioner.....	103
Table 88: Interest on CSD (Rs. Cr.) as approved by the Commission.....	104
Table 89: Return on Equity (Rs Cr.) as submitted by the Petitioner.....	105
Table 90: Return on Equity (Rs Cr.) as approved by the Commission.....	105
Table 91: Interest on Working Capital (Rs Cr.) as submitted by the Petitioner.....	106
Table 92: Interest on Working Capital (in Rs. Cr.) as approved by the Commission.....	107
Table 93: Non-Tariff Income (Rs Cr.) as submitted by the Petitioner.....	108
Table 94: Non-Tariff Income (Rs Cr.) as approved by the Commission.....	108
Table 95: Revenue (Rs Cr.) as submitted by the Petitioner.....	108
Table 96: Revenue (Rs Cr.) as approved by the Commission.....	109
Table 97: Summary of ARR (Rs Cr.) as approved by the Commission for FY 2025-26.....	109
Table 98: Summary of ARR (Rs Cr.) as approved by the Commission.....	110
Table 99: Number of Consumers as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31.....	113
Table 100: Connected Load as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31.....	113
Table 101: Sales as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31.....	114
Table 102: CAGR for different consumer categories as submitted by the Petitioner.....	115
Table 103: CAGR for different consumer categories computed by the Commission.....	115
Table 104: Approach for Projection of No. of Consumers for Control Period.....	115
Table 105: CAGR for connected load in different consumer categories considered by the Petitioner.....	116
Table 106: CAGR for connected load in different consumer categories computed by the Commission.....	117
Table 107: Approach for Projection for Connected Load.....	117
Table 108: CAGR for Sales in MUs under different consumer categories considered by the Petitioner.....	118
Table 109: CAGR for Sales in MUs under different consumer categories Computed by the Commission.....	119
Table 110: Approach for Projection of Sales for Control Period.....	119
Table 111: Number of Consumers as approved by the Commission for the Control Period (Nos).....	120
Table 112: Connected Load as approved by the Commission for the Control Period (kVA)....	121
Table 113: Sales as approved by the Commission for the Control Period (MU's).....	121
Table 114: Energy Requirement (MUs) as by the Petitioner for the Control Period.....	123
Table 115: Energy Requirement (MUs) as by the Petitioner for the Control Period.....	124
Table 116 : Power Procurement during Current Control Period in MUs.....	125
Table 117: Source wise allocated Capacity.....	126
Table 118: Power Procurement Plan for next Control Period in MUs.....	127
Table 119: Tata Power Unit-2 and Unit-3 Power purchase details for Control Period FY 2027-31.....	128



Table 120: Unit wise Allocated capacity of DVC units (132 kV) for Control Period FY 2027-31	129
Table 121: Unit wise Power Purchase Quantum & Cost of DVC Units (132 kV)	130
Table 122: DVC (132kV) Power Purchase cost for FY 2026-27 to FY 2028-29.....	131
Table 123: DVC (132kV) Power Purchase cost for FY 2029-30 to FY 2030-31.....	132
Table 124: DVC 400 kV Power Purchase cost for Control Period.....	134
Table 125: Power Purchase Quantum & Cost from DVC 400 kV	135
Table 126: DVC (400kV) Power Purchase cost for Control Period.....	137
Table 127: DVC(400 kV) Power Purchase cost for Control Period	138
Table 128: Power Purchase – Tata Steel Works	142
Table 129: Power Purchase – Tata Steel Works	142
Table 130: RPO trajectory from FY 2024-25 to FY 2029-30	142
Table 131: Purchase of REC for the Control Period.....	143
Table 132: Cost of REC for the upcoming Control Period.....	143
Table 133: Annual Inter State Transmission Charges Current Control Period	144
Table 134: Annual Inter State Transmission Charges projected for next Control Period	144
Table 135: Annual DVC Intra State Transmission Charges projected for FY 2026-27	144
Table 136: Annual DVC Intra State Transmission Charges projected for next Control Period..	145
Table 137: Power Purchase Cost (in Rs. Cr) for Control Period FY 2026-27 to FY 2030-31	145
Table 138: Power Purchase Rate for Control Period (Rs/kWh)	146
Table 139: Power Procurement Cost (Rs. Cr.) as approved by the Commission	148
Table 140: Scheme-wise phasing of Capital Expenditure and Capitalization during the Control Period	155
Table 141: Provisionally Approved Scheme-wise phasing of Capital Expenditure and Capitalization	159
Table 142 Financing of Capital Expenditure Plan as submitted by the Petitioner (Rs. Cr.)	160
Table 143 Financing of Capital Expenditure Plan as approved by the Commission (Rs. Cr.)....	161
Table 144: Manpower Required to replace superannuating employees	163
Table 145: Manpower Required for additional function in existing operational area.	164
Table 146 Manpower approved by the Commission for Control Period (Nos.).....	165
Table 147: Power Purchase – Tata Steel Works.....	168
Table 148: Power Purchase – Tata Steel Works.....	168
Table 149: RPO trajectory from FY 2024-25 to FY 2029-30	169
Table 150 RPO Computation from FY 2026-27 to FY 2030-31	169
Table 151 RPO Trajectory from FY 2024-25 to FY 2029-30 (in %)	170
Table 152 RPO Computation from FY 27 to FY31	170
Table 153 Capital Work in Progress (CWIP) as submitted by the Petitioner (Rs. Cr.).....	172
Table 154 Gross Fixed Assets (GFA) as submitted by the Petitioner (Rs. Cr.)	172
Table 155 Capital Work in Progress (CWIP) as approved by the Commission (Rs. Cr.).....	172
Table 156 Gross Fixed Assets (GFA) as approved by the Commission (Rs. Cr.).....	172
Table 157 CC Capitalisation as submitted by the Petitioner (Rs. Cr.)	173
Table 158 CC Capitalisation as submitted by the Petitioner (Rs. Cr.)	173
Table 159 Net Depreciation as submitted by the Petitioner (Rs. Cr.).....	173
Table 160: Depreciation (Rs Cr.) as approved by the Commission	175
Table 161: Interest and Finance Charges as submitted by the Petitioner (Rs. Cr.)	176
Table 162: Interest and Finance Charges as approved by the Commission for Control Period ..	177



Table 163 Interest on CSD as submitted by the Petitioner (Rs. Cr.)	179
Table 164 Interest on CSD as approved by the Commission for Control Period (Rs. Cr.)	180
Table 165 Return on Equity as submitted by the Petitioner (Rs. Cr.)	181
Table 166: Operation Parameters as approved by the Commission	183
Table 167 Return on Equity as approved by the Commission for Control Period (Rs. Cr.)	183
Table 168: Interest on Working Capital – Wheeling Business.....	185
Table 169: Interest on Working Capital for Control Period – Retail Supply Business (in Rs. Cr.)	186
Table 170 Interest on Working Capital – Wheeling Business as approved by the Commission for Control Period (Rs. Cr.).....	188
Table 171 Interest on Working Capital – Retail Business as approved by the Commission for Control Period (Rs. Cr.).....	188
Table 172 Inflation Factor for WPI & CPI as submitted by The Petitioner	191
Table 173 Calculation of K-factor	191
Table 174 R&M Expenses for Control Period (in Rs. Cr.).....	192
Table 175 Additional Manpower Number	192
Table 176 Employee Expense for Control Period (in Rs. Cr.)	193
Table 177 A&G Expense for Control Period (in Rs. Cr.).....	193
Table 178 Net O&M Expenses for Control Period (in Rs. Cr.).....	194
Table 179 Growth Factor as approved by the Commission for Control Period (Rs. Cr.)	197
Table 180 O&M Expenses as approved by the Commission (Rs. Cr.).....	198
Table 181 Non-Tariff Income as submitted by the Petitioner (Rs. Cr.)	198
Table 182 Non-Tariff Income as approved by the Commission (Rs. Cr.).....	199
Table 183 Summary of ARR for the MYT Period as submitted by the Petitioner (Rs. Cr.)	200
Table 184 Summary of ARR for the MYT Period as approved by the Commission (Rs. Cr.) ...	200
Table 185 Gap/(Surplus) at existing tariff as approved by the Commission (Rs. Crore).....	201
Table 186 Revenue Gap approved by Hon'ble Commission (in Rs. Cr.).....	202
Table 187 Standalone revenue gap/surplus created/expected in FY 2024-25 and FY 2025-26..	202
Table 188 Standalone revenue gap/surplus created/expected in FY 2026-27	202
Table 189 Standalone revenue gap/surplus created/expected in FY 2026-27	203
Table 190: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission.....	204
Table 191: Revenue Gap/(Surplus) (in Rs Cr.) as approved by the Commission	204
Table 192: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission.....	204
Table 193: Segregation of ARR and Wheeling Charges as submitted by the Petitioner.....	208
Table 194: Segregation of ARR and Wheeling Charges as approved by the Commission for FY 2026-27.	209
Table 195: Segregation of ARR and Wheeling Charges for FY 2026-27 as approved by the Commission	210
Table 196: Cost stacking on the basis of energy sale as approved by the Commission.	210
Table 197: Wheeling Tariff as approved by the Commission for FY 2026-27.	211
Table 198: Cross Subsidy Surcharges as submitted by the Petitioner for FY 2026-27.	211
Table 199: Cross Subsidy Surcharges as approved by the Commission for FY 2025-26.	213
Table 200: Additional Surcharge for FY 2026-27 as submitted by the Petitioner	214
Table 201: Regulatory Asset Surcharge as Submitted by the Petitioner.	215
Table 202: Computation of difference in per unit price	217
Table 203: Analysis of cost from Renewable Energy as approved by the Commission.	221



Table 204: Analysis of Variable cost of power purchase from conventional Non-RE Sources as approved by the Commission.....	221
Table 205: Different between RE & Non-RE (A-B) in Rs/kWh as approved by the Commission.	222
Table 206: Summary of Tariff Proposed by the Petitioner for FY 2026-27.....	223
Table 207: Summary of Tariff Approved by the Commission for FY 2026-27.....	224
Table 208: Miscellaneous Charges as proposed by the Petitioner.....	225
Table 209: Miscellaneous Charges as approved by the Commission (in Rs.).....	240
Table 210: List of participant who attend Public Hearing and submitted their Suggestions/Comments.....	249



BEFORE

**Jharkhand State Electricity Regulatory Commission,
Ranchi**

Case (Tariff) No.: 09 of 2025

In the matter of:

Petition for

True-up for FY 2024-25, Annual Performance Review for FY 2025 - 26 and Business Plan and MYT Petition for the Control Period from FY 2026-27 to FY 2030-31 and Tariff Determination for FY 2026-27.

In the matter:

Tata Steel Limited (TSL), Northern Town, Bistupur,
Jamshedpur..... **Petitioner**

PRESENT

Hon'ble Justice Navneet Kumar

Chairperson

Hon'ble Mahendra Prasad

Member (Law)

Order dated March 23, 2026

Tata Steel Limited (hereinafter referred to as 'TSL' or the 'Petitioner') has filed the Petition dated November 28, 2025 for approval of Truing-up for FY 2024-25, Annual Performance Review for FY 2025-26, Business Plan and MYT Petition for the Control Period from FY 2026-27 to FY 2030-31, and Tariff Determination for FY 2026-27.



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 Commissions 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, had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commissions 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 (hereinafter referred to as the “Act”) came into force, the earlier Electricity Regulatory Commissions Act, 1998 got repealed and the functions of SERC’s 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 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 Commission by that Government.

1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.

1.7 In discharge of its functions, the State Commission is also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the 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.

The Petitioner-Tata Steel Limited

- 1.8 Tata Steel Limited (TSL), formerly known as Tata Iron and Steel Company Limited (TISCO), is a company incorporated under the provisions of the Companies Act, 1956. It has been distributing electricity in Jamshedpur under the licence granted u/s 14 of the Act.
- 1.9 The Petitioner has been distributing electricity in Jamshedpur township since 1923 through a sanction/licence granted u/s 28(1) of the erstwhile Indian Electricity Act, 1910. Post enactment of the EA, 2003, the Petitioner filed an application for a Distribution Licence for Jamshedpur township on December 24, 2003 u/s 15 of the Act. In the absence of the notified Regulations and in view of the first proviso of Section 14 and Section 172(b) of the Act, JSERC vide Order dated March 24, 2004 permitted TSL to continue operating under the provisions of the repealed Act till the time Regulations regarding the same were notified by the Commission.
- 1.10 After notification of the JSERC (Terms and Conditions for Distribution Tariff) Regulations, 2004, action for issue of licence for Jamshedpur town was initiated and subsequently the licence was issued to TSL on January 12, 2006 effective from March 24, 2004.
- 1.11 The area of the Petitioner is bounded as under: -
 - North:** River Subarnarekha;
 - South:** Tracks of South Eastern Railways;
 - East:** Eastern boundaries of Mouza Jojobera and Nildhand;
 - West:** River Kharkai.

The Petitioner's Prayers

- 1.12 The Petitioner in instant Petition has made the following prayers before the Commission:
 - a) Admit the present Petition and examine the submissions made herein in accordance with the applicable Tariff Regulations.



- b) Approve the True-up of ARR for FY 2024-25 based on audited accounts and applicable Regulations.
- c) Approve the Annual Performance Review (APR) for FY 2025-26 and the revised ARR for FY 2025-26 as submitted in this Petition.
- d) Approve the ARR for FY 2025-26 and determine the tariff for FY 2025-26 accordingly.
- e) Approve the cumulative revenue gap/surplus as computed in this Petition at the end of FY 2025-26 and permit its recovery/adjustment in such manner as deemed appropriate by the Commission.
- f) Approve the Business Plan and MYT ARR projections for the Control Period FY 2026-27 to FY 2030-31 as submitted in this Petition, in accordance with the applicable MYT Regulations.
- g) Approve the proposed tariff for FY 2026-27 (first year of the Control Period) for recovery of the approved ARR and cumulative revenue gap, in such manner as deemed fit by the Commission.
- h) Approve the proposed Capital Investment Plan for the Control Period, including new schemes and carry-over schemes from the previous Control Period.
- i) Approve the capitalisation of assets as proposed in this Petition for the relevant years of the Control Period.
- j) Approve procurement of Renewable Energy, including additional Renewable Energy required to meet regulatory RPO obligations and up to 100% Green Energy requirements of consumers opting for the same.
- k) Approve the Green Energy Tariff and associated framework, including issuance of Green Energy Certificates to eligible consumers, as proposed in this Petition or as deemed appropriate by the Commission.
- l) Approve intra-license area wheeling of solar/green energy on monthly energy accounting basis as proposed.
- m) Approve applicable Open Access charges and Green Energy related charges, as proposed in this Petition.
- n) Condone delay, if any, in filing the present Petition.
- o) Condone any inadvertent omissions, errors or shortcomings in this Petition and permit the Petitioner to add, modify, alter or make further submissions as may be required at a later stage.
- p) Pass such further order(s) as the Hon'ble Commission may deem fit and appropriate in the facts and circumstances of the present case.



Chapter 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had passed True up for FY 2011-12, FY 2012-13, and ARR & Tariff for FY 2013-14 dated June 04, 2014. Further, The Petitioner had filed Review Petition against the same Order for relief on July 01, 2014. Accordingly, the Commission had passed Order on the Review Petition dated March 31, 2015.
- 2.2 The Commission had passed True-up for FY 2013-14, Annual Performance Review for FY 2014-15 and Revised Annual Revenue Requirement and Tariff for FY 2015-16 dated May 31, 2015.
- 2.3 The Commission had passed True up for FY 2014-15 and Annual Performance Review for FY 2015-16, Business Plan & MYT Control Period from FY 2016-17 to FY 2020-21 dated February 28, 2017.
- 2.4 The Commission had passed True-Up for FY 2015-16, Annual Performance Review for FY 2016-17, Annual Revenue Requirement and Tariff Determination for FY 2017-18 dated May 18, 2018. Further, the Petitioner was filed review petition against the same Order for relief. Accordingly, the Commission had passed Order on the Review Petition dated September 11, 2018.
- 2.5 The Commission had passed Order on the True up for FY 2016-17 and FY 2017-18 order dated May 26, 2020.
- 2.6 The Commission had passed the True up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff Determination for FY 2020-21 dated September 29, 2020.
- 2.7 The Commission had passed the True-up for FY 2019-20 and Annual Performance Review for FY 2020-21 dated November 24, 2022.
- 2.8 The Commission had carried out the Business Plan and MYT for the Control Period from FY 2021-22 to FY 2025-26 and Tariff Determination for FY 2021-22 dated November 24, 2022.
- 2.9 The Commission had passed Order on True-up for FY 2020-21, FY 2021-22, Annual Performance Review for FY 2022-23 and ARR & Tariff for FY 2023-24 dated September 29, 2023.
- 2.10 On dated June 26, 2024 the Commission had passed Order on True-up for FY 2022-23 Annual Performance Review for FY 2023-24 and ARR & Tariff for FY 2024-25.
- 2.11 On dated March 28, 2025, the Commission had passed Order on True up for FY 2023-24, Annual Performance Review for FY 2024-25 and ARR & Tariff for FY 2025-26.



2.12 The current Petition has been filed for true-up of FY 2024-25, APR of FY 2025-26 and Approval of Business Plan & MYT Petition for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27

Information Gaps in the Petition

2.13 In exercise of 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: 09 of 2025/581 dated December 24, 2025.

2.14 In response the Petitioner has furnished additional data/information to the Commission vide letter nos.: PBD/JSR/1374/2025-26 dated January 09, 2026.

2.15 The Commission has scrutinized the petition and the additional data/information furnished by the Petitioner with respect to its discrepancies identified and has considered the same while passing this Order.

Inviting Public Comments/Suggestions

2.16 On scrutiny of the petition, the Commission has directed the Petitioner 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.

2.17 Accordingly, Public Notice was published by the Petitioner in the newspapers 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 Petitioner

Newspaper	Language	Date of Publication
Dainik Bhaskar	Hindi	20.12.2025 & 21.12.2025
Hindustan Times	English	20.12.2025 & 21.12.2025
Prabhat Khabhar	Hindi	20.12.2025 & 21.12.2025
The Times of India	English	20.12.2025 & 21.12.2025

2.18 The Commission has published a Public Notice on its website www.jserc.org and various newspapers giving time till January 28, 2026 to various Stakeholders to submit their comments/suggestions and also organized a Public Hearing on February 17, 2026 where an additional opportunity was provided to all the Stakeholders to submit their comments/suggestions on the above 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	Language	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

2.19 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

3.1 The following chapter summarizes the Petition of Truing-up for FY 2024-25 and Annual Performance Review for FY 2025-26 as filed by the Petitioner for the Commission's approval.

True-up for FY 2024-25:

Energy Sales

3.2 The table below summarizes the actual energy sales for FY 2024-25 as submitted by the Petitioner against the energy sales approved by the APR Order dated March 28, 2025.

Table 3: Energy Sales (in MUs) as submitted by the Petitioner for FY 2024-25.

Consumer Category	Estimates Approved in T.O. 28.03.2025	Petition
Domestic	222.79	218.88
Domestic – DSHT	88.32	85.65
Commercial	95.12	95.18
LTIS	0.24	0.32
Total HT IS	1,869.18	1,950.99
Utilities/Street Light	6.77	6.70
Temporary Supply	2.49	2.40
Sale to Tata Steel USIL	418.24	417.82
MESRTODL	1.11	0.81
Sale in IEX-Power Market	0.00	138.43
Total Sales	2,704.27	2,917.18

Energy Balance

3.3 The Energy Balance as submitted by the Petitioner vis-à-vis as that approved by the Commission vide Order dated March 28, 2025 is hereunder:

Table 4: Energy Balance as submitted by the Petitioner for FY 2024-25.

S. No.	Particulars	UoM	Estimates Approved in T.O. 28.03.2025	Petition
I	ENERGY REQUIREMENT			
1	Sales to Other Licensees	MU	418.24	417.82
2	Distribution Losses on Sales to Other Licensees	%	0	0
3	Unit Lost on Sales to Other Licensees	MU	0	0



S. No.	Particulars	UoM	Estimates Approved in T.O. 28.03.2025	Petition
4	Energy Requirement for Sales to Other Licensees	MU	418.24	417.82
5	Sales to Steel Work	MU	48.72	88.21
6	Distribution Losses	%	0	0
7	Unit lost on Sales	MU	0	0
8	Energy Requirement	MU	48.72	88.21
9	Sale to IEX - Power Market	MU	0	138.42
10	Sales to LT Consumers (Dom + Comm + Street+ LTIS+light + Temp)	MU	327.41	323.48
11	Sales to HT Consumers (Other than Sales to Steel Works) (DSHT + HTIS+MESRTODL- STEEL WORKS)	MU	1909.90	1949.23
12	Total Sales to Consumers other than Steel Works &Tata Steel UISL (10+11)	MU	2237.31	2272.71
13	Distribution Losses on Sales to Consumers other than Steel Works & Tata Steel UISL (%)	%	0.04	0.036
14	Unit Lost on Sales to Consumers other than Steel Works & Tata Steel UISL	MU	92.90	86.34
15	Energy Requirement for Sales to Consumers other than Steel Works & Tata Steel UISL	MU	2144.42	2359.06
16	Overall Sales excluding sale to IEX	MU	2704.27	2778.75
17	Overall Distribution Losses (%)	%	0.03	0.03
18	Overall Distribution Losses	MU	96.92	86.34
19	Total Energy Requirement (excl. Sale to IEX)	MU	2797.17	2865.09
20	Total Energy Requirement (including Sale to IEX)	MU	3076.11	3003.51
II	ENERGY AVAILABILITY			
1	Tata Power Company Limited	MU	1551.90	1533.29
a	Unit - II	MU		728.34
b	Unit - III	MU		804.95
2	Damodar Valley Corporation	MU	1031.94	1192.73
A	132 kV	MU	233.10	240.06
B	400 kV	MU	798.84	952.68
3	TSW Captive	MU	26.26	14.57
4	G-TAM	MU	181.50	258.01
5	Open access / Other Sources	MU	5.58	4.89
6	Total Pooled Energy Availability	MU	2797.17	3003.52



S. No.	Particulars	UoM	Estimates Approved in T.O. 28.03.2025	Petition
7	Less: Power Sold to IEX	MU	-	138.47
8	Net Pooled Energy Availability (excl. sale to IEX)	MU	2797.17	2865.09

Summary of Annual Revenue Requirement for FY 2024-25

3.4 The ARR for FY 2024-25 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated March 28, 2025 is tabulated below:

Table 5: Summary of ARR (Rs Cr.) as submitted by the Petitioner for FY 2024-25.

S. No.	Particulars	Approved in T.O. 28.03.2025	Petition
1	Power Purchase Cost	1,443.44	1,490.32
1.a.	Less -Sale of daily surplus balance power		93.15
1.b.	Net Power Purchase Cost (1- 1.a)	1,443.44	1,397.18
2	Total O&M Expenses (including terminal benefit, CGRF expense & Petition expense)	110.12	114.77
3	Depreciation	18.25	17.29
4	Interest on Loan	2.02	1.07
5	Interest on Security Deposit	4.78	5.18
6	Interest on Working Capital	14.72	15.35
7	Return on Equity	33.13	32.35
8	Financing Cost of DPS FY 2023-24		1.74
9	Gross Aggregate Revenue Requirement (1 to 9)	1,626.46	1,584.92
10	Less: Non-Tariff Income	2.92	57.55
11	Aggregate Revenue Requirement	1,623.54	1,527.37

3.5 Based on the ARR and Revenue as per the Audited Accounts, the Petitioner has computed the Revenue Gap/(Surplus) for FY 2024-25 which is summarized below:

Table 6: Revenue Gap/(Surplus) in Rs. Cr. as submitted by the Petitioner for FY 2024-25.

Particulars	Approved in T.O. 28.03.2025	Petition
Annual Revenue Requirement	1,623.54	1,527.37
Revenue from Sale of Power	1,690.45	1,710.48
Net Revenue Gap/(Surplus)	-66.91	-183.11

Annual Performance Review for FY 2025-26:



Energy Sales

3.6 The table below summarizes the energy sales estimated by the Petitioner for FY 2025-26.

Table 7: Energy Sales (in MUs) as submitted by the Petitioner for FY 2025-26.

Consumer category	Approved in T.O. 28.03.2025 (APR)	Petition
Domestic	228.89	193.38
Domestic Service - DSHT	90.07	72.74
Commercial Services	95.62	89.66
LTIS	0.24	0.44
HT Industrial Services (HTIS)	1,875.81	1848.12
Streetlight	6.94	6.50
Temporary Supply	2.49	3.35
Sale to Tata Steel USIL	475.17	492.44
MESRTODL	1.11	0.77
Sale thru IEX - Power market	-	124.84
Total Sales	2,776.34	2832.23

Energy Balance

3.7 The Energy Balance as submitted by the Petitioner vis-a-vis that as approved by the Commission in Order dated March 28, 2025 is tabulated below.

Table 8: Energy Balance (in MUs) as submitted by the Petitioner for FY 2025-26.

S. No.	Particulars	Estimates Approved in T.O. 28.03.2025	Petition
I	ENERGY REQUIREMENT		
1	Sales to Other Licensees	475.17	492.44
2	Distribution Losses on Sales to Other Licensees	0%	-
3	Unit Lost on Sales to Other Licensees		-
4	Energy Requirement for Sales to Other Licensees	475.17	492.44
5	Sales to Steel Work	291	188.93
6	Distribution Losses		-
7	Unit lost on Sales		-
8	Energy Requirement	291	188.93
9	Sale to IEX - Power Market	0	124.84



S. No.	Particulars	Estimates Approved in T.O. 28.03.2025	Petition
10	Sales to LT Consumers (Dom + Comm + Street+ LTIS+light + Temp)	334.18	293.32
11	Sales to HT Consumers (Other than Sales to Steel Works) (DSHT + HTIS+MESRTODL- STEEL WORKS)	1,675.99	1,732.70
12	Total Sales to Consumers other than Steel Works &Tata Steel UISL (9 + 10)	2,010.17	2,026.02
13	Distribution Losses on Sales to Consumers other than Steel Works & Tata Steel UISL (%)	4.92%	4.34%
14	Unit Lost on Sales to Consumers other than Steel Works & Tata Steel UISL	94.28	91.82
15	Energy Requirement for Sales to Consumers other than Steel Works & Tata Steel UISL	1,915.89	2,117.84
16	Overall Sales excluding sale to IEX	2,776.34	2,707.39
17	Overall Distribution Losses (%)	3.28%	3.28%
18	Overall Distribution Losses	94.28	91.82
19	Total Energy Requirement (excl. Sale to IEX)	2,870.61	2,799.21
20	Total Energy Requirement (including Sale to IEX)	2,870.61	2,924.05
II	ENERGY AVAILABILITY		
1	Tata Power Company Limited	1,515.54	1480.46
a	Unit - II	763.69	750.51
b	Unit - III	751.85	729.95
2	Damodar Valley Corporation		
A	132 kV	227.63	208.92
B	400 kV	919.11	922.00
3	TSW Captive	25.64	26.97
4	G-TAM	177.25	282.60
5	Open access / Other Sources	5.45	3.10
6	Total Pooled Energy Availability	2870.62	2924.05



S. No.	Particulars	Estimates Approved in T.O. 28.03.2025	Petition
7	Less: Power Sold to IEX	0	124.84
8	Net Pooled Energy Availability (excl. sale to IEX)	2870.61	2799.21

Annual Revenue Requirement for FY 2025-26

3.8 The ARR for FY 2025-26 as submitted by the Petitioner vis-a-vis that approved in the Order dated March 28, 2025 is tabulated below:

Table 9: ARR (in Rs Cr.) as submitted by the Petitioner for FY 2025-26.

Particulars	Approved in T.O. 28.03.2025	Petition
Power Purchase Cost	1,561.84	1,491.44
<i>Less -Sale of daily surplus balance power</i>	0	82.71
<i>Net Power Purchase Cost</i>	1,561.84	1,408.73
Total O&M Expenses (including terminal benefit, CGRF expense & Petition expense)	118.82	123.72
Depreciation	20.99	18.77
Interest on Loan	6.3	0.89
Interest on Security Deposit	5.47	6.25
Interest on Working Capital	14.22	11.61
Return on Equity	38.09	33.68
Gross Aggregate Revenue Requirement (1 to 9)	1,765.71	1,603.65
Less: Non-Tariff Income	2.92	2.92
Aggregate Revenue Requirement	1,762.79	1,600.73

3.9 Based on the ARR and revenue as per the existing Tariff, the Petitioner has computed the Revenue Gap/(Surplus) for FY 2025-26, as summarized below:

Table 10: Revenue Gap/(Surplus) in (Rs Cr.) as submitted by the Petitioner for FY 2025-26.

Particulars	Approved in T.O. 28.03.2025	Petition
Aggregate Revenue Requirement	1,762.79	1,600.73
Revenue from Sales	1,838.74	1,625.30
Revenue Gap/(Surplus)	-75.95	-24.58

Annual Revenue Requirement for FY 2026-27 to FY 2030-31:



3.10 The Aggregate Revenue Requirement (ARR) for the Control Period FY 2026-27 to FY 2030-31 as submitted by the Petitioner is summarized below:

Table 11: ARR (Rs. Cr.) as submitted by the Petitioner for MYT Period FY 2026-27 to FY 2030-31.

S.No	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
1	Total Power Purchase Expense	1689.58	1736.12	1698.02	1710.01	1785.88
2	Less : Power Sold to Exchange	92.05	92.05	92.05	92.05	92.05
3	Net Power Purchase Cost	1597.53	1644.07	1605.98	1617.97	1693.84
4	O&M Expenses	130.21	138.54	163.75	175.00	189.51
5	Depreciation	18.16	21.70	25.87	27.64	29.25
6	Interest on Long Term Loan	0.71	7.72	15.64	17.16	18.08
7	Interest on Consumer Security Deposit	6.91	7.28	7.67	8.07	8.47
8	Interest on Working Capital	12.46	13.55	12.43	11.33	11.75
9	Return on Equity	33.68	40.88	49.38	52.98	56.25
10	Total Expenditure	1799.67	1873.75	1880.72	1910.16	2007.15
11	Less: Non-Tariff Income	2.98	3.04	3.10	3.16	3.22
12	Net: Aggregate Revenue Requirement	1796.69	1870.71	1877.63	1907.00	2003.92

3.11 Furthermore, the Petitioner has proposed Capital Expenditure schemes under various categories for the Control Period i.e. FY 2026-27 to FY 2030-31 and the details of which are tabulated below:

Table 12: Capital Expenditure schemes proposed for the MYT Period FY 2026-27 to FY 2030-31.

S.No	Particulars	Scheme name	Scheme Cost	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
A	Carry Forward Scheme from previous MYT FY22-FY26							
1	Growth	Capacity augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur. (Total Scheme value Rs 226 Cr; exp in FY26 is Rs 13.23)	212.77	113.00	90.00	9.77		
B	New Scheme Proposed for MYT Control Period FY27-FY31							
2	Safety	Replacement of old obsolete unsafe vertical isolation 6.6kV CB	66.00	-	15.00	16.00	17.00	18.00



S. No	Particulars	Scheme name	Scheme Cost	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
3	Reliability	6.6 KV Switch Room at Ramadin Bagan	4.00	0.20	2.50	1.30		
4	Reliability	Firm Capacity augmentation for Transformer and Source feeder of 33/6.6 kV substation at Sakchi.	14.00			4.00	5.00	5.00
5	Reliability	Augmentation & Strengthening of Testing Infrastructure (Sum of 5.1 - 5.6)	7.80		1.60	3.00	2.00	1.20
6	Quality	PQ Meter Installation	3.00	1.50	1.50			
7	Growth	2 x 25 MVA, 33/6.6 kV GIS Substation at Baridih	48.00		8.00	20.00	20.00	
8	Growth	Power Distribution Infrastructure for Jamshedpur city including Bagan & Bastee Area	10.00		2.00	4.00	2.00	2.00
Total of New Capex being proposed			152.80	1.70	30.60	48.30	46.00	26.20
Grand Total (A+B)			365.57	114.70	120.60	58.07	46.00	26.20
C	Self-Financing Schemes							
9	New Connection	Other Assets to provide consumer connection from consumers (Self-financing Schemes)	20.00	4.00	4.00	4.00	4.00	4.00
Grand Total (A+B+C)			385.57	118.70	124.60	62.07	50.00	30.20

3.12 Based on the proposed Capital Expenditure schemes outlined above, the Petitioner has projected the associated year-wise capitalisation schedule, as presented below:

Table 13: Capitalisation proposed by the Petitioner for the MYT Period FY 2026-27 to FY 2030-31.

S. No	Particulars	Scheme name	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total
A	Carry Forward Scheme from previous MYT FY22-FY26							
1	Growth	Capacity augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur. (Total Scheme value Rs 226 Cr; exp in FY26 is Rs 13.23)		210.00	16.00			226.00
B	New Scheme Proposed for MYT Control Period FY27-FY31							
2	Safety	Replacement of old obsolete unsafe vertical isolation 6.6kV CB		15.00	16.00	17.00	18.00	66.00
3	Reliability	6.6 KV Switch Room at Ramadin Bagan			4.00			4.00

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S. No	Particulars	Scheme name	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total
4	Reliability	Firm Capacity augmentation for Transformer and Source feeder of 33/6.6 kV substation at Sakchi.				4.00	10.00	14.00
5	Reliability	Augmentation & Strengthening of Testing Infrastructure (Sum of 5.1 – 5.6)		1.60	3.00	2.00	1.20	7.80
6	Quality	PQ Meter Installation		3.00				3.00
7	Growth	2 x 25 MVA, 33/6.6 kV GIS Substation at Baridih				48.00		48.00
8	Growth	Power Distribution Infrastructure for Jamshedpur city including Bagan & Bastee Area		2.00	3.00	3.00	2.00	10.00
Total of New Capex being proposed			-	21.60	26.00	74.00	31.20	152.80
Grand Total (A+B)			-	231.60	42.00	74.00	31.20	378.80
C	Self-Financing Schemes							
9	New Connection	Other Assets to provide consumer connection from consumers (Self-financing Schemes)	4.00	4.00	4.00	4.00	4.00	20.00
Grand Total (A+B+C)			4.00	235.60	46.00	78.00	35.20	398.80

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Proposed Tariff for FY 2026-27

3.13 The purposed tariff for FY 2026-27 as submitted by the Petitioner is tabulated below:

Table 14: Purposed Tariff as submitted by the Petitioner for FY 2026-27.

Consumer Category	Existing Tariff				Proposed Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
DOMESTIC SERVICE								
<i>DS-LT (0-100 Units)</i>	Rs./Conn/Month	34	Rs/kWh	3.10	Rs./Conn/Month	40	Rs/kWh	3.50
<i>DS-LT (Above 100 Units)</i>	Rs./Conn/Month	70	Rs/kWh	5.30	Rs./Conn/Month	80	Rs/kWh	5.95
<i>DS-HT</i>	Rs./kVA/Month	95	Rs/kVAh	5.25	Rs./kVA/Month	110	Rs/kVAh	5.90
<i>IRRIGATION & AGRICULTURE SERVICE (IAS)</i>	Rs./HP/Month	22	Rs/kWh	5.60	Rs./HP/Month	30	Rs/kWh	6.30
<i>COMMERCIAL SERVICES (CS)</i>	Rs./kW/Month	130	Rs/kWh	6.00	Rs./kW/Month	150	Rs/kWh	6.75
INDUSTRIAL SERVICES								
<i>Low Tension Industrial Service</i>	Rs./kVA/Month	155	Rs/kVAh	5.75	Rs./kVA/Month	170	Rs/kVAh	6.45
<i>High Tension Industrial Service</i>	Rs./kVA/Month	400	Rs/kVAh	6.30	Rs./kVA/Month	450	Rs/kVAh	7.10
INSTITUTIONAL SERVICE								
<i>Street Light</i>	Rs./kW/Month	134	Rs/kWh	6.50	Rs./kW/Month	160	Rs/kWh	7.30
<i>Railway Traction Services, Military Engineering Services and Other Distribution Licensees* (Excluding TSUISL)</i>	Rs./kVA/Month	400	Rs/kVAh	6.40	Rs./kVA/Month	450	Rs/kVAh	7.20
<i>Temporary Connection</i>	1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges		1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges	



Chapter 4: PUBLIC CONSULTATION PROCESS

- 4.1 On the Petitioner's plea several Stakeholders have responded. A Public Hearing was held by the Commission on February 17, 2026 for giving additional opportunity to all the stakeholders to submit their comments/suggestions on the said petition for ensuring maximum public participation and transparency. Accordingly, stakeholders voiced their comments and suggestions and the list of the attendees is attached as **Chapter-17** of 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 do not have meaning to True-up, APR, and ARR & Tariff have not been discussed in this Chapter.

Objector: Ashok Kumar Bihany

Stakeholder's Submission

- 4.3 The Stakeholder submitted the following points:
- a) The stakeholder submitted that as per Regulations, true-up exercise should be done only on the basis of annual audited accounts.
 - b) It was submitted that the Petitioner has stated that true-up is based on audited accounts, however, it is also using normative claims, which is not strictly as per Regulations. The stakeholder requested inclusion of "Normative" explicitly in Regulations.
 - c) The stakeholder submitted that load growth factor of 1.04% based on other licensee should not be allowed.
 - d) The stakeholder submitted that ARR in true-up is based on normative calculations (marked as "N"), resulting in higher ARR and reduction of profit, and should be carefully allowed.
 - e) It was submitted that audited profit is Rs. 224.83 Cr., whereas ARR surplus is reduced to Rs. 183.11 Cr., and such reduction of approx. Rs. 42 Cr. should not be allowed.
 - f) The stakeholder submitted that by reducing audited surplus, average cost of supply is increased to Rs. 5.24/unit.
 - g) It was submitted that average power purchase cost has been increased from Rs. 4.65 to Rs. 5.24 due to normative claims.
 - h) The stakeholder submitted that no loan or working capital loan exists in audited accounts, however interest on loan (Rs. 1.07 Cr.) and working capital (Rs. 15.35 Cr.) has been claimed.
 - i) It was submitted that no income tax is paid as per audited



accounts, however tax of approx. Rs. 8 Cr. has been claimed.

- j) The stakeholder submitted that allowing carry forward of past losses along with income tax claim is contradictory.
- k) The stakeholder submitted that Commission should verify interest income from DVC and whether it has been fully considered in ARR/APR.
- l) It was submitted that Petitioner will earn profit (~Rs. 25 Cr.) in FY 2026-27 even without tariff increase.
- m) The stakeholder submitted that there is significant variation between APR surplus (Rs. 66.90 Cr.) and actual surplus (Rs. 183.11 Cr.).
- n) It was submitted that Commission should be cautious in allowing carry forward of surplus.
- o) The stakeholder submitted that methodology of allowing only 6 months interest on surplus needs review.
- p) The stakeholder submitted that proposed tariff hike of 12% is unjustified given high profit levels.
- q) In DSHT category, it was submitted that demand charges are impractical for large housing colonies (600+ consumers through submeters) and suggested restructuring by reducing fixed charges and including them in energy charges.
- r) The stakeholder submitted concerns regarding CGRF expenses, lack of transparency in appointments, possible bias due to same licensee personnel, and need for clear guidelines.

Petitioner Submission

- 4.4 The Petitioner submitted that the statement is not factually correct and true-up is done as per Distribution Tariff Regulations, wherein certain costs are allowed on normative principles and certain costs are based on audited accounts.
- 4.5 The Petitioner submitted that normative principles are adopted by SERCs as a prudence check to ensure that costs approved are aligned with historical trends and reasonable.
- 4.6 The Petitioner submitted that the Hon'ble Commission has the power to verify the petition with prudence check as per Regulations.
- 4.7 The Petitioner submitted that normative principles have been applied in ARR as per Regulations.
- 4.8 The Petitioner submitted that audited profit and ARR surplus are different in nature and their treatment for tariff determination is as per Regulations.



- 4.9 The Petitioner submitted that average cost of supply is calculated as total ARR divided by total units sold, and is Rs. 5.24/unit (Rs. 1527.37 Cr. / 2917.18 MU).
- 4.10 The Petitioner clarified that Rs. 5.24/unit represents average cost of supply and not average power purchase cost.
- 4.11 The Petitioner submitted that as per Regulations, equity is considered as 30% and balance as normative loan, and interest on loan and working capital is allowed accordingly.
- 4.12 The Petitioner submitted that income tax in ARR is computed based on Return on Equity as per Regulations, and actual tax payment is for the company as a whole.
- 4.13 The Petitioner submitted that carry forward of revenue gap/surplus and income tax treatment are as per Distribution Tariff Regulations and different from Income Tax Act provisions.
- 4.14 The Petitioner submitted that interest income/refund from DVC has been accounted as non-tariff income and adjusted in ARR/APR.
- 4.15 The Petitioner submitted that projected surplus has been considered in cumulative revenue gap/surplus computation.
- 4.16 The Petitioner submitted that variation between APR and actual surplus is mainly due to one-time credit note from DVC (~Rs. 112 Cr.) pertaining to prior period.
- 4.17 The Petitioner submitted that such variations between projections and actuals are normal across utilities.
- 4.18 The Petitioner submitted that interest on surplus/gap is calculated on average basis during the year, effectively resulting in ~6 months interest, which is standard practice.
- 4.19 The Petitioner submitted that tariff increase is proposed based on cumulative revenue gap of Rs. 437.34 Cr. (~27% of ARR), and 12% hike is minimum required to avoid tariff shock and ensure recovery.
- 4.20 The Petitioner submitted that power tariff follows two-part structure (fixed and energy charges), and current fixed charges (~10%) are lower than standard (~33%).
- 4.21 The Petitioner submitted that CGRF functioning and appointments are as per applicable Regulations and guidelines..

Commission's Observation

- 4.22 The CGRF is a statutory but non-autonomous forum created by the licensee under Section 42(5) which mandates that every distribution licensee "shall... establish a forum for redressal of grievances of the consumers", functioning under SERC-notified regulations



- 4.23 The appointment of members of CGRF is governed by the Jharkhand State Electricity Regulatory Commission (Guidelines for establishment of forum for redressal of Grievances of the Consumers Electricity Ombudsman and Consumer Advocacy) regulations, 2020 and its amendments thereof. The qualification criteria and terms of employment of the members of CGRF is laid out clearly in the Regulation.
- 4.24 For rest of the queries, the Commission has responded in the respective chapters of this order.



Chapter 5: TRUE-UP FOR FY 2024-25

- 5.1 The Commission had passed the MYT Order for the 3rd Control Period, i.e., from FY 2021-22 to FY 2025-26 and determined Distribution Tariff for FY 2021-22 vide Order dated November 24, 2022.
- 5.2 On September 29, 2023, the Commission had passed the Order on Truing-up for FY 2020-21, FY 2021-22 Annual Performance Review for FY 2022-23, and Aggregate Revenue Requirement & Tariff for FY 2023-24.
- 5.3 Further, On June 26, 2024, the Commission had passed the Order on Truing-up for FY 2022-23, Annual Performance Review for FY 2023-24, and Aggregate Revenue Requirement & Tariff for FY 2024-25.
- 5.4 On 26th June 2024, the Hon'ble Commission has issued Tariff Order for True-up of FY 2022-23, Annual Performance Review for FY 2023-24 and Annual Aggregate Revenue Requirement for FY 2024-25.
- 5.5 Further, on 28th March 2025, the Hon'ble Commission has issued Tariff Order for True-up of FY 2023-24, Annual Performance Review for FY 2024-25 and Annual Aggregate Revenue Requirement for FY 2025-26.
- 5.6 In the instant petition the Petitioner has now sought approval of Truing up for FY 2024-25 based on the Audited Accounts and Annual Performance Review for FY 2025-26 taking into consideration the provisions of the Tariff Regulations, 2020, First amendment 2023 and the methodology adopted by the Commission in the earlier Orders.
- 5.7 The Commission is scrutinizing the instant petition on the basis of provision of JSERC Distribution of Tariff Regulation 2020, and on consideration of:
 - (a) Audited accounts for FY 2024-25;
 - (b) Material on record submitted by the Petitioner;
 - (c) Methodology adopted by the Commission in its previous order.
- 5.8 The component-wise details filed by the Petitioner's and the Commission's analysis and discussion is made in the upcoming paragraph.

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 5.9 The Petitioner has submitted the actual details of number of consumers, connected load and Energy sales for FY 2024-25 which is summarized in the table below:



Table 15: Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner.

Consumers, Connected Load & Sales - FY 2024-25 (Actual)						
Consumer Category	No. of Consumers	Sanctioned Load	Sanctioned Load-Unit	Conversion Factor	Connected Load (KVA)	Actual/Audited Sale
	(Nos)	(KW/ KVA /HP)				(MUs)
Domestic	40,556	2,17,735	kW	0.9	2,56,158	218.88
Domestic - DSHT	141	59,662	kVA	1	59,662	85.65
Commercial	10,986	76,023	kW	0.9	89,439	95.18
LTIS	3	234	kW	0.9	275	0.32
Total HT IS	173	4,21,059	kVA	1	4,21,059	1,950.99
Utilities/Street Light	407	1,648	kW	0.9	1,939	6.70
Temporary Supply	271	2,434	kW	0.9	2,864	2.40
Sale to TSUISL	1	70,000	kVA	1	70,000	417.82
MESRTODL	1	300	kVA	1	300	0.81
Sale thru IEX - Power market	-	-			-	138.43
Total	52,539	8,49,095			9,01,696	2,917.18

Commission's Analysis

5.10 On scrutinizing the material, information, actual figure and details submitted by the Petitioner and on prudent Check, the Commission approves the actual number of consumers, connected load, and sales for FY 2024-25 which is summarized in the table below:

Table 16: Number of Consumers, Connected Load and Energy Sales as submitted by the Petitioner and approved by the Commission.

Particulars	Petition			Approved		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Domestic	40,556	2,56,158.47	218.88	40,556	2,56,158.47	218.88
Domestic - DSHT	141	59,661.98	85.65	141	59,661.98	85.65
Commercial	10,986	89,439.35	95.18	10,986	89,439.35	95.18
LTIS	3	275.00	0.32	3	275.00	0.32
Total HTIS	173	4,21,059.27	1,950.99	173	4,21,059.27	1,950.99
Street Light	407	1,938.82	6.70	407	1,938.82	6.70
Temporary Supply	271	2,863.55	2.40	271	2,863.55	2.40



Particulars	Petition			Approved		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Sale to TSUISL	1	70,000.00	417.82	1	70,000.00	417.82
MESRTODL	1	299.88	0.81	1	299.88	0.81
Sale in IEX	-	-	138.43	-	-	138.43
Total Sales	52,539	9,01,696.33	2,917.18	52,539	9,01,696.33	2,917.18

Energy Balance

Petitioner's Submission

- 5.11 The Petitioner has submitted that, to meet the energy requirement it has procured power from different source.
- 5.12 The Petitioner has further submitted that in order to reduce the overall power purchase cost, Petitioner sold daily surplus balance power (138.43 MUs) in exchange, whenever requirement of its consumers was low and realisation from exchange was higher than the incremental cost of generation.
- 5.13 Furthermore, the Petitioner has highlighted that it has been able to sustain the T&D losses at lowest possible levels, which is among one of the best in the industry. The energy balance is tabulated below for FY 2024-25.

Table 17: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	Approved in T.O. 26.06.2024 (APR)	Petition
Energy Requirement		
Sales to Other Licensee	418.24	417.82
Dist. Losses on Sales to Other Licensee (%)	0.00%	0.00%
Distribution Loss on Sales to Other Licensee	-	-
Energy Req. for Sales to Other Licensee	418.24	417.82
Sales to Steel Works	48.72	88.21
Dist. Losses on Sales to Steel Works (%)	0.00%	0.00%
Dist. Losses on Sales to Steel Works	-	-
Energy Req. for Sales to Steel Works	48.72	88.21
Sale in IEX-Power Market	-	138.43



Particulars	Approved in T.O. 26.06.2024 (APR)	Petition
Sales to LT consumers	327.41	323.49
Sales to Other HT consumers	1,909.90	1,949.23
Total Sales to Consumers other than Steel Works & JUSCO	2,237.31	2,272.72
Dist. Losses on Sales to Other Consumers (%)	4.15%	3.66%
Dist. Losses on Sales to Other Consumers	92.90	86.34
Energy Req. for Sales to Consumers other than Steel Works & JUSCO	2,144.42	2,359.06
Overall Sales (excluding sale to IEX)	2,704.27	2,778.75
Overall Distribution Losses %	3.32%	3.01%
Overall Distribution Losses	92.90	86.34
Total Energy Requirement (excl. sale to IEX)	2,797.17	2,865.09
Total Energy Requirement (including Sales in IEX)	3,311.25	3,003.52
Energy Available		
TPCL (Unit II and Unit III)	1,551.90	1,533.30
Damodar Valley Corporation 132kV	233.10	240.06
Damodar Valley Corporation 400kV	798.84	952.68
TSW - Captive	26.26	14.57
G-TAM	181.50	258.02
Open access/ other sources	5.58	4.90
Total Pooled Energy Availability	2,797.17	3,003.52
Surplus/Deficit	-	-
Less: Power Sold to IEX	-	138.43
Net Pooled Energy Availability (excl. sale to IEX)	2,797.17	2,865.09

Commission's Analysis

5.14 The Commission has scrutinized the details submitted by the Petitioner and on prudent check approves the Energy Sales for FY 2024-25. Likewise, on scrutinizing the bills raised by Damodar Valley Corporation (DVC), Tata Power Company Limited (TPCL), and other sources, the Commission approves the power purchase quantum from each source.

5.15 It has observed that the actual overall Distribution Loss of 3.01% for FY 2024-25 as claimed by the Petitioner is well within the level of 3.32% as approved in the Tariff Order dated March 28, 2025. Accordingly, the Commission approves the overall Distribution Loss of 2.91% computed for FY 2024-25.



5.16 The details of the Energy Sales, Distribution Losses and power purchase quantum as submitted by the Petitioner and as approved by the Commission for FY 2024-25 is summarized herein below:

Table 18: Energy Requirement (MUs) as approved by the Commission.

Particulars	Approved in T.O. 26.06.2024 (APR)	Petition	Approved
Energy Requirement			
Sales to Other Licensee	418.24	417.82	417.82
Dist. Losses on Sales to Other Licensee (%)	0.00%	0.00%	0.00%
Distribution Loss on Sales to Other Licensee	-	-	-
Energy Req. for Sales to Other Licensee	418.24	417.82	417.82
Sales to Steel Works	48.72	88.21	88.21
Dist. Losses on Sales to Steel Works (%)	0.00%	0.00%	0.00%
Dist. Losses on Sales to Steel Works	-	-	-
Energy Req. for Sales to Steel Works	48.72	88.21	88.21
Sale in IEX-Power Market	-	138.43	138.43
Sales to LT consumers	327.41	323.49	323.49
Sales to Other HT consumers	1,909.90	1,949.23	1,949.23
Total Sales to Consumers other than Steel Works & JUSCO	2,237.31	2,272.72	2,272.72
Dist. Losses on Sales to Other Consumers (%)	4.15%	3.66%	3.66%
Dist. Losses on Sales to Other Consumers	92.90	86.34	83.18
Energy Req. for Sales to Consumers other than Steel Works & JUSCO	2,144.42	2,359.06	2,355.90
Overall Sales (excluding sale to IEX)	2,704.27	2,778.75	2,778.75
Overall Distribution Losses %	3.32%	3.01%	2.91%
Overall Distribution Losses	92.90	86.34	83.18
Total Energy Requirement (excl. sale to IEX)	2,797.17	2,865.09	2,861.93
Total Energy Requirement (including Sales in IEX)	3,311.25	3,003.52	3,000.36
Energy Available			
TPCL (Unit II and Unit III)	1,551.90	1,533.30	1,533.30
Damodar Valley Corporation 132kV	233.10	240.06	240.06



Particulars	Approved in T.O. 26.06.2024 (APR)	Petition	Approved
Damodar Valley Corporation 400kV	798.84	952.68	952.68
TSW - Captive	26.26	14.57	14.57
G-TAM	181.50	258.02	258.02
Open access/ other sources	5.58	4.90	4.90
Total Pooled Energy Availability	2,797.17	3,003.52	3,003.52
Surplus/Deficit	-	-	3.16
Less: Power Sold to IEX	-	138.43	138.43
Net Pooled Energy Availability (excl. sale to IEX)	2,797.17	2,865.09	2,865.09

Power Purchase Cost

Petitioner's Submission

- 5.17 The Petitioner has submitted that during FY 2024-25, it procured electricity from Unit-II and Unit-III of Tata Power Company Limited (TPCL), Damodar Valley Corporation (DVC) at 132 kV level, and from DSTPS and MTPS generating stations of DVC through the 400 kV source. In addition, the Petitioner procured power from Tata Steel Works (TSW) Captive Unit, Green Term Ahead Market (GTAM)/Green Day Ahead Market (GDAM), and from the open market/short-term sources, as and when required to meet system demand.
- 5.18 The Petitioner has further submitted that Renewable Purchase Obligations (RPO) for FY 2024-25 were partially met through procurement of Renewable Energy Certificates (RECs), purchase of green power through GDAM/GTAM, and generation from rooftop solar installations connected within its distribution system.
- 5.19 The Petitioner has submitted that the total power purchase cost for FY 2024-25 amounts to Rs. 1,490.32 Crore as per audited accounts and in accordance with the principles adopted by the Commission in earlier Orders.
- 5.20 The Petitioner has submitted that it purchased 1,533.30 MU from Tata Power Company Limited (TPCL) at a total cost of Rs. 700.39 Crore, after accounting for the impact of previous years' debit notes amounting to Rs. 20.19 Crore, which have been duly recognised.
- 5.21 The Petitioner has further submitted that it procured 240.06 MU from DVC at 132 kV level for an amount of Rs. 137.35 Crore. However, during the year, DVC refunded an amount of Rs. 55.19 Crore, and accordingly, the net power purchase cost from DVC 132 kV source for FY 2024-25 is Rs. 82.15 Crore.



- 5.22 The Petitioner has submitted that it procured 952.68 MU from DVC generating stations (MTPS and DSTPS) through 400 kV source at a total cost of Rs. 547.63 Crore, exclusive of transmission and scheduling charges amounting to Rs. 63.13 Crore, which have been shown separately under power purchase expenses. The Petitioner has further submitted that the quantum procured from DVC 400 kV source includes daily surplus energy subsequently sold in the power exchange for optimisation of overall power purchase cost.
- 5.23 The Petitioner has submitted that no transmission charges are applicable for power procured from DVC 132 kV source and TPCL units, as these generating stations are directly connected to the Petitioner's distribution network. However, for power procured from DVC 400 kV source, transmission and scheduling charges are payable to ERLDC/PGCIL, which have been accounted for separately.
- 5.24 The Petitioner has further submitted that it procured 14.57 MU from TSW Captive Power Plant during FY 2024-25 at a total cost of Rs. 6.65 Crore. The rate for such procurement has been considered equivalent to the average rate of power purchased from TPCL Units II and III, i.e., Rs. 4.57 per unit.
- 5.25 The Petitioner has also submitted that it procured 258.02 MU of green power through GTAM/GDAM at a cost of Rs. 78.01 Crore for partial fulfilment of RPO during FY 2024-25.
- 5.26 In addition, the Petitioner procured 4.90 MU from the open market (IEX) at a total cost of Rs. 2.96 Crore during FY 2024-25 to meet short-term requirements.
- 5.27 Based on the above submissions, the Petitioner has requested the Commission to approve the total power purchase cost of Rs. 1,490.32 Crore for FY 2024-25 as per audited accounts.

Table 19: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner.

Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner
TPCL Unit 2		
Power Purchased (MU)	782.02	728.34
Rate of Power Purchased (Rs./kWh)	4.70	4.67
Power Purchase Cost (Rs. Crore)	367.55	333.55
Prior Period Adjustments (Rs. Crore)	-	6.72
Net Power Purchase Cost (Rs. Crore)	367.55	340.27
TPCL Unit 3		
Power Purchased (MU)	769.89	804.95

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner
Rate of Power Purchased (Rs./kWh)	4.45	4.47
Power Purchase Cost (Rs. Crore)	342.60	346.65
Prior Period Adjustments (Rs. Crore)	-	13.47
Net Power Purchase Cost (Rs. Crore)	342.60	360.12
DVC 132 kV		
Power Purchased (MU)	233.10	240.06
Rate of Power Purchased (Rs./kWh)	5.69	3.42
Power Purchase Cost (Rs. Crore)	132.66	137.35
Prior Period Adjustments (Rs. Crore)		(55.19)
Net Power Purchase Cost (Rs. Crore)	132.66	82.15
DVC 400 kV		
Power Purchased (MU)	798.84	952.68
Rate of Power Purchased (Rs./kWh)	5.55	5.75
Power Purchase Cost (Rs. Crore)	443.69	547.63
Prior Period Adjustments (Rs. Crore)		
Net Power Purchase Cost (Rs. Crore)	443.69	547.63
TSW (Captive)		
Power Purchased (MU)	26.26	14.57
Rate of Power Purchased (Rs./kWh)	4.45	4.57
Power Purchase Cost (Rs. Crore)	11.68	6.65
Prior Period Adjustments (Rs. Crore)		
Net Power Purchase Cost (Rs. Crore)	11.68	6.65
Others/Open Market		
Power Purchased (MU)	5.58	4.90
Rate of Power Purchased (Rs./kWh)	5.67	6.04
Power Purchase Cost (Rs. Crore)	3.16	2.96
RPO Purchased (Rs. Crore)	26.44	9.40



Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner
G-TAM (F)		
Power Purchased (MU)	181.50	258.02
Rate of Power Purchased (Rs./kWh)	3.43	3.02
Power Purchase Cost (Rs. Crore)	62.20	78.01
Sale-Surplus Power		
Power Sale (MU)	-	138.43
Rate of Power Sale (Rs./kWh)	-	6.73
Revenue from Surplus Sales (Rs. Crore)	-	93.15
Disallowed Sales	-	
Total Power Purchase		
Power Purchased (MU)	2,797.17	3,003.52
Power Purchase Cost (Rs. Crore)	1,389.98	1,427.19
Transmission Charges	53.46	63.13
Net Power Purchase Cost	1,443.44	1,490.32
Rate of Power Purchased (Rs./kWh)	5.16	4.96

5.28 The Renewable Purchase Obligation for FY 2024-25 is as given below:

Table 20: RPO as submitted by Petitioner for FY 2024-25

S. No	Particulars	Formula	Quantum (in MU)
1	Power Purchase - MUs	A	3,003.52
2	Add- RE Generation MUs	B	23.52
3	Less- DVC 132 kV Source MUs	C	240.06
4	Less- Power Sold in exchange MUs	D	138.43
5	Obligated units for FY 2024-25 MUs	E=A-B-C-D	2,648.56

5.29 The details of Renewable Purchase Obligation (RPO) compliance submitted by the Petitioner for FY 2024-25 including the carry forward from previous Financial Year is outlined in the table below:



Table 21: Summary of RPO compliance as submitted by the Petitioner for FY 2024-25

S. No	Particulars	Formula	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total RPO	
1	Surplus REC purchased during previous year (i.e. FY2023-24) which is carried to Target year (i.e. FY 2024-25) (MUs)	A	0	0		(8.85)	(8.85)	
2	Obligated units for Target year FY 2024-25 (MUs)	B	2,648.56					
3	RPO Requirement of TSL Licensee for FY2024-25 (%)	C	0.67%	0.38%	1.50%	27.35%	29.91%	
4	Total Obligation required to be fulfilled during FY2024-25_(MUs)	D = C x B	17.75	10.06	39.73	724.38	791.92	
5	Total RPO Obligations for FY 2024-25_MUs (Considering Previous year Surplus REC) (MUs)	E = A + D	17.75	10.06	39.73	715.53	783.07	
6	Wind Renewable Energy / Hydro RE /DRE / Other RE adjusted with REC purchased during Target year FY 2024-25 (MUs)	F	17.75	10.06	8.78	363.41	400.00	
7	Wind / Hydro RE /DRE / Other RE adjusted with REC purchased during Assessment year FY 2025-26 (MUs) for compliance of FY 2024-25	G			7.43	95.00	102.43	
8	Actual RE generation under Net Metering in FY2024-25	H			23.52		23.52	
9	RE Power purchased from GDAM -FY2024-25	I				258.02	258.02	
10	Total Obligation fulfilled for FY2024-25 (MUs)	J=F+G+H+I	17.75	10.06	39.73	716.43	783.97	
11	Surplus REC carried forward to FY 2025-26 (MUs).	K=E-J	0.00	0.00	0.00	(0.90)	(0.90)	

(Note – REC equivalent is given in MWhr. 1 REC equivalent is equal to 1 MWhr.)

5.30 The Petitioner has submitted that it has been trying its level best to meet the Renewable Purchase Obligation through the purchase of RE Power or RE Certificates through various sources. Further, it has procured Renewable Energy from power exchange through Green Term Ahead Market (GTAM) and REC for FY 2024-25. It has also pointed out that GTAM being a new product is being explored for procuring Renewable Power. Likewise, the Petitioner is also meeting a part of its renewable



energy through generation of power from Roof Top Solar Plants. The Petitioner is promoting the installation of roof top systems in its license areas and as a result of the same, the roof top solar installed capacity in FY 2021-22, FY 2022-23, FY 2023-24 & FY 2024-25 stands as given below:

Table 22: Rooftop Solar Capacity submitted by the Petitioner

Particulars	FY2021-22	FY2022-23	FY2023-24	FY2024-25
Installed Capacity	10,501 kW _p	14,554 kW _p	15,833 kW _p	22,527 kW _p
Solar Generation	9.60 MU	14.46 MU	17.38 MU	23.52 MU

Commission's Analysis

- 5.31 It is observed by the Commission that the Petitioner has procured power from various sources (i.e. TSL, TSW, DVC 132 kV and DVC 400 kV) taking into account the interconnection constraints to optimize its power purchase expenses.
- 5.32 On scrutinizing the Audited Accounts and monthly power procurement bills of TPCL and DVC as annexed in '**annexure 2, 3, 4, 5**' of main petition, the Commission approves the power procurement cost for DVC and TPCL.
- 5.33 With regard to the power procured from TSW Captive, the Commission approves the per unit rate equal to the lowest among all other generators for FY 2024-25.
- 5.34 It is observed by the Commission that in case of breakdown/restriction in power supply, the Petitioner has procured power from Open Market via 400 kV Transmission line. Accordingly, the Commission approves the power procurement cost on the basis of the monthly bills as annexed in '**annexure 7**'.
- 5.35 With regard to the power procurement from REC to meet the Renewable Purchase Obligation (RPO), the Commission approves the cost on the basis of bills as annexed in '**annexure 6**'.
- 5.36 With regard to Sale of Surplus Power in IEX, the Commission approves the Sale of Surplus Power for FY 2024-25 the Commission approves the cost on the basis on the documents annexed in '**annexure 12**'.

Table 23: Power Procurement Cost (Rs Cr.) for as approved by the Commission FY 2024-25.

Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner	Approved
TPCL Unit 2			
Power Purchased (MU)	782.02	728.34	728.34
Rate of Power Purchased (Rs./kWh)	4.70	4.67	4.67



Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner	Approved
Power Purchase Cost (Rs. Crore)	367.55	333.55	333.55
Prior Period Adjustments (Rs. Crore)	-	6.72	6.72
Net Power Purchase Cost (Rs. Crore)	367.55	340.27	340.27
TPCL Unit 3			
Power Purchased (MU)	769.89	804.95	804.95
Rate of Power Purchased (Rs./kWh)	4.45	4.47	4.47
Power Purchase Cost (Rs. Crore)	342.60	346.65	346.65
Prior Period Adjustments (Rs. Crore)	-	13.47	13.47
Net Power Purchase Cost (Rs. Crore)	342.60	360.12	360.12
DVC 132 kV			
Power Purchased (MU)	233.10	240.06	240.06
Rate of Power Purchased (Rs./kWh)	5.69	3.42	3.42
Power Purchase Cost (Rs. Crore)	132.66	137.35	137.35
Prior Period Adjustments (Rs. Crore)		(55.19)	(55.19)
Net Power Purchase Cost (Rs. Crore)	132.66	82.15	82.15
DVC 400 kV			
Power Purchased (MU)	798.84	952.68	952.68
Rate of Power Purchased (Rs./kWh)	5.55	5.75	5.75
Power Purchase Cost (Rs. Crore)	443.69	547.63	547.63
Prior Period Adjustments (Rs. Crore)			
Net Power Purchase Cost (Rs. Crore)	443.69	547.63	547.63
TSW (Captive)			
Power Purchased (MU)	26.26	14.57	14.57
Rate of Power Purchased (Rs./kWh)	4.45	4.57	3.42
Power Purchase Cost (Rs. Crore)	11.68	6.65	4.99
Prior Period Adjustments (Rs. Crore)			
Net Power Purchase Cost (Rs. Crore)	11.68	6.65	4.99



Particulars	Approved in T.O. 26.06.2024 (APR)	Petitioner	Approved
Others/Open Market			
Power Purchased (MU)	5.58	4.90	4.90
Rate of Power Purchased (Rs./kWh)	5.67	6.04	6.04
Power Purchase Cost (Rs. Crore)	3.16	2.96	2.96
RPO Purchased (Rs. Crore)	26.44	9.40	9.40
G-TAM (F)			
Power Purchased (MU)	181.50	258.02	258.02
Rate of Power Purchased (Rs./kWh)	3.43	3.02	3.02
Power Purchase Cost (Rs. Crore)	62.20	78.01	78.01
Sale-Surplus Power			
Power Sale (MU)	-	138.43	138.43
Rate of Power Sale (Rs./kWh)	-	6.73	6.73
Revenue from Surplus Sales (Rs. Crore)	-	93.15	93.15
Disallowed Sales	-		3.16
Total Power Purchase			
Power Purchased (MU)	2,797.17	3,003.52	3,000.36
Power Purchase Cost (Rs. Crore)	1,389.98	1,427.19	1,332.39
Transmission Charges	53.46	63.13	63.13
Net Power Purchase Cost	1,443.44	1,490.32	1,395.52
Rate of Power Purchased (Rs./kWh)	5.16	4.96	4.65

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

5.37 The Petitioner has submitted that it has claimed O&M expenses as per clauses 10.5 and 10.6 of JSERC (Terms and Condition for determination of Distribution Tariff) Regulation, 2020.

5.38 Further, the Petitioner has submitted the actual O&M expenses based on actual audit accounts which is tabulated hereunder:



Table 24: O&M Cost submitted by the Petitioner as per Audited Accounts for FY 2024-25

Sr. No.	Particulars	Formula	Actual Audited (in Rs. Cr.)
1	Employee Expenses	A	27.05
2	CGRF Expenses	B	1.46
3	R&M Component	C	57.96
4	Total Costs	D=A+B+C	86.47

5.39 **Actual Employee Expenses:** It has also submitted that the employee expenses as Rs. 29.87 Cr. (including outsourcing cost paid to Tata Steel UISL towards Employees Expenses) for FY 2024-25 as per audited account.

Table 25: Employee expense claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Actual Audited (in Rs. Cr.)
1	Direct Employees expenses of TSL	A	2.82
2	Add: Outsourcing cost paid to Tata Steel UISL towards Employees Expenses	B	27.05
3	Total Employee Expenses to be claimed	C=A+B	29.87

5.40 **Actual A&G Expenses:** It has further submitted that the A&G expenses as per audited account is Rs. 31.44 Cr. (excluding CGRF expenses & Petition filing fees) for FY 2024-25 and mainly includes Rent, Travelling & Conveyance, Consultancy charges, Advertisement expenses, Security Charges, Vehicle hiring charges etc. After including the CGRF expenses of Rs. 1.46 Cr. & Petition filing fees of Rs. 0.35 Cr., Total A&G expenses incurred during FY 2024-25 is Rs. 33.26 Cr. as shown in table below:

Table 26: A&G expense claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Actual Audited (in Rs. Cr.)
1	Gross A&G Expense Excluding Petition filing fees & CGRF Expenses	A	31.44
2	Add: Petition & other filing fees to JSERC	B	0.35
3	Add: CGRF Expenses	C	1.46
4	Total Actual A&G Expenses	D=A+B+C	33.26

5.41 **Actual R&M Expenses:** It has submitted that R&M expenses as per audited account is Rs. 86.47 Cr. for FY 2024-25 and mainly includes Cost of Repairs, Consumption of stores & spare parts and repairs to machinery. The R&M Expenses in the account also include the outsourcing cost of Rs. 27.05 Cr. paid to Tata Steel UISL towards Employees Expenses (including Terminal Benefits) and CGRF Expenses:



Table 27: R&M expense claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Actual Audited (in Rs. Cr.)
1	R&M expense as shown in Audited Accounts	A	86.47
2	Less: Outsourcing cost paid to TATA STEEL UISL towards Employees Expense	B	27.05
3	Less: Outsourcing cost paid to TATA Steel UISL towards CGRF Expense	C	1.46
4	Total R&M expenses shown in books of accounts	D=A-B-C	57.96
5	R&M expenses incurred directly by Tata Steel	E	1.75
6	Total R&M expenses	F=D+E	59.71

5.42 **Normative Employee Expenses:** The Petitioner has submitted that for for computation of Normative Employee Expenses provided in JSERC Tariff Regulations 2020, normative employee cost for FY 2023-24 has been computed considering Inflation of 3.12% (for FY 2024-25) and Growth factor (Gn) of 5.92%. The normative employee cost is computed in the table given below:

Table 28: Normative Employee expense claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Normative Computation for FY2023-24 (in Rs. Cr.)
1	Employee Cost (n-1) Excluding Terminal Liabilities	A	30.56
2	Weighted Avg. Inflation factor (in %)	B	3.12%
3	Growth Factor-Gn (in %)	C	5.92%
4	Employee Cost as per normative basis	D=A*{(1+B)*(1+C)}	33.38

5.43 **Normative A&G Expenses:** Likewise, the Petitioner has submitted that for computation of the normative A&G expenses it has considered inflationary adjustment of 3.12% and Load growth of 1.04%. The Normative A&G expenses come out to be Rs. 35.73 Cr. (Excluding expenses on account of CGRF and Petition Filing Fees) for FY 2024-25. Normative A&G expenses for FY 2024-25 is tabulated below:



Table 29: Normative A&G expense claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Approved in T.O. 26.06.2024 (APR) (in Rs. Cr.)	Claimed (in Rs. Cr.)
1	Total A&G Expenses for (n-1) year	A		34.29
2	Add: Inflation factor (in %)	B		3.12%
3	Sub-total	C=A*(1+B)	35.04	35.36
4	Add: Load Growth Factor (in %)	D		1.04%
5	Normative A&G Expenses	E=C*(1+D)	35.04	35.73
6	Add: CGRF Expenses	F	0.31	1.46
7	Add: Petition & other filing fees to JSERC	G	0.18	0.35
8	Normative A&G Expenses including CCGRF expenses and Petition & other filing expenses	H=E+F+G	35.53	37.54

5.44 The Petitioner has highlighted that several State Commissions have considered the adjustment on account of load and infrastructure growth in A&G expenses. To name a few, the Regulators of the states of Kerala, Karnataka, Bihar, Uttarakhand and Assam allows the A&G expenses also on load and infrastructure growth in A&G Expenses and the relevant pages are attached as **Annexure 10** Following table represents the regulations pertaining to A&G expenses for the states mentioned below:

Table 30: Comparative analysis of Regulation on A&G for other states

SERC	A&G Regulation	Remarks
KERC	(1+Consumer growth rate + inflation rate – efficiency factor) * O&M expenses for the base year	<ul style="list-style-type: none"> KERC factors in the consumer growth rate along with the inflation rate to allow normative A&G expenses
KSERC	Employee and A&G Expenses (combined) are based on: <ul style="list-style-type: none"> Number of Consumers Number of Distribution Transformer Length of HT Line Energy Sales YoY Inflation during the Control Period 	<ul style="list-style-type: none"> KSERC considers load growth as well as addition of Infrastructure for determination of A&G Expenses KSERC also considers Annual Inflation for A&G Expenses
BERC	Combination of A&G expense per personnel and A&G expense per 1000 consumers for A&G expenses	<ul style="list-style-type: none"> BERC consider combination of employees growth and consumer growth to determined A&G expenses



SERC	A&G Regulation	Remarks
UERC	$A\&G_n = (A\&G_{n-1}) \times (1+WPI_{inflation}) + Provision$ Where, <ul style="list-style-type: none"> A&G_n – A&G expenses for nth year A&G_{n-1} – A&G expenses for (n-1)th year WPI – Wholesale Price Inflation 	<ul style="list-style-type: none"> UERC consider the impact of inflation for A&G Expenses UERC also provides the provision for new initiatives or other one-time expenses
AERC	$A\&G_n = (A\&G_{n-1}) \times (1+WPI_{inflation}) + Provision$ Where, <ul style="list-style-type: none"> A&G_n – A&G expenses for nth year A&G_{n-1} – A&G expenses for (n-1)th year WPI – Wholesale Price Inflation 	<ul style="list-style-type: none"> AERC consider the impact of inflation for A&G Expenses AERC also provides the provision for new initiatives or other one-time expenses

5.45 The Petitioner further submitted that while allowing normative A&G expenses The Commission had considered only inflationary adjustment. In the past, Petitioner had been asking for additional A&G cost allowances due to load growth factor. During the year FY 2024-25 there has been a load growth of 1.04% and therefore Petitioner had asked for the load growth related cost also.

5.46 The relevant part of MYT Regulations has been submitted in the preceding sections of the petition for the reference of The Commission. The same is reproduced again for the kind reference of The Commission:

$${}^b) EMP_n + A\&G_n = [(EMP_{n-1}) \times (1+G_n) + (A\&G_{n-1})] \times (INDX_n / INDX_{n-1})$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

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

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

$${}c) INDX_n = 0.55 \times CPI_n + 0.45 \times WPI_n;$$

5.47 The this regards Petitioner requestd that The Commission approves the



Normative A&G expense linked to Inflation and Growth Factor at Rs. 37.54 Cr.

- 5.48 **Normative R&M Expenses:** The Petitioner submitted that the revised approach to determine the projected Normative Repair and Maintenance Expenses for the Control Period FY 2025-26 to FY 2030-31.
- 5.49 Before adverting to the issue, the Petitioner was of the opinion that it is relevant to state suitable provisions specified within the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and its subsequent amendments.

Quote

...

Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

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

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

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

$R\&M_n$ – Repair and Maintenance Costs of the Licensee for the n th year;

EMP_n – Employee Costs of the Licensee for the n th year excluding terminal liabilities;

$A\&G_n$ – Administrative and General Costs of the Licensee for the n th year.

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

*a) $R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$, Where,*

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

‘GFA’ is the opening value of the gross fixed asset of the n th year;



b) $EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$,
Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

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

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

c) $INDX_n = 0.55 * CPI_n + 0.45 * WPI_n$;

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

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

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

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of e truing up.

...

Un-quote

5.50 The Petitioner also highlights the approval of Normative Employee costs



and A&G costs for FY22 to FY26 in the MYT order dated 24th November 2022. In the said order the Hon'ble Commission while projecting the normative Employee expenses has considered the average of past five years of actual audited employee expenses from FY 2015-16 to FY 2019-20 for deriving normative Employee Expenses for FY 2017-18 and have escalated such average employee expenses twice with inflation factor of respective years to arrive at the normative expenses of the base year i.e., FY 2019-20.

- 5.51 Further, the base year expenses so calculated were then escalated twice with inflation factor of respective years to arrive at normative Employee expenses for FY 2021-22. For subsequent years normative Employee expenses were arrived escalating with inflation factor of 3.47% (i.e., Average of 5 Year Inflation factor of FY 2015-16 to FY 2019-20) for each year of the control period. The Commission has adopted this methodology for projection of Employee Expenses for the Control Period, and also for projection of A&G Expenses excluding Petition Filing Fee and CGRF Expenses.
- 5.52 So, for projection of normative employee/ A&G expenses for the control period, the Hon'ble Commission has approved normative employee/ A&G expenses of next year equal to this year's normative value plus Inflation. Doing the same method for every year of control period provides cumulative inflation for later year's normative approvals.
- 5.53 The Petitioner represents the same as an example i.e. Employee or A&G expenses of FY23 is approved with Normative value of FY22 + Inflation for FY23. Similarly, normative value of FY24 = Normative value of FY23 (which includes Inflation of FY23 over normative value of FY22) plus Inflation of FY24, and so on. But the approval of R&M expenses are not factored with such cumulative inflation factor.
- 5.54 The Petitioner also highlighted the approval of normative R&M costs for FY22 to FY26 in the said MYT order before the Hon'ble Commission. The Petitioner would like to appraise the Hon'ble Commission that in the MYT order dated 24th November 2022 the Commission while projecting the normative R&M expenses has considered the actual R&M expenses and opening GFA of FY 2019-20 (previous year of base year) to calculate k factor applicable for MYT period FY22 to FY26, which comes out as 5.08% for Tata Steel limited.
- 5.55 The R&M expenses are approved for FY 2021-22 as opening GFA of FY 2021-22 with 'k' factor of 5.08% and again multiplied with inflation factor of 6.93% (i.e. Inflation Factor of FY 2021-22). Thereafter inflation factor of 3.47% (i.e. Average of 5 Year Inflation factor of FY 2015-16 to FY 2019-20) has been considered for each year of the Control Period, subject to prudence check at the time of APR/ True up. The calculation of the same approved R&M expenses is given in table below:



Table 31: R&M expenses for the control period as per approved K-Factor

Particulars	Formula	FY 22	FY 23	FY 24	FY 25	FY 26
Projected Opening GFA-Rs. Cr.	A	596.43	602.95	650.35	679.85	686.85
Inflation Factor considered for FY22 to FY26	B	8.67%	3.47%	3.47%	3.47%	3.47%
K factor considered for FY22 to FY26	C	5.08%	5.08%	5.08%	5.08%	5.08%
R&M expenses approved (in Rs. Cr.)	D=A*C*(1+B)	32.93	31.69	34.18	35.73	36.10

- 5.56 It is pertinent to note that Clause 10.3 of the JSERC Distribution Tariff Regulations, 2020, does not differentiate between the treatment of different components of O&M expenses—namely Employee, A&G, and R&M expenses—when it comes to their normative calculation. Therefore, the same methodology should be adopted for determining the approved values of normative Employee, A&G, and R&M costs.
- 5.57 The approval of O&M expenses may be determined based on any factor deemed appropriate by the Commission, except for those specifically provided in this or other relevant regulations. However, for factors explicitly mentioned in the regulations, the approach for all three O&M components must remain consistent. One such factor is the escalation index used for estimating the Base Year expenses. The same escalation factor and methodology should be applied uniformly across Employee, A&G, and R&M expenses, as stipulated in Regulation 10.6(c) of the JSERC Distribution Tariff Regulations, 2020.
- 5.58 The Petitioner respectfully submits that the approval of R&M expenses for the five-year MYT control period (FY 2021-22 to FY 2025-26) did not account for inflationary impact in two key aspects:
- Inflation on the K factor
 - Cumulative inflation factor for calculating normative R&M expenses
- 5.59 **Inflation on the K Factor:** The K factor was derived based on actual R&M expenses and the opening GFA of FY 2019-20, yielding the K factor for FY 2019-20. However, this same K factor has been applied unchanged for projecting and approving R&M expenses from FY 2021-22 to FY 2025-26.
- 5.60 The Petitioner submits that the actual K factor for FY 2019-20 should have been adjusted for inflation for FY 2020-21 and FY 2021-22 to arrive at the K factor for FY 2021-22. This adjusted K factor for FY 2021-22 should then be used consistently for projecting R&M expenses for the control period from FY 2021-22 to FY 2025-26.



- 5.61 **Cumulative Inflation for Normative R&M Expenses Calculation:** The methodology adopted for approving normative R&M expenses is inconsistent with the methodology applied for Employee and A&G expenses. While the normative Employee and A&G expenses incorporate a cumulative inflation factor, the approved methodology for calculating normative R&M expenses does not. Therefore, the Petitioner humbly submits that a uniform approach should be applied by the Commission for projecting normative O&M expenses across all three components.
- 5.62 The inconsistency in the normative R&M expense methodology results in an underestimation of R&M costs over the control period. Given that cumulative inflation is already considered for Employee and A&G expenses, the same principle should apply to R&M expenses to maintain regulatory consistency.
- 5.63 The Petitioner respectfully submits that a correction is required in the methodology adopted by the Commission for approving R&M expenses for the control period FY 2021-22 to FY 2025-26.
- 5.64 The Petitioner further requests the Commission to consider inflationary adjustments while projecting normative R&M expenses. For instance, assuming no change in GFA during the next control period and assuming that R&M activities remain at the same level as in the base year, keeping the K factor unchanged would result in the same R&M expenses being approved for each year. This would be incorrect, as the cost of R&M activities is expected to increase due to inflation.
- 5.65 In light of the above submissions, the Petitioner humbly requests the Commission to adopt a revised methodology for projecting R&M expenses for the control period FY 2021-22 to FY 2025-26. The computation details are provided in the table below

Table 32: R&M expenses for the control period as per claimed K-Factor

Particulars	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Projected Opening GFA-Rs. Cr.	559.37	596.43	602.95	650.35	679.85	686.85
Inflation Factor considered for FY22 to FY26	4.14%	8.67%	3.47%	3.47%	3.47%	3.47%
Cumulative Escalation Inflation factor	1	1.09	1.12	1.16	1.20	1.25
K factor approved for FY22 to FY26	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
Corrected K Factor		5.66%	5.66%	5.66%	5.66%	5.66%
R&M approved-Rs. Cr.	-	36.12	38.22	42.70	46.18	48.59
Increase in approval of R&M expenses-Rs. Cr.		32.93	31.69	34.18	35.73	36.10



Particulars	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Additional R&M Expense approval required		3.19	6.53	8.52	10.45	12.49

5.66 Based on the aforementioned methodology the Petitioner hereby submits the normative R&M expenses for FY 2024-25 tabulated hereunder:

Table 33: Normative R&M claimed by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Approved in T.O. 26.06.2024 (APR)	Claimed (in Rs. Cr.)
1	Opening GFA *	A		634.15
2	K Factor as per MYT Order	B		5.08%
3	Add: Inflation factor for FY 2020-21 T.O. dated 29.09.2023	C		4.14%
4	Add: Inflation factor for FY 2021-22 T.O. dated 29.09.2023	D		6.93%
5	Corrected K factor for MYT period	$E=B*(1+C)*(1+D)$		5.66%
6	Opening GFA*K-Factor	F=A*E		35.87
7	Add: Inflation factor for FY 2021-22 T.O. dated 29.09.2023	G		6.93%
8	Add: Inflation factor for FY 2022-23 T.O. dated 26.06.2024	H		6.87%
9	Add: Inflation factor for FY 2023 -24 T.O. dated 28.03.25	I		3.72%
10	Add: Inflation factor for FY 2024 -25	J		3.12%
10	Normative R&M Expense	$K=F*(1+G)*(1+H)*(1+I)*(1+J)$	32.01	43.85

5.67 The Petitioner has submitted that the methodology adopted for approval of Repair and Maintenance (R&M) expenses in the present Petition is consistent with the approach followed by the Commission in the MYT Order dated 04.11.2022 and the subsequent Review Order dated 09.01.2024 in respect of other licensees.

5.68 The Petitioner has contended that a similar approach ought to be followed in the present case to ensure regulatory consistency in determination of normative R&M expenses.

5.69 The Petitioner has requested the Commission to approve the normative R&M expenses linked to the prescribed 'K' factor and inflation factor, amounting to Rs. 43.85 Crore for the relevant year under consideration.

5.70 The Summary of O&M expenses with respect to approval, actual audited and normative computation is given below:



Table 34: Normative O&M Expenses (Rs Cr.) as submitted by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Approved in T.O. 28.03.2025	Actual as per the accounts	Normative Amount
1	A&G Costs	A	36.29	31.44	35.73
2	R&M Expenses	B	40.38	59.71	43.85
3	Employee Cost	C	32.35	29.87	33.38
4	O&M expense excl. CGRF and Petition filing fees.	D=A+B+C	109.02	121.02	112.95
5	<i>Add: Terminal benefits</i>	E			
6	<i>Add: Petition Filing Expenses</i>	F	0.31	0.35	0.35
7	<i>Add: CGRF Expenses (Rent & Remuneration)</i>	G	0.79	1.46	1.46
8	Total O&M Expenses	H=D+E+F+G	110.12	122.84	114.77

5.71 The Petitioner has submitted the sharing of Gain/Losses on account of controllable parameter as per provision of Tariff Regulations 2020 is given below:

Table 35: Net O&M Expenses including sharing of Gain/Loss (in Rs Cr.) as submitted by the Petitioner

Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Normative O&M Expenses	A	112.95
2	Actual O&M Expenses	B	121.02
3	Sharing of Gains/Losses	C=A-B	-8.07
4	Sharing of Gains to be provided to consumers by Licensee	D=50% of C	0
5	Sharing of Gains to be retained by Licensee	E=50% of C	-8.07



Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
6	Add: Terminal Liabilities	G	
7	Add: CGRF Expenses	H	0.35
8	Add: Petition & other filing fees to JSERC	I	1.46
9	Total O&M Claim	G+B+E+F+G+H	114.77

Commission's Analysis

5.72 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulation 2020 for the approval of operation and maintenance expense as reproduced below:

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;
- b) Administrative and General Expenses;
- c) Repairs and Maintenance Expenses.

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

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

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

Where,

$R\&M_n$ – Repair and Maintenance Costs of the Licensee for the nth year;

EMP_n – Employee Costs of the Licensee for the nth year excluding terminal liabilities;

$A\&G_n$ – Administrative and General Costs of the Licensee for the nth year.

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

$$a) R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$$

Where,

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

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



$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1}) * (INDX_n / INDX_{n-1})]$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

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

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

$$c) INDX_n = 0.55 * CPI_n + 0.45 * WPI_n;$$

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

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

Note3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of trueing up.”

5.73 Base on the above excerpt, the Commission has calculated the inflation factor for FY 2024-25 as tabulated hereunder.

WPI for FY	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
FY 2024-25	152.90	153.50	154.00	155.30	154.40	154.70	156.70	156.40	155.70	155.00	154.90	154.80	154.86
FY 2023-24	151.10	149.40	148.90	152.10	152.50	151.80	152.50	153.10	151.80	151.20	151.20	151.40	151.42

CPI for FY	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
FY 2024-25	401.47	402.91	407.23	410.98	410.69	412.70	416.16	416.16	413.86	412.42	411.26	411.84	410.64
FY 2023-24	386.50	387.94	392.83	402.34	400.90	396.00	398.59	400.61	399.74	400.03	400.90	400.03	397.20

Period	WPI	CPI	Total
Weightage	0.45	0.55	1.00



Period	WPI	CPI	Total
Avg Indexation for FY 24-25	154.86	410.64	
Avg Indexation n-1 (Index * Wt.)	151.42	397.20	
Avg Indexation for FY23-24	69.69	225.85	295.54
Avg Indexation n (Index * Wt.)	68.14	218.46	286.60
Combined Inflation (Indxn/Indxn-1)	3.12%		

- 5.74 **Normative Employee Expenses:** Based on the above computation the Commission considered the inflation factor of 3.12% while calculating the normative employee expenses.
- 5.75 Further, the Commission has observed that the Petitioner has submitted the Growth Factor as (5.92%). In this regard, the Commission, through the discrepancies note, directed the Petitioner to submit details of the sanctioned strength, the number of employees recruited, and provide documentary evidence. In reply to the same the Petition submitted that the number of employees in March 2024 was 152 while the same in March 2025 was 161. Hence, based on the above mentioned regulation the Commission has considered the growth factor as 5.92% for Computation of employee expenses.
- 5.76 Based on the facts & circumstances observes in the petition, the Commission approves the normative employee expenses for FY 2024-25 by taking the actual value of inflation factor (3.12%) and growth factor (5.92%).

Table 36: Normative Employee Expenses (Rs Cr.) as approved by the Commission.

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	30.56
Inflation Factor	%	3.12%
Growth Factor	%	5.92%
Normative Employee Expenses	Rs. Cr.	33.38

- 5.77 **Normative A&G Expenses:** The Commission has observed that the Petitioner, while computing the normative A&G expenses, has considered the Load Growth as 1.04%. However, this parameter is not included in A&G expenses under the JSERC (Terms and Conditions of Determination of Tariff) Regulations, 2020, and its amendments. Furthermore, the Petitioner did not raise this issue during the MYT proceedings. In lieu of absence of Regulations for incorporating growth factor the Commission at this point does not allow any load growth factor for calculating the A&G Expenses.



5.78 Based on the above submission, the Commission approves the normative A&G expenses for FY 2024-25 by considering the base value of FY 2023-24 (excluding Petition Filing Fee and CGRF Expenses) and applying the actual inflation factor of 3.12%.

Table 37: Normative A&G Expenses (Rs Cr.) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	34.29
Inflation Factor	%	3.12%
Load Growth	%	-
Normative A&G Expenses	Rs. Cr.	35.36

5.79 **Normative R&M Expenses:**

5.80 The Commission, in its evaluation of normative R&M expenses, has considered the approved closing value of Gross Fixed Assets (GFA) for FY 2023-24 as the opening value for FY 2024-25, amounting to Rs. 633.70 Cr.

5.81 Further, the Commission after due diligence has considered the inflation factor as 6.93%, 6.87%, 3.72% and 3.12% for FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25 respectively for computation of R&M expenses as tabulated hereunder:

Table 38: Normative R & M Expenses (Rs. Cr.) as approved by the Commission

Particulars	UoM	Approved
GFA	Rs. Cr.	633.70
K-Factor	%	5.08
Inflation Factor for FY 2021-22	%	6.93
Inflation Factor for FY 2022-23	%	6.87
Inflation Factor for FY 2023-24	%	3.72
Inflation Factor for FY 2024-25	%	3.12
Normative R&M Expense	Rs. Cr.	39.37

5.82 The Commission approves the Petition Filing Fee and CGRF Expenses based on actual as submitted the Petitioner.

5.83 Based on the above discussion, the Commission approves the normative operational and maintenance expense for FY 2024-25 as given below.

Table 39: Normative O&M Expenses (Rs Cr.) as approved by the Commission

Particulars	Approved
Normative Employee Expense	33.38
Normative A&G Expenses	35.36
Normative R&M Expenses	39.37



Particulars	Approved
Net Normative Operation & Maintenance Expenses	108.11

5.84 On scrutinizing and analysing the materials, information, data on record, the Commission approves the actual O&M Expenses for FY 2024-25 is given below:

Table 40: Actual O&M Expense (in Rs Cr.) approved by the Commission.

Particulars	Approved
Employee Expenses	29.87
A&G Expenses	31.44
R&M Expenses	59.71
Actual O&M Expenses (Excl. Petition filing & CGRF Expenses)	121.02

5.85 In view of the above, the O&M Expenses claimed by the Petitioner and as approved by the Commission including sharing of Gain/(Loss) for FY 2023-24 is given below:

Table 41: Net O&M Expenses (Rs Cr.) for FY 2024-25 as approved by the Commission

Particulars	Petition	Approved
Normative O&M Expenses	112.96	108.11
Actual O&M Expenses	121.02	121.02
Net Gain/(Loss)	(8.07)	(12.91)
Sharing of Gain/Loss	0.00	0.00
Terminal Expenses	0.35	0.35
Petition Filling Fee	1.46	1.46
CGRF Expenses (Rent & Remuneration)		
O&M Expenses after sharing of Gain/(Loss)	122.84	122.84

Capital Work in Progress (CWIP) and Gross Fixed Assets (GFA)

Petitioner's Submission

5.86 The Petitioner has submitted the details of opening Capital Work-in-Progress (CWIP), capital expenditure incurred during the year, assets capitalised for FY 2024-25, as summarised in the table below.

Table 42: CWIP and GFA (in Rs Cr.) for FY 2024-25 as submitted by the Petitioner

Particulars	Approved in T.O. 28.03.2025	Petition
Opening CWIP	34.20	14.53
Additional Capex	156.61	27.85
Less: Capitalisation	44.03	6.62



Particulars	Approved in T.O. 28.03.2025	Petition
Closing CWIP	146.78	35.76
Gross Fixed Assets		
Opening GFA	608.52	634.15
Add: Transferred from CWIP	44.03	6.62
Less: Asset Decapitalised	0.00	1.83
Closing GFA	652.55	638.94

Commission's Analysis

- 5.87 The Commission on analysing the annual audit account, found capitalization tuned to amount of Rs 6.62 Cr. and Decapitalisation of Rs. 1.83 Cr. under the '**note 1A**'. Hence, the Commission approves the capitalization of Rs 6.62 Cr. for FY 2024-25.
- 5.88 Based on the facts and circumstances of the petition, the Commission approves the GFA, CWIP and capital expenditure incurred during the year for FY 2024-25 as summarized below:

Table 43: CWIP and GFA (in Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Opening CWIP	34.20	14.53	34.20
Additional Capex	40.29	27.85	27.85
Less: Capitalisation	34.50	6.62	6.62
Closing CWIP	40.00	35.76	55.43
Gross Fixed Assets			
Opening GFA	608.52	634.15	633.70
Add: Transferred from CWIP	44.03	6.62	6.62
Less: Asset Decapitalised	0.00	1.83	1.83
Closing GFA	652.55	638.94	638.49

Consumer Contribution

Petitioner's Submission

- 5.89 The Petitioner has submitted the details of cumulative consumer contribution received and capitalized during the year including the opening & closing consumer contribution for FY 2024-25 is computed in table below:



Table 44: Details of Consumer contribution as submitted by the Petitioner

Sr. No.	Particulars	Formula	Petition
1	Opening Consumer Contribution received	A	81.12
2	Add: Consumer contribution received during the year	B	1.37
3	Closing consumer contribution received	C=A+B	82.49
4	Opening consumer contribution capitalised	D	67.65
5	Add: Contribution energized during the year	E	2.65
6	Closing consumer contribution energised/capitalised	F=D+E	70.30
7	Balance amount of consumer contribution not capitalised as on last day of the year	G=C-F	12.19

Commission's Analysis

5.90 Based on facts, circumstance and methodology adopted in previous Tariff Order, the Commission approves the CC received during FY 2024-25, further the same CC received has been consider for calculation of Depreciation, Loan Addition and Equity Addition calculations.

Table 45: Consumer Contribution (Rs Cr.) as approved by the Commission.

Particulars	Petition	Approved
CC received during the Year	1.37	1.37

Depreciation

Petitioner's Submission

- 5.91 It has been submitted by the Petitioner that the Depreciation proportionate to the extent of Fixed Assets funded through CC has been deducted from the total depreciation in order to arrive at the net Depreciation.
- 5.92 Further, it is submitted that the details of accumulated depreciation can be referred from the Audited Accounts of FY 2023-24 and depreciation charged during FY 2023-24 can be analysed from Profit and Loss (P&L) Statement as given below.
- 5.93 The Petitioner has computed the depreciation on consumer contribution based on the methodology adopted by The Commission in the earlier tariff orders. The derived depreciation on consumer contribution is Rs. 2.14 Cr.
- 5.94 Accordingly, the net depreciation to be charged for FY 2024-25 computes to Rs. 17.29 Cr. The Petitioner therefore requested the Commission to approve the net depreciation as summarised below:



Table 46: Depreciation (Rs Cr.) on assets as submitted by the Petitioner.

Particulars	Approved in T.O. 28.03.2025	Petition
Closing GFA (A)	650.95	638.94
Closing Consumer Contribution capitalised (B)	82.27	70.30
Gross Depreciation (C)	20.89	19.43
Depreciation on Consumer Contribution (D=C/A*B)	2.64	2.14
Net Depreciation (E) = C-D	18.25	17.29

Commission's Analysis

5.95 The Commission has outlined **clause 10.34 to clause 10.40** of JSERC Distribution Tariff Regulation 2020 for the approval of Depreciation as reproduce below:

“Depreciation

10.34 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

10.35 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

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

Provided that the Distribution Licensee 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.

10.37 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset. Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.



10.40 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalized asset during its useful services.

- 5.96 On scrutinizing and analysing data, material, information on record, the Commission approves the Gross Depreciation tuned to Rs 16.93 Cr.
- 5.97 Further, the Commission approves the net depreciation after deducting the depreciation on assets funded out of CC from the Gross Depreciation for FY 2024-25.
- 5.98 The table below summarizes the depreciation as submitted by the Petitioner and as approved by the Commission for FY 2024-25.

Table 47: Depreciation (Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Average Closing GFA (A)	650.95	638.94	636.10
Average Consumer Contribution Capitalised (B)	82.27	70.30	81.80
Gross Depreciation (C)	20.89	19.43	19.43
Depreciation on Consumer Contribution (D=C/A*B)	2.64	2.14	2.50
Net Deprecation (E=C-D)	18.25	17.29	16.93

Interest on Loan

Petitioner's Submission

- 5.99 The Petitioner has submitted that it has adopted the same methodology as approved by the Commission in its previous Orders for computing Interest on Loan. The deemed additions to the loan have been considered at 70% of GFA addition during FY 2024-25 after reducing assets created from Consumer Contribution capitalized during the year.
- 5.100 The table below shows the normative loan and normative equity added during the FY 2024-25 as methodology discussed above. The Normative loan is estimated based on actual capitalization and consumer contribution capitalized during the year as per audited account for FY 2024-25.

Table 48: Normative Loan & Normative Equity added during the Year (Rs. Cr.)

Particulars	Approved in T.O. 28.03.2025	Claimed
Assets added during the Year	34.50	6.62
Less: CC Capitalized during the FY	2.31	1.37
Normative Amount Added during the Year	32.19	5.26
Equity Addition during the Financial Year @ 30%	9.66	1.58



Particulars	Approved in T.O. 28.03.2025	Claimed
Debt Addition during the Financial Year @ 70%	34.50	6.62

- 5.101 Further, the Petitioner has considered the opening loan for FY 2024-25 equal to closing loan of FY 2023-24
- 5.102 In accordance with **clause 10.23** of the JSERC Distribution Tariff Regulation 2020, the Petitioner has considered repayment of loan equal to net depreciation as calculated above.
- 5.103 Further, in accordance with **clause 10.26** of JSERC Distribution Tariff Regulations, 2020, the rate of interest on normative is considered as Marginal Cost Landing Rate (MCLR) of SBI prevailing as on April 01, 2023 plus 200 basis point i.e. 10.50%. The table below provide the calculation of Interest on Normative Loan for FY 2023-24.

Table 49: Interest on Loan (Rs. Cr.) as submitted by the Petitioner

Particulars	Approved in T.O. 28.03.2025	Petition
Opening Loan (Normative)	16.84	16.84
Add: Deemed Addition during the FY	22.54	3.68
Less: Deemed Repayment	18.25	17.29
Closing Loan (Normative)	21.12	3.23
Average Loan	18.98	10.03
Interest Rate	10.65%	10.65%
Interest on loan	2.02	1.07

Commission's Analysis

- 5.104 The Commission has outlined the **clause 10.16, clause 10.17, clause 10.21 to clause 10.29** of JSERC Distribution Tariff Regulation 2020 for the approval of interest of loan and finance charge as reproduced below:

10.16 Existing Schemes - In case of capital expenditure schemes capitalised prior to April 01, 2021, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2021 shall be considered.

10.17 New Schemes – For capital expenditure schemes capitalised after April 01, 2021:

a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;

b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;

c) In case the actual equity employed is less than 30%, the actual debt-equity ratio shall be considered;

d) The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals created out of free reserve, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such



premium amount and internal accruals are actually utilized for meeting capital expenditure.

Note 1: Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations;

Note 2: Any expenditure on replacement of old assets or on renovation and modernization or life extension shall be considered on normative debt-equity ratio specified in these Regulations after writing off the entire book value of the original assets from the capital cost of the new asset;

Note 3: Any expenditure admitted by the Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations.

- 10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.
- 10.22 The normative loan outstanding as on April 01, 2021 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.
- 10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.
- 10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.
- 10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.
- 10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.
- 10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.
- 10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.
- 10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of 50:50
- 5.105 In accordance with **clause 10.16** and **clause 10.17**, as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 5.106 In accordance with **clause 10.23** as mentioned above, the Commission



approves the debt repayment equal to net depreciation for the same financial year.

5.107 In accordance with **clause 10.26 (proviso)** as mention above, the Commission approves the interest rate as 10.65% (Base rate of SBI as applicable on April 01, 2024 plus 200 basis points).

5.108 The table below shows the normative loan and normative equity added during the FY 2024-25 as methodology discussed above. The normative loan is estimated based on actual consumer contribution received during the year as per audited account for FY 2024-25.

Table 50: Normative Loan and Normative Equity (Rs Cr.) added during FY 2024-25.

Particulars	Approved
Assets added during the Year	6.62
Less: CC received during the year	1.37
Normative Amount Added during the Year	5.26
Equity Addition during the Financial Year @ 30%	1.58
Debt Addition during the Financial Year @ 70%	3.68

5.109 The below table summarises the Interest on normative loan as submitted by the Petitioner and as approved by the Commission for FY 2024-25.

Table 51: Interest on Normative Loan (in Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025 (APR)	Petition	Approved
Opening Loan (Normative)	16.84	16.84	16.84
Add: Deemed Addition during the FY	22.54	3.68	3.68
Less: Deemed Repayment	18.25	17.29	16.93
Closing Loan (Normative)	21.12	3.23	3.59
Average Loan	18.98	10.03	10.22
Interest Rate	10.65%	10.65%	10.65%
Interest on Loan	2.02	1.07	1.09

Interest on Security Deposits

Petitioner's Submission

5.110 The Petitioner has furnished the details of Interest on Consumer's Security Deposit (CSD) as per the Audited Accounts for FY 2024-25. It was further submitted that the actual outflow towards interest on security deposit paid to consumer is Rs 5.18 Cr.

Table 52: Interest on CSD (Rs Cr.) as submitted by the Petitioner.

Particulars	Approved in T.O. 28.03.2025	Petition
Opening Consumer Security Deposit	41.75	41.75



Particulars	Approved in T.O. 28.03.2025	Petition
Consumer Security Deposit Addition	9.72	13.81
Closing Consumer Security Deposit	51.47	55.56
Average Security Deposit	46.61	48.66
Interest Rate	10.25%	10.25%
Interest on Consumer Security Deposit	4.78	5.18

Commission's Analysis

5.111 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulation 2020 for approval of interest on consumer security deposit as reproduced below:

“Interest on Consumer Security Deposits

6.49 Interest paid on consumer security deposits shall be as specified by the Commission in ‘Jharkhand (Electricity Supply Code) Regulations, 2015’ and as amended or replaced from time to time.”

5.112 The Commission has observed that the Petitioner while calculating the interest on security deposits has deviated from the provision specified in the JSERC (Terms and Conditions for Determination of Tariff) Regulations, 2020. In this regard, the Petitioner is directed to submit a proper justification. In reply to this the Petitioner has submitted the historic base rate over the years for SBI.

5.113 On scrutinizing and analysing the annual audit account for FY 2024-25, the Commission has observed that interest on consumer security deposit tuned to Rs. 5.18 Cr., while calculating the interest on security deposit at a rate specified (10.25% interest payable at SBI Base Rate as on April 01 of the Financial Year) in the provision of JSERC Electricity Supply code regulation 2015 it would be Rs. 4.99 Cr.

Table 53: Interest on CSD (Rs. Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Opening Consumer Security Deposit	41.75	41.75	41.75
Consumer Security Deposit Addition	9.72	13.81	13.81
Closing Consumer Security Deposit	51.47	55.56	55.55
Average Security Deposit	46.61	48.66	48.65
Interest Rate	10.25%	10.25%	10.25%
Interest on Consumer Security Deposit	4.78	5.18	4.99



Return on Equity

Petitioner's Submission

- 5.114 The Petitioner has submitted that the deemed addition to the normative equity has been taken at 30% of Closing GFA net of Consumer Contribution. It was also submitted that the normative return on equity is claimed @ 14.50% as per the provisions of **clause 10.19** of JSERC Distribution Tariff Regulations, 2020.
- 5.115 The Petitioner has taken opening balance of equity for FY 2024-25 equal to the closing of FY 2023-24.
- 5.116 The Petitioner has submitted that it has paid the Income Tax (IT) as per normal IT rate and accordingly Return on Equity (RoE) has been grossed up by corporate IT rate. The challan copy of Income Tax paid is annexed as '**annexure 12**' in the main petition.
- 5.117 The Petitioner has further submitted that according to section 115BAA introduced under Income Tax Act by the Government of India through Taxation (Amendment) Ordinance 2019 on September 20, 2019, the Petitioner had an option to pay Income Tax at a reduced rate of 25.168%. Accordingly, Petitioner opted for this scheme for FY 2024-25 as shown below.

Table 54: Return on Equity (Rs Cr.) as submitted by the Petitioner.

Particulars	Approved in T.O. 28.03.2025	Petition
Opening Balance of Normative Equity	166.15	166.15
Equity Addition during Financial Year	9.66	1.58
Closing balance of Normative Equity	175.81	167.73
Average Balance of Equity	170.98	166.94
Rate of on Return	14.50%	14.50%
Normative Return on Equity	24.79	24.21
Income Tax Rate	25.17%	25.17%
Return on Equity including Income Tax	33.13	32.35

Commission's Analysis

- 5.118 On consideration of the Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2024-25 as the Closing Equity base for FY 2023-24. Further the Commission has considered the normative Equity addition during the financial year as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 5.119 In accordance with **clause 10.19** of Distribution Tariff Regulation 2020 the Commission has allowed a rate of return of 14.50% on equity.



5.120 The Commission approves the income tax amount for FY 2024-25 is Rs. 8.14 Cr., being 25.17% of Rs. 32.35 Cr. of total Return on Equity including income tax.

5.121 Based on above discussion, the Commission approves the Return on Equity along with Income Tax for FY 2024-25 is tabulated hereunder.

Table 55: Return on Equity (Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Opening Balance of Normative Equity	166.15	166.15	166.15
Equity Addition during Financial Year	9.66	1.58	1.58
Closing balance of Normative Equity	175.81	167.73	167.73
Average Balance of Equity	170.98	166.94	166.94
Rate of on Return	14.50%	14.50%	14.50%
Normative Return on Equity	24.79	24.21	24.21
Income Tax Rate	25.17%	25.17%	25.17%
Income Tax	8.00	8.14	8.14
Return on Equity including Income Tax	33.13	32.35	32.35

Interest on Working Capital

Petitioner's Submission

5.122 It has submitted by the Petitioner that the Working Capital requirement has been considered on the basis of the JSERC Distribution Tariff Regulations, 2020 and the normative interest on working capital has been computed on prevailing SBI Bank rate as on April 01, 2024 plus 350 basis points.

5.123 Accordingly, the Petitioner under **clause 10.30**, **clause 10.31** has computed interest on working capital for Wheeling as well as Retail Business as shown below.

Table 56: Interest on Working Capital (Rs Cr.) as submitted by the Petitioner

S. No.	Particulars	Formula	Approved in T.O. 28.03.2025	Total Normative Claim
1	Receivables (2 months)	A	281.74	285.08
2	O&M Expenses (1 months)	B	-	-
3	Maintenance Spares (1% of Opening GFA)	C	6.34	6.34
4	Less: Security Deposit	D	46.61	48.65
5	Less: Power Purchase Cost (1 month)	E	-	-



S. No.	Particulars	Formula	Approved in T.O. 28.03.2025	Total Normative Claim
6	Total Working Capital	F=A+B+C-D-E	120.29	116.43
7	Rate of Interest (SBI 1 yr MCLR plus 350 b.p) (in %)	G	12.15%	12.15%
8	Interest on Working Capital	H=F*G	14.72	15.35

Commission's Analysis

5.124 The Commission has outlined the **clause 10.30 to clause 10.32** of JSERC Distribution Tariff Regulation 2020, for approval of Interest on working capital as reproduced below:

“10.30 Working capital for the Wheeling Business for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA of Wheeling Business; plus

b) Two months equivalent of the expected revenue from wheeling charges at the prevailing tariffs; minus

c) Amount, if any, held as security deposits.

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus

b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus

c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus

d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.

10.32 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which truing up exercise has been undertaken.”

5.125 Based on above excerpt the Commission approves the interest on working



capital as tabulated below:

Table 57: Interest on Working Capital (in Rs. Cr.) as approved by the Commission.

Particulars	Wheeling Normative Approved	Retail Normative Approved	Total normative Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	0.63	5.70	6.34
Revenue from Wheeling and Retail Supply Charges-2 month	23.04	262.04	285.08
Less: Power Purchase Cost for One Month Retail Business		108.53	108.53
Less: Average Security Deposit		48.65	48.65
Total Working Capital Requirement	23.67	110.57	134.23
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.15%	12.15%	12.15%
Total Interest on Working capital	2.88	13.43	16.31

Funding Cost of Delayed Payment Surcharge (DPS)

Petitioner's Submission

5.126 The Petitioner has claimed the financing cost for corresponding receivable being grossed up by 1.50% per month i.e. 18% per annum on DPS amount and thereafter computing the interest @ SBI 1 Year MCLR rate plus 350 basis point for FY 2024-25.

Particulars	UoM	FY 2024-25
Delay Payment Surcharge (Rs. Cr.)	A	2.58
Principal Amount on which DPS was charged (18% p.a.) (Rs. Cr.)	$B = A/18\%$	14.33
Interest Rate for funding of Principal of DPS (Rs. Cr.)	C	12.15%
Interest on funding of Principal amount of DPS (Rs. Cr.)	$D = B \times C$	1.74

Commission Analysis

5.127 The Commission is of the opinion that there is no provision in JSERC (Terms & Condition of Determination Distribution Tariff) Regulation 2020 with respect to approval of financing cost for corresponding receivables under **clause 10.53 & clause 10.54**.

5.128 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulation 2020 and amendment thereof is being allowed as per normative to cater the day to day working capital requirements of the Utilities. Hence, the Commission does not approve any financing cost for corresponding receivables.



Non-Tariff Income

Petitioner's Submission

5.129 The Petitioner has submitted that Non-Tariff Income (NTI) includes income from service charge for new LT connection, miscellaneous charge etc. for FY 2024-25 tuned to Rs. 57.55 Cr. as per the Audited Accounts.

Table 58: Non-Tariff Income (Rs Cr.) as submitted by the Petitioner

Particulars	Approved in T.O. 28.03.2025	Petition
Non-Tariff Income	2.92	57.55

Commission's Analysis

5.130 On scrutinizing and analysing the annual audit account the Commission approves the NTI tuned to Rs 57.55 Cr. (which include service charge and others charge) as per '**note 10 A**' of annual audit account for FY 2024-25 as shown below:

Table 59: Non-Tariff Income (Rs Cr.) as approved by the Commission

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Non-Tariff Income	2.92	57.55	57.55

Revenue from sale of Power

Petitioner's Submission

5.131 The Petitioner has submitted that, as per Note 9 of the audited accounts, the revenue from sale of power for FY 2024-25 amounts to Rs. 1,710.48 Crore (excluding revenue from sale of surplus power through the power exchange).

5.132 The Petitioner has further submitted that during FY 2024-25, it sold 138.43 MU of daily surplus power through the power exchange and realised revenue of Rs. 93.15 Crore.

5.133 The Petitioner has submitted that such surplus power arose during certain hours of certain days when the demand of consumers in its licence area was lower, while long-term power procurement arrangements remained in place to meet round-the-clock demand. It has been submitted that the incremental cost of generation for such surplus power was approximately Rs. 3.06 per unit (being the variable cost of the 400 kV source), whereas the average realisation from sale in the exchange was Rs. 6.18 per unit.

5.134 According to the Petitioner, the sale of surplus power at rates higher than the incremental variable cost resulted in a net gain of approximately Rs. 43.18 Crore, thereby reducing the effective fixed cost burden on consumers in the licence area.



- 5.135 The Petitioner has submitted that it is required to meet consumer demand on a 24x7 basis throughout the year and has accordingly tied up long-term power procurement of 200 MW (approximately 185 MW net of auxiliary consumption and losses) from Damodar Valley Corporation (DVC) from MTPS Unit-7 & 8 and DSTPS Units.
- 5.136 The Petitioner has further submitted that consumer demand, particularly from industrial consumers, varies depending upon manufacturing schedules, shutdowns, and operational contingencies. In order to avoid load shedding and ensure supply reliability, firm long-term power contracts are necessary.
- 5.137 It has been submitted that scheduled or unscheduled shutdowns of industrial consumers occasionally resulted in surplus power during certain hours of certain days. The Petitioner, after due assessment, sold such surplus power on the power exchange to optimise power procurement costs for the benefit of consumers in its licence area.
- 5.138 The Petitioner has requested the Commission to consider the sale of 138.43 MU of surplus power and the corresponding revenue of Rs. 93.15 Crore while truing up the revenue and power purchase cost for FY 2024-25.
- 5.139 The Petitioner has further requested approval of the total revenue of Rs. 1,710.48 Crore from sale of power (excluding exchange sales) for FY 2024-25.

Commission's Analysis

- 5.140 On scrutinizing and analysis of the Audited Accounts as mentioned in '**Note 9**', the Commission has taken into consideration the sale of daily surplus balance in exchange Rs 93.15 Cr. as a Revenue. Accordingly, the Commission approves the revenue after deducting the sale of daily surplus balance in exchange which is summarized below:

Table 60: Revenue (Rs Cr.) as approved by the Commission for FY 2024-25

Particulars	Petition	Approved
Revenue	1,710.48	1,710.48

Collection Efficiency

Petitioner's Submission

- 5.141 The Petitioner humbly submits before the Hon'ble Commission that the collection efficiency during the FY 2024-25 is 97.33% which is lower than the target of 99.50%, and therefore the collection efficiency gain is not claimed.



Table 61: Collection Efficiency Revenue (Rs Cr.) as submitted by the Petitioner for FY 2024-25

Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Opening amount of Debtors	A	153.66
2	Revenue Assessment during the year	B	1803.63
3	Revenue Collection during the year	C	1755.50
4	Closing amount of Debtors	D=A+B-C	201.78
5	Collection Efficiency	E=D/B	97.33%
6	Minimum Collection Efficiency Allowed (%)	F	99.50%

Commission's Analysis

5.142 The Commission has examined the submissions made by the Petitioner regarding the collection efficiency for FY 2024-25. The Petitioner has reported a collection efficiency of 97.33%, which is lower than the minimum normative collection efficiency of 99.50% as stipulated under the provisions of Clause 6.38 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.

5.143 In view of the above, and in accordance with the provisions of the applicable Tariff Regulations, the Commission considers the actual collection efficiency achieved by the Petitioner for FY 2024-25 for the purpose of truing up. Since the actual collection efficiency is lower than the normative level specified under the Regulations, no collection efficiency gain is admissible to the Petitioner for FY 2024-25.

5.144 The Commission directs the Petitioner to continue strengthening its billing and collection mechanisms and undertake necessary measures to improve the collection efficiency in subsequent years so as to achieve the normative levels prescribed under the Regulations.

Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

5.145 The Petitioner has claimed a Surplus of Rs. (183.11) Cr. for FY 2024-25 based on audited and normative claimed in the Petition. The surplus so generated will be used to liquidate the previous year's outstanding revenue gap, which has already reached to unsustainable level and explained in subsequent section.

Commission's Analysis

5.146 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Revenue Gap/(Surplus) for FY 2024-25 which is summarizes below.



Table 62: Summary of ARR (Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. dated 28.03.2025	Petition	Approved
Net Power Purchase Cost	1,443.44	1,397.18	1,302.37
<i>Power Purchase Cost</i>	-	1,490.32	1,395.52
<i>Less: Sale of Surplus power</i>	1,443.44	93.15	93.15
O&M Expenses after sharing of Gain/loss	110.12	114.77	109.93
Interest on Loan	2.02	1.07	1.09
Interest on Working Capital	14.72	15.35	16.31
Financing Cost of DPS FY 2020-21	-	1.74	-
Interest on Security Deposit	4.78	5.18	4.99
Depreciation	18.25	17.29	16.93
Return on Equity	33.13	32.35	32.35
Gross Aggregate Revenue Requirement	1,626.46	1,584.93	1,483.96
Less: Non-Tariff Income	2.92	57.55	57.55
Aggregate Revenue Requirement	1,623.55	1,527.38	1,426.41
Revenue from sale of Power @ Existing Tariff	1,690.45	1,710.48	1,710.48
Net Revenue Gap/(Surplus)	(66.90)	(183.10)	(284.07)
Collection Efficiency Claim of Tata Steel	-	-	-
Revenue Gap / (Surplus) after Sharing of Gains/ Loss	(66.90)	(183.10)	(284.07)
Energy Sold (MUs)	3,196.78	2,917.18	2,917.18
Average Cost of Supply	5.87	5.24	4.89

5.147 The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in **Chapter 9** of this Order.

5.148 The Commission also approves the summarised ARR for wheeling and Retail Business for FY 2024-25.

Table 63: Summary of ARR (Rs. Cr.) as approved by the Commission.

Particulars	Wheeling %	Retail %	Wheeling ARR (Rs. Cr.)	Retail ARR (Rs. Cr.)	Total Audited / Normative Claim (Rs. Cr.)
Power Purchase Cost	0%	100%	-	1,302.37	1,302.37
Net O&M Expenses			74.05	35.88	109.93
<i>Employee Expenses</i>	60%	40%	20.03	13.35	33.38
<i>A&G Expenses</i>	50%	50%	17.68	17.68	35.36
<i>R&M Expenses</i>	90%	10%	35.44	3.94	39.38

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	Wheeling %	Retail %	Wheeling ARR (Rs. Cr.)	Retail ARR (Rs. Cr.)	Total Audited / Normative Claim (Rs. Cr.)
<i>Petition Filing Charges & CGRF Expenses</i>	50%	50%	0.91	0.91	1.82
<i>Less: Sharing of Gain</i>			-	-	0.00
Interest on Loan	90%	10%	0.98	0.11	1.09
Interest on Working Capital	10%	90%	1.63	14.68	16.31
Financing Cost of DPS FY	10%	90%	-	-	0.00
Interest on Security Deposit	0%	100%	-	4.99	5.18
Depreciation	90%	10%	15.24	1.69	16.93
Return on Equity	90%	10%	29.11	3.23	32.35
Gross Aggregate Revenue Requirement			121.01	1,362.95	1,483.96
Less: Non-Tariff Income	10%	90%	5.76	51.80	57.56
Aggregate Revenue Requirement	8.08%	91.92%	115.26	1,311.15	1,426.41
Less: Revenue from sale of Power @ Existing Tariff	8.08%	91.92%	138.21	1,572.27	1,710.48
Net Gap/ (Surplus)			(22.95)	(261.11)	(284.07)



Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2025-26.

6.1 As per Clause 13.2 of the Tariff Regulations, 2020:

“13.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section A24 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/authenticated accounts and the tariff worked out in accordance with these Regulations.”

6.2 In the instant petition the Petitioner has now sought for Annual Performance Review (APR) for FY 2025-26 based on the actuals for first six months (H1) and estimated for the balance six months (H2).

6.3 The Commission on scrutinizing the instant petition on the basis of provision of JSERC Distribution Tariff Regulation, 2020 and on consideration of:

- Actual data for H₁ period and projected data for H₂ period
- Information made available by the Petitioner;

6.4 The component-wise description of the Petitioner’s submission and the Commission’s analysis thereof is provided hereunder.

Consumers, Connected Load and Energy Sales

Petitioner’s Submission

6.5 The Petitioner has submitted the details of the number of consumers, connected load and Energy sales for FY 2025-26 based on the first six month actuals (H₁) and balance six month projected (H₂).

Commission’s Analysis

6.6 On scrutinizing the material, information, actual figure and details submitted by the Petitioner and on prudent Check, the Commission approves the actual number for H₁ period and projected for H₂ period of consumers, connected load, and energy sale FY 2025-26 which is summarized in the table below:

Table 64: Number of Consumers, Connected Load and Sales as submitted by the Petitioner and approved by the Commission for FY 2025-26

Particulars	Petition			Approved		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Domestic	42,197	2,69,138.47	193.38	42,197	2,69,138.47	193.38
Domestic - DSHT	146	61,945.84	72.74	146	61,945.84	72.74



Particulars	Petition			Approved		
	No. of Consumers	Connected Load (kVA)	Consumption (MU)	No. of Consumers	Connected Load (kVA)	Consumption (MU)
Commercial	11,342	93,672.29	89.66	11,342	93,672.29	89.66
LTIS	3	275.00	0.44	3	275.00	0.44
Total HTIS	177	4,35,838.14	1,848.12	177	4,35,838.14	1,848.12
Street Light	408	1,943.53	6.50	408	1,943.53	6.50
Temporary Supply	250	4,623.55	3.35	250	4,623.55	3.35
Sale to Tata Steel UISL	1	88,000.00	492.44	1	88,000.00	492.44
MESRTODL	1	299.88	0.77	1	299.88	0.77
Sale in IEX	-	-	124.84	-	-	124.84
Total Sales	54,525	9,55,736.70	2,832.23	54,525	9,55,736.70	2,832.23

Energy Balance

Petitioner's Submission

- 6.7 It has been submitted that in order to meet the energy requirement, the Petitioner has procured power from different sources.
- 6.8 The Petitioner has considered H1 performance and estimated the energy requirement for the remaining six months of FY 2025-26. The power purchase quantum for H2 is assumed in line with H1 power purchase from the same source. The Petitioner has projected the loss at **3.28%** for FY 2025-26 and proposed the Energy Balance as summarised below:

Table 65: Energy Balance (in MUs) as submitted by the Petitioner for FY 2025-26

Particulars	Approved in T.O. dated 28.03.2025	Petition
Energy Requirement		
Sales to Other Licensee	475.17	492.44
Dist. Losses on Sales to Other Licensee (%)	0.00%	0.00%
Distribution Loss on Sales to Other Licensee	-	-
Energy Req. for Sales to Other Licensee	475.17	492.44
Sales to Steel Works	291.00	188.93
Dist. Losses on Sales to Steel Works (%)	0.00	0.00
Dist. Losses on Sales to Steel Works	-	-
Energy Req. for Sales to Steel Works	291.00	188.93



Particulars	Approved in T.O. dated 28.03.2025	Petition
Sale in IEX-Power Market	-	124.84
Sales to LT consumers	334.18	293.32
Sales to Other HT consumers	1,675.99	1,732.70
Total Sales to Consumers other than Steel Works & JUSCO	2,010.17	2,026.02
Dist. Losses on Sales to Other Consumers (%)	4.69%	4.34%
Dist. Losses on Sales to Other Consumers	94.28	91.82
Energy Req. for Sales to Consumers other than Steel Works & JUSCO	1,915.89	2,117.84
Overall Sales (excluding sale to IEX)	2,776.34	2,707.39
Overall Distribution Losses %	3.28%	3.28%
Overall Distribution Losses	94.28	91.82
Total Energy Requirement (excl. sale to IEX)		2,799.21
Total Energy Requirement (including Sales in IEX)	2,876.79	2,924.05
Energy Available		
TPCL (Unit II and Unit III)	1,515.54	1,480.46
Damodar Valley Corporation 132kV	227.63	208.92
Damodar Valley Corporation 400kV	919.11	922.00
TSW - Captive	25.64	26.97
G-TAM	177.25	282.60
Open access/ other sources	5.45	3.10
Total Pooled Energy Availability	2,870.61	2,924.05
Surplus/Deficit		-
Less: Power Sold to IEX	-	124.84
Net Pooled Energy Availability (excl. sale to IEX)	2,870.61	2,799.21

Commission's Analysis

6.9 On scrutinizing the bills for H₁ period raised by Damodar Valley Corporation (DVC), Tata Power Company Limited (TPCL), and other sources, the Commission approves the power purchase quantum and rate from each source. Likewise, the Commission consider the same quantum and rate for H₂ period projection.

6.10 The Commission has computed overall distribution loss 3.14% for FY 2025-26 against the approved value of 3.28% in Tariff Order dated March



28, 2025. Accordingly, the Commission approves the overall distribution loss of 3.14% for FY 2025-26.

6.11 The Commission has noted the Petitioner's proposal to sell surplus power in the open market. However, the Commission considers Power Purchase Cost as one of the major cost components in the Annual Revenue Requirement. Therefore, the Commission provisionally allows the sale of any surplus power to the exchange during FY 2025-26 subject to True-up.

6.12 Based on above excerpt, the Commission approves the Energy Balance for FY 2025-26 as tabulated hereunder.

Table 66: Energy Balance (MUs) as approved by the Commission

Particulars	Approved in T.O. dated 28.03.2025	Petition	Approved
Energy Requirement			
Sales to Other Licensee	475.17	492.44	492.44
Dist. Losses on Sales to Other Licensee (%)	0.00%	0.00%	0.00%
Distribution Loss on Sales to Other Licensee	-	-	-
Energy Req. for Sales to Other Licensee	475.17	492.44	492.44
Sales to Steel Works	291.00	188.93	188.93
Dist. Losses on Sales to Steel Works (%)	0.00	0.00	0.00%
Dist. Losses on Sales to Steel Works	-	-	-
Energy Req. for Sales to Steel Works	291.00	188.93	188.93
Sale in IEX-Power Market	-	124.84	124.84
Sales to LT consumers	334.18	293.32	293.32
Sales to Other HT consumers	1,675.99	1,732.70	1,732.70
Total Sales to Consumers other than Steel Works & JUSCO	2,010.17	2,026.02	2,026.02
Dist. Losses on Sales to Other Consumers (%)	4.69%	4.34%	4.34%
Dist. Losses on Sales to Other Consumers	94.28	91.82	87.84
Energy Req. for Sales to Consumers other than Steel Works & JUSCO	1,915.89	2,117.84	2,113.86
Overall Sales (excluding sale to IEX)	2,776.34	2,707.39	2,707.39
Overall Distribution Losses %	3.28%	3.28%	3.14%



Particulars	Approved in T.O. dated 28.03.2025	Petition	Approved
Overall Distribution Losses	94.28	91.82	87.84
Total Energy Requirement (excl. sale to IEX)	2,870.61	2,799.21	2,795.23
Total Energy Requirement (including Sales in IEX)	2,876.79	2,924.05	2,920.07
Energy Available			
TPCL (Unit II and Unit III)	1,515.54	1,480.46	1,480.46
Damodar Valley Corporation 132kV	227.63	208.92	208.92
Damodar Valley Corporation 400kV	919.11	922.00	922.00
TSW - Captive	25.64	26.97	26.97
G-TAM	177.25	282.60	282.60
Open access/ other sources	5.45	3.10	3.10
Total Pooled Energy Availability	2,870.61	2,924.05	2,924.05
Surplus/Deficit		-	3.98
Less: Power Sold to IEX	-	124.84	124.84
Net Pooled Energy Availability (excl. sale to IEX)	2,870.61	2,799.21	2,799.21

Power Purchase Cost

Petitioner's Submission

- 6.13 The Petitioner has submitted that the Power Purchase Cost for FY 2025-26 has been projected based on actual performance for the period April 2025 to September 2025 (H1) and estimated for the balance six months, i.e., October 2025 to March 2026 (H2).
- 6.14 The Petitioner has submitted that the total power purchase cost estimated for FY 2025-26 is Rs. 1,408.73 Crore against the ARR estimate of Rs. 1,561.84 Crore approved by the Commission in its Order dated 28th March 2025. The revised estimate is based on actual power procurement during H1 and projected procurement during H2.
- 6.15 The Petitioner has submitted that during H1 of FY 2025-26, it procured 760.45 MU from Tata Power Company Limited (TPCL) at an average rate of Rs. 4.10/kWh.
- 6.16 The power purchase cost for H2 has been projected based on the H1 average rate, after excluding:
- Debit Note of Rs. 8.65 Crore raised by TPCL during H1 on account of revenue gap/(surplus) for FY 2023-24 and differential fixed charges arising due to revision in AFC for FY 2024-25; and



- ii. Credit Note of Rs. 3.68 Crore on account of sharing of gain due to variation in operational norms for FY 2024-25.
- 6.17 The Petitioner has submitted that during H1 of FY 2025-26, it procured 106.88 MU from DVC at 132 kV at a cost of Rs. 67.43 Crore, resulting in an average rate of Rs. 6.31/kWh.
- 6.18 The Petitioner has submitted that power procurement from DVC 132 kV source is presently under fixed contract demand (consumer mode). However, DVC has communicated its intent to transition supply to schedule mode from December 2025 onwards. Accordingly, the Petitioner has projected the cost for H2 (October–November 2025) at Rs. 6.31/kWh and from December 2025 onwards at an estimated rate of Rs. 7.15/kWh under schedule mode.
- 6.19 The Petitioner has submitted that the expected cost under schedule mode has been computed considering allocated capacity from MTPS, KTPS and RTPS units of DVC, capacity charges and energy charges as per recent trends, resulting in an estimated total cost of Rs. 50.97 Crore for December 2025 to March 2026.
- 6.20 The Petitioner has submitted that during H1 of FY 2025-26, it procured 425.63 MU from DVC at 400 kV level. The said quantum includes 69.84 MU of daily surplus energy sold through the power exchange.
- 6.21 The Petitioner has further submitted that it incurred Rs. 31.59 Crore towards ISTS transmission and scheduling charges during H1 of FY 2025-26 and has projected similar expenditure for H2.
- 6.22 The Petitioner has also submitted that upon transition of DVC 132 kV supply to schedule mode, STU charges as per CERC-approved tariff order dated 07.08.2023 shall be applicable from December 2025 onwards.
- 6.23 The Petitioner has submitted that during H1 of FY 2025-26, it procured 196.60 MU from Green Day Ahead Market (G-DAM) at an average rate of Rs. 2.87/kWh for partial fulfilment of RPO.
- 6.24 For H2, the Petitioner expects to procure 86 MU from G-DAM/G-TAM subject to availability at competitive rates. The projected rate for H2 has been considered as Rs. 3.67/kWh, based on H1 trends.
- 6.25 The Petitioner has submitted that as per JSERC (Renewable Purchase Obligation and its Compliance) (First Amendment) Regulations, 2021, the total RPO target for FY 2025-26 is 33.01%, comprising Wind (1.45%), Hydro (1.22%), Distributed RE (2.10%) and Other RE (28.24%).
- 6.26 The Petitioner has submitted that RPO is applicable on total power purchase excluding DVC 132 kV supply in consumer mode (till November 2025), surplus power sold in exchange, and certain exempted categories. Based on total projected procurement of 2,924.05 MU, the obligated units for FY 2025-26 have been computed at 2,690.62 MU.



- 6.27 The total RPO obligation for FY 2025-26 has been computed at 888.17 MU. The Petitioner proposes to meet the RPO requirement through:
- Renewable generation under net metering (29.07 MU),
 - Green power procurement from GDAM/G-TAM (282.60 MU), and
 - Purchase of RECs amounting to 575.60 MU.
- 6.28 The Petitioner has estimated the landed cost of REC procurement at Rs. 490 per REC (inclusive of GST and exchange charges), resulting in an estimated REC cost of Rs. 28.19 Crore.

Table 67: Renewable Purchase Obligation as per RPO obligation Regulation.

Financial Year	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total
FY 25-26	1.45%	1.22%	2.10%	28.24%	33.01%

- 6.29 The Petitioner has further submitted that RPO is applicable on all source other than DVC 132 kV source and daily surplus power sold to open market. Accordingly, the Petitioner has computed RPO on its energy requirement excluding DVC 132 kV source. Apart from the standalone RPO obligation to be met for FY 2024-25, the Petitioner has carried forward surplus of RPO target which is to be met in FY 2025-26 is given below:

Table 68: RPO unit for FY 2025-26 as submitted by the Petitioner.

Sr. No.	Particulars	Formula	MU
1	Power Purchase	A	2,924.05
2	Less- DVC 132 kV Source	B	29.07
3	Less- Power Sold in exchange	C	137.66
4	Less- Power Purchase from G-TAM	D	124.84
5	Obligated units for FY 2024-25	E=A-B-C-D	2,690.62

Table 69: RPO as submitted by Petitioner for FY 2025-26

S. No	Particulars	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total RPO
1	Surplus REC purchased during previous year (i.e. FY2024-25) which is carried to Target year (i.e. FY 2025-26)_MUs(A)				-0.90	-0.90
2	Obligated units for Target year FY 2025-26_MUs.....(B)	2,690.62				

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S. No	Particulars	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total RPO
3	RPO Requirement of TSL Licensee for FY2024-25 (%).....(C)	1.45%	1.22%	2.10%	28.24%	33.01%
4	Total Obligation required to be fulfilled during FY2025-26_MUs .(D = B x C)	39.01	32.83	56.50	759.83	888.17
5	Total RPO Obligations for FY 2025-26_MUs (Considering Previous year Surplus REC)(E =(A + D)	39.01	32.83	56.50	758.93	887.27
6	Actual RE generation under Net Metering in H1 of FY2025-26.....(F)			14.54		14.54
7	Expected RE generation under Net Metering in H2 of FY2025-26.....(G)			14.54		14.54
8	RE Generation Sub-Total (H = F + G)			29.07		29.07
9	Actual RE Power purchased from GDAM in H1 of FY2025-26 (I)				196.60	196.60
10	Expected RE Power purchased from GDAM in H2 of FY2025-26 (J)				86.00	86.00
11	Green Power Purchase Sub-Total (K = I + J)				282.60	282.60
12	Expected Wind Renewable Energy / Hydro RE /DRE / Other RE adjusted with REC purchased during H2 of Target year FY 2025-26.....(L)	39.01	32.83	27.43	476.32	575.60
13	REC Purchase Sub-Total (L)	39.01	32.83	27.43	476.32	575.60
14	Total Obligation fulfilled for FY2025-26 (MUs).....(O=H+K+L)	39.01	32.83	56.50	758.93	887.27
15	REC carried forward to FY 2026-27 (MUs).....(K = E - O)	0.00	0.00	0.00	0.00	0.00

6.30 In Addition, the Petitioner has submitted that during H1 of FY 2025-26, it procured 1.58 MU from IEX at an average rate of Rs. 5.66/kWh. For H2, it expects to procure 1.53 MU under Short-Term Open Access at a projected rate of Rs. 5.78/kWh as approved in the latest Tariff Order dated 28th March 2025.



- 6.31 The Petitioner has submitted that procurement from the open market is undertaken during outages of tied-up generating stations or when long-term sources are constrained, in order to ensure uninterrupted supply in its licence area.
- 6.32 Based on the above submissions, the Petitioner has requested the Commission to approve the total projected power purchase of 2,924.04 MU at a total cost of Rs. 1,408.73 Crore for FY 2025-26 as summarised in the below table:

Table 70: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner

Particulars	Approved in T.O dtd:28/03/2025	Petitioner
TPCL Unit 2		
Power Purchased (MU)	763.69	750.51
Rate of Power Purchased (Rs./kWh)	4.79	4.07
Power Purchase Cost (Rs. Crore)	366.11	305.40
Prior Period Adjustments (Rs. Crore)	-	-
Net Power Purchase Cost (Rs. Crore)	366.11	305.40
TPCL Unit 3		
Power Purchased (MU)	751.85	729.95
Rate of Power Purchased (Rs./kWh)	4.54	4.06
Power Purchase Cost (Rs. Crore)	341.26	296.65
Prior Period Adjustments (Rs. Crore)	-	-
Net Power Purchase Cost (Rs. Crore)	341.26	296.65
DVC 132 kV		
Power Purchased (MU)	227.63	208.92
Rate of Power Purchased (Rs./kWh)	5.81	6.60
Power Purchase Cost (Rs. Crore)	132.14	137.80
Prior Period Adjustments (Rs. Crore)	-	-
Net Power Purchase Cost (Rs. Crore)	132.14	137.80
DVC 400 kV		
Power Purchased (MU)	919.11	922.00
Rate of Power Purchased (Rs./kWh)	5.67	6.03
Power Purchase Cost (Rs. Crore)	520.70	555.83
Prior Period Adjustments (Rs. Crore)	-	-
Net Power Purchase Cost (Rs. Crore)	520.70	555.83
TSW (Captive)		
Power Purchased (MU)	25.64	26.97
Rate of Power Purchased (Rs./kWh)	4.54	4.08
Power Purchase Cost (Rs. Crore)	11.64	11.01



Particulars	Approved in T.O dtd:28/03/2025	Petitioner
Prior Period Adjustments (Rs. Crore)		
Net Power Purchase Cost (Rs. Crore)	11.64	11.01
Others/Open Market		
Power Purchased (MU)	5.45	3.10
Rate of Power Purchased (Rs./kWh)	5.78	5.70
Power Purchase Cost (Rs. Crore)	3.15	1.77
RPO Purchased (Rs. Crore)	70.62	28.19
G-TAM (F)		
Power Purchased (MU)	-	282.60
Rate of Power Purchased (Rs./kWh)		3.11
Power Purchase Cost (Rs. Crore)	-	87.94
Sale-Surplus Power		
Power Sale (MU)	177.25	124.84
Rate of Power Sale (Rs./kWh)	3.50	6.63
Revenue from Surplus Sales (Rs. Crore)	61.96	82.71
Disallowed Sales	-	
Total Power Purchase		
Power Purchased (MU)	2,870.61	2,924.05
Power Purchase Cost (Rs. Crore)	1,507.58	1,424.58
Transmission Charges	-	66.86
Net Power Purchase Cost	1,507.58	1,491.44
Rate of Power Purchased (Rs./kWh)	5.25	5.10

Commission's Analysis

- 6.33 On scrutinizing the actual rate of power purchase for H₁ period and projected for H₂ period for DVC (400kV, 132kV) for FY 2025-26. In case of both the units of TPCL, the Commission has considered approved per unit cost as respective tariff order passed in the current fiscal. The approval shall be subject to prudent check at the time of truing up.
- 6.34 The Commission approves the short term power from open market as per bill annexed in '**annexure 18**' for H₁ period and considered the same rate for H₂ period for FY 2024-25, subject to prudence check at the time of truing up.



- 6.35 With regard to TSW (Captive), the Commission approves the power procurement cost as lowest among all the generating source, subject to prudent check at the time of truing up.
- 6.36 Upon careful examination and analysis of the submitted documents regarding the Renewable Energy Certificates (RECs), the Commission has considered the estimated requirement and the projected landed cost per REC for APR purposes. However, since REC prices are market-driven and subject to variation, the approval of REC cost for H2 shall remain subject to verification of actual purchase and compliance with RPO Regulations at the time of truing up.
- 6.37 With regard to Transmission charge (PGCIL & ERLDC), the Commission approves the transmission charge after subtracting the IEX quantum of power transmission charge on pro-rata basis for FY 2025-26, subject to prudent check at the time of truing up.
- 6.38 Based on the above discussion, the Power Procurement Cost from each source as submitted by the Petitioner and as approves by the Commission for FY 2025-26, is tabulated hereunder:

Table 71: Power Procurement Cost (Rs. Cr.) as approved by the Commission for FY 2025-26

Particulars	Approved in T.O dtd:28/03/2025	Petitioner	Approved
TPCL Unit 2			
Power Purchased (MU)	763.69	750.51	750.51
Rate of Power Purchased (Rs./kWh)	4.79	4.07	4.68
Power Purchase Cost (Rs. Crore)	366.11	305.40	305.40
Prior Period Adjustments (Rs. Crore)	-	-	-
Net Power Purchase Cost (Rs. Crore)	366.11	305.40	351.26
TPCL Unit 3			
Power Purchased (MU)	751.85	729.95	729.95
Rate of Power Purchased (Rs./kWh)	4.54	4.06	4.40
Power Purchase Cost (Rs. Crore)	341.26	296.65	296.65
Prior Period Adjustments (Rs. Crore)	-	-	-
Net Power Purchase Cost (Rs. Crore)	341.26	296.65	296.65
DVC 132 kV			
Power Purchased (MU)	227.63	208.92	208.92
Rate of Power Purchased (Rs./kWh)	5.81	6.60	6.60
Power Purchase Cost (Rs. Crore)	132.14	137.80	137.80

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	Approved in T.O dtd:28/03/2025	Petitioner	Approved
Prior Period Adjustments (Rs. Crore)	-		
Net Power Purchase Cost (Rs. Crore)	132.14	137.80	137.80
DVC 400 kV			
Power Purchased (MU)	919.11	922.00	922.00
Rate of Power Purchased (Rs./kWh)	5.67	6.03	6.03
Power Purchase Cost (Rs. Crore)	520.70	555.83	555.83
Prior Period Adjustments (Rs. Crore)	-		
Net Power Purchase Cost (Rs. Crore)	520.70	555.83	555.83
TSW (Captive)			
Power Purchased (MU)	25.64	26.97	26.97
Rate of Power Purchased (Rs./kWh)	4.54	4.08	4.40
Power Purchase Cost (Rs. Crore)	11.64	11.01	11.86
Prior Period Adjustments (Rs. Crore)			
Net Power Purchase Cost (Rs. Crore)	11.64	11.01	11.86
Others/Open Market			
Power Purchased (MU)	5.45	3.10	3.10
Rate of Power Purchased (Rs./kWh)	5.78	5.70	5.70
Power Purchase Cost (Rs. Crore)	3.15	1.77	1.77
RPO Purchased (Rs. Crore)	70.62	28.19	28.19
G-TAM (F)			
Power Purchased (MU)	-	282.60	282.60
Rate of Power Purchased (Rs./kWh)		3.11	3.11
Power Purchase Cost (Rs. Crore)	-	87.94	87.94
Sale-Surplus Power			
Power Sale (MU)	177.25	124.84	124.84
Rate of Power Sale (Rs./kWh)	3.50	6.63	6.63
Revenue from Surplus Sales (Rs. Crore)	61.96	82.71	82.71



Particulars	Approved in T.O dtd:28/03/2025	Petitioner	Approved
Disallowed Sales	-		3.98
Total Power Purchase			
Power Purchased (MU)	2,870.61	2,924.05	2,920.07
Power Purchase Cost (Rs. Crore)	1,507.58	1,424.58	1,388.59
Transmission Charges	54.25	66.86	66.86
Net Power Purchase Cost	1,561.83	1,491.44	1,455.45
Rate of Power Purchased (Rs./kWh)	5.44	5.10	4.98

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

6.39 **Normative O&M Expenses:** The Petitioner has submitted that it has segregated each component of O&M Expenses and claimed the normative Employee Expenses for FY 2025-26 considering the inflation of 4.57% and expected growth factor of 2.48%.

Table 72: Normative Employee Expenses as submitted by Petitioner.

Particulars	Units	Normative Estimates Approved in T.O. 28.03.2025	Petition
Employee Cost as per normative basis for FY 2024-25	Rs. Cr.	32.24	33.38
Inflation Factor	%	5.84%	4.57%
Growth factor (G _n)	%	0%	2.48%
Normative Employee Cost for FY 2024-25	Rs. Cr.	34.24	35.77
Terminal Benefits	Rs. Cr.	0.00	0.00
Total Normative Employee Cost for FY 2024-25	Rs. Cr.	34.24	35.77

6.40 **Normative A&G Expenses:** Likewise, the Petitioner has projected the normative A&G Expenses for FY 2025-26 based on the normative A&G Expenses for FY 2025-26, and inflation factor of 4.57%.



Table 73: Normative A&G Expenses as submitted by Petitioner.

S. No	Particulars	Formula	Normative Estimates Approved in T.O Dt. 28.03.2025	A&G Expenses for FY 2025-26 (Normative)
1	Total A&G Expenses for (n-1) year	A	36.29	35.73
2	Add: Inflation factor (in %)	B	5.84%	4.57%
3	Sub-total	C=A*(1+B)	38.41	37.36
4	Add: Load Growth Factor (in %)	D	0	5.99%
5	Normative A&G Expenses	E=C*(1+D)	38.41	39.60
6	Add: CGRF Expenses	F	0.79	0.98
7	Add: Petition & other filing fees to JSERC	G	0.31	1.17
8	Normative A&G Expenses including CCGRF expenses and Petition & other filing expenses	H=E+F+G	39.51	41.75

6.41 **Normative R&M Expenses:** The Petitioner has further projected the normative R&M Expenses considering the **corrected 'k' factor as 5.66%** and the inflation factor for FY 2021-22 to FY 2025-26 as given below.

Table 74: Normative R&M Expenses as submitted by Petitioner for FY 2025-26 (Rs. Cr.)

S.No	Particulars	Formula	Normative Estimates Approved in T.O. 28.03.2025	R&M Expenses for FY 2025-26 (Normative) (in Rs. Cr.)
1	Opening GFA	A	668.20	638.94
2	K Factor as per MYT Order	B	5.08%	5.08%
3	Add: Inflation factor for FY 2020-21	C	4.14%	4.14%
4	Add: Inflation factor for FY 2021-22	D	6.93%	6.93%
5	Corrected K factor for MYT period	E=B*(1+C)*(1+D)		5.66%
6	Opening GFA*K-Factor	F=A*E		36.14
7	Add: Inflation factor for FY 2021-22	G		6.93%



S.No	Particulars	Formula	Normative Estimates Approved in T.O. 28.03.2025	R&M Expenses for FY 2025-26 (Normative) (in Rs. Cr.)
8	Add: Inflation factor for FY 2022-23	H	6.87%	6.87%
9	Add: Inflation factor for FY 2023 -24	I	3.72%	3.72%
10	Add: Inflation factor for FY 2024-25	J	3.72%	3.12%
11	Add: Inflation factor for FY 2025-26	K		4.57%
13	Normative R&M Expenses for FY 2024-25	L= F*(1+G)*(1+H)* (1+I)*(1+J)*(1+K)	43.46	46.20

6.42 Based on the above submission the summary of operation & maintenance with respect to approved value by the Commission vide its ARR order dated March 28, 2025 vis-à-vis normative amount for FY 2025-26 is given below.

Table 75: Normative O&M Expenses (Rs Cr.) as submitted by the Petitioner.

Particulars	ARR	Petition
Normative A&G Costs	38.41	39.60
Normative R&M Expenses	45.07	46.20
Normative Employee Cost	34.24	35.77
Total Normative O&M expenses (without Petition filing fee & CGRF Expenses)	117.72	121.57

Commission's Analysis

6.43 The Commission in True-up chapter of this Order has already outlined the provision of JSERC (Distribution Tariff Regulation), 2020, for approval of the operation & maintenance expenses.

6.44 **Normative Employee Expenses:** On analysis and scrutinizing the material on record, the Commission approves the normative employee expenses for FY 2025-26 by taking inflation factor as 2.13% and growth factor as 2.48%.

6.45 **Normative A&G Expenses:** Likewise, the Commission approves the normative A&G Expenses (excluding Petition Filing Fees and CGRF Expenses) for FY 2024-25, based on the normative approved value of A&G



Expenses (excluding Petition Filing Fee and CGRF Expenses) for FY 2023-24 by multiplying the inflation factor of 2.13%.

6.46 Additionally, the Commission approves the Petition Filing Fee and CGRF Expenses for FY 2024-25 at the same level as approved in True-up chapter of this order for FY 2024-25, subject to truing up based on actual.

6.47 **Normative R&M Expenses:** For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of GFA for FY 2024-25, multiplied it with the “k” factor of 5.08% as approved in the MYT Order dated November 24, 2022 and also considered Inflation factor from FY 2021-22 to FY 2025-26. The table below summarizes the Normative O&M Expenses for FY 2024-25:

Table 76: Normative O&M Expenses (Rs. Cr.) as approved by the Commission

Particulars	Approved
Normative Employee Expenses	34.94
Normative A&G Expenses (excluding filing & CGRF Expenses)	36.11
Normative R&M Expenses	40.49
Normative O&M Expenses	111.54
Petition Filing Fee	0.35
CGRF Expenses (Rent & Remuneration)	1.46
Terminal Benefit	-
Normative O&M Expenses including Filing Fee and CGRF Expenses	113.36

Capital Work in Progress (CWIP) and Gross Fixed Assets (GFA)

Petitioner’s Submission

6.48 The Petitioner has considered the Opening and Closing Capital Work in Progress (CWIP), Gross Fixed Assets (GFA) and depreciation on GFA for FY 2025-26 based on actual performance of H1 and estimated for H2 are discussed hereunder. The Petitioner submits that the table below provides details of opening CWIP, Capital Expenditure incurred during the year, Capitalisation of Assets and the opening and closing GFA based on H1 actual performance and H2 estimates

Table 77: CWIP and GFA (in Rs Cr.) as submitted by the Petitioner for FY 2024-25.

S. No.	Particulars	Approved in T.O. 28.03.2025 (in Rs. Cr.)	Apr - Sep 2025 (H1) (Actual) (in Rs. Cr.)	Oct - Mar 2026 (H2) (Projection) (in Rs. Cr.)	Revised Estimates for FY 2025-26 (in Rs. Cr.)
A	Capital Works in Progress (CWIP)				



S. No.	Particulars	Approved in T.O. 28.03.2025 (in Rs. Cr.)	Apr - Sep 2025 (H1) (Actual) (in Rs. Cr.)	Oct - Mar 2026 (H2) (Projection) (in Rs. Cr.)	Revised Estimates for FY 2025-26 (in Rs. Cr.)
1	Opening CWIP	40.00	35.76	39.46	35.76
2	Add: Capex during year	133.89	3.82	20.41	24.23
3	Total CWIP	173.89	39.58	59.87	59.99
4	Less: Trfd to GFA	140.52	0.11	44.87	44.98
5	Closing CWIP	33.37	39.46	15.01	15.01
B	Gross Fixed Assets (GFA)				
1	Opening GFA	668.20	638.94	639.05	638.94
2	Add: Trfd from CWIP excluding discarded assets	140.52	0.11	44.87	44.98
3	Closing GFA	808.72	639.05	683.91	683.91

Commission's Analysis

- 6.49 The Commission has observed that the Petitioner has estimated a decrease in capex and capitalization. In this regard the Commission had directed the Petitioner to submit the proper reason for such deviation. The Petitioner submitted that schemes were either deferred or completed at a lower cost than estimation.
- 6.50 Based on the facts and circumstance as discuss above, the Commission approves the capital expenditure and capitalization for FY 2025-26 is tabulated hereunder.

Table 78: CWIP and GFA (in Rs Cr.) as approved by the Commission.

Particulars	Petition	Approved
Capital Works in Progress (CWIP)		
Opening CWIP	35.76	55.43
Additional Capex	24.23	24.23
Less: Capitalisation	44.98	44.98
Closing CWIP	15.01	34.68
Gross Fixed Assets (GFA)		
Opening GFA	638.94	638.49
Add: Transferred from CWIP	44.98	44.98
Less: Asset Decapitalised	0.00	0.00
Closing GFA	683.91	683.47



Consumer Contribution

Petitioner's Submission

6.51 The Petitioner has adopted a similar approach as adopted in the previous Year, the consumer contribution received in H₁ and expected to be received in H₂ is added to arrive at the total consumer contribution for FY 2025-26 is given below:

Table 79: Consumer Contribution (Rs Cr.) Capitalised and Received as submitted by the Petitioner.

S. No.	Particulars	Formula	Estimates Approved in T.O. 28.03.2025 (ARR) (in Rs. Cr.)	Revised Estimates for FY 2025-26 (in Rs. Cr.)
1	Opening Consumer Contribution received	A	51.47	82.49
2	Add - Consumer contribution received during the year	B	3.71	4.38
3	Closing consumer contribution received	C=A+B	55.18	86.87
4	Opening Consumer Contribution capitalized	D		70.30
5	Add -Consumer contribution capitalized during the year	E		8.88
6	Closing consumer contribution energized / capitalized	F=D+E		79.18
7	Balance amount of consumer contribution not capitalized as on last day of year	G=D-F		7.69

Commission's Analysis

6.52 On scrutinizing and analysing the data, material, information available on record and based on the previous methodology, the Commission approves the Consumer Contribution received during FY 2025-26 as Rs 4.38 Cr. Furthermore, the Commission has taken the same for calculation of Depreciation, Loan Addition and Equity Addition calculations as per the methodology adopted in the previous orders, subjected to prudent check at the time of truing-up.

Table 80: Consumer Contribution (Rs Cr.) as approved by the Commission

Particulars	Petition	Approved
CC Received during the Year	4.38	4.38

Depreciation

Petitioner's Submission



- 6.53 The Petitioner has computed depreciation year on year on average Gross Fixed Asset base of the Licensee for the control period. Accordingly, the Petitioner has considered an average depreciation rate of 3.21% (which is average depreciation rate for FY 2024-25) to arrive at the year-on-year depreciation.
- 6.54 Furthermore, the Petitioner has submitted that it is entitled to avail the depreciation on assets which have been Commissioned from its own resources. It is therefore necessary to remove depreciation on assets funded by consumers. Accordingly, the Petitioner has subtracted the depreciation against consumer contribution from the total depreciation on the asset base to arrive at the net depreciation to be claimed in the ARR. Hence, the Petitioner projected the net depreciation to be charged for FY 2024-25 after subtracting the depreciation on assets created on account of consumer contribution to be Rs 18.77 Cr.
- 6.55 Based on the above submission, the Petitioner prayed to approve the net Depreciation for the purpose of APR subject to final true-up as tabulated hereunder.

Table 81: Depreciation (Rs Cr.) on assets created out of CC as submitted by the Petitioner.

S. No	Particulars	Formula	Estimates Approved in T.O 28.03.2025 (in Rs. Cr.)	Revised Estimates for FY 2025-25 (in Rs. Cr.)
1	Average GFA	A	738.46	661.43
2	Gross Depreciation for the year	$B=C*A$	23.7	21.23
3	Average Gross Depreciation Rate	C	3.21%	3.21%
4	Consumer Contribution towards closing GFA	D	0	79.18
5	Closing Gross GFA	E	808.72	683.91
6	Depreciation on account of Consumer Contribution	$F=D/E*B$	2.71	2.46
7	Net Depreciation	$G=B-F$	20.99	18.77

Commission's Analysis

- 6.56 The Commission in true-up chapter of this order had already outlined the JSERC (Distribution Tariff Regulation) 2020 for the approval of depreciation.
- 6.57 The Commission has observed that the depreciation on assets created out of Consumer Contribution (CC) is calculated in proportion to gross depreciation and in the ratio of closing CC capitalized out of total Closing GFA for FY 2025-26.



- 6.58 The Commission has considered the average value of GFA and CC instead of closing values of GFA and CC as considered by the Petitioner. Furthermore, the depreciation rate has been considered at the same rate of Depreciation rate as approved in the true-up for FY 2024-25.
- 6.59 Based on the above excerpt, the Net Depreciation approves by the Commission as Rs 18.50 Cr. for FY 2025-26 as summarizes in table hereunder.

Table 82: Depreciation (Rs Cr.) as approved by the Commission

Particulars	Approved
Average GFA (A)	660.98
Average Consumer Contribution Received(B)	84.68
Average Gross Depreciation Rate	3.21%
Gross Depreciation (C)	21.21
Depreciation on Consumer Contribution (D=C/A*B)	2.72
Net Depreciation (E=C-D)	18.50

Interest on Loan

Petitioner's Submission

- 6.60 The Petitioner has submitted that it has adopted the same methodology as approved in the previous Orders by the Commission for computing Interest on Loan. Furthermore, the normative loan is estimated based on actual capitalization and consumer contribution received during H₁ and projected for H₂.

Table 83: Normative Loan & Normative Equity (Rs. Cr.) added during the Year

Particulars	Petition
Assets added during the Year	44.98
Less: Capitalized from Consumer Contribution	4.38
Normative Amount Added during the Year	40.60
Equity Addition during the Financial Year @ 30%	28.42
Debt Addition during the Financial Year @ 70%	12.18

- 6.61 In accordance with the **clause 10.23** of JSERC (Distribution Tariff Regulation) 2020, the repayment of loan for FY 2025-26 has been considered equal to net Depreciation as calculated above.
- 6.62 In accordance with **Clause 10.26** of the JSERC (Distribution Tariff Regulations), 2020, the interest on normative loan for the year has been considered as Marginal Cost of Lending Rate of SBI prevailing as on 01st April 2025 plus 200 basis points i.e., 11.00%. Accordingly, the normative interest comes to Rs. 0.89 Cr. The table below provides calculation of Interest on Normative Loan for FY 2025-26.



6.63 Based on above submission the summarizes interest on normative loan is computed hereunder for FY 2025-26.

Table 84: Interest on Normative Loan (Rs. Cr.) as submitted by the Petitioner

S. No	Particulars	Formula	Approved in T.O. 28.03.2025 (ARR)	Claimed
1	Opening balance of loan	A	21.12	3.23
2	Addition during the year	B	96.96	28.42
3	Less: Deemed Repayments	C	20.99	18.77
4	Closing loan balance	D=(A+B-C)	97.10	12.88
5	Average loan balance	D=(A+C)/2	59.11	8.05
6	Interest rate	E	10.65%	11.00%
7	Interest on Loan	F=D*E	6.30	0.89

Commission's Analysis

6.64 The Commission in True-up chapter of this order has already outlined the provision of JSERC (Distribution Tariff Regulation), 2020 for the approval of interest on loan.

6.65 The Commission has considered the opening value of normative loan for FY 2025-26 equal to the closing value of normative loan for FY 2024-25.

6.66 In accordance with **clause 10.16** and **clause 10.17**, as mentioned in true-up chapter of this order, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.

6.67 In accordance with **clause 10.23** as mentioned above, the Commission approves the debt repayment equal to net depreciation for the same financial year.

6.68 In accordance with **clause 10.26 (proviso)** as mention above, the Commission approves the interest rate as 11.00% (Base rate of SBI as applicable on April 01, 2025 plus 200 basis points).

6.69 The table below shows the normative loan and normative equity added during the FY 2025-26 as methodology discussed above. The Normative loan & equity is estimated based on estimated consumer contribution received during the year i.e. for FY 2025-26.

Table 85: Normative Loan and Normative Equity (in Rs Cr.) added during FY 2025-26

Particulars	Approved
Assets added during the Year	44.98
Less: Consumer Contribution Received for FY	4.38
Normative Amount Added during the Year	40.60
Equity Addition during the Financial Year @ 30%	12.18



Particulars	Approved
Debt Addition during the Financial Year @ 70%	28.42

6.70 The below table summarises the Interest on normative loan as submitted by the Petitioner and as approved by the Commission for FY 2025-26:

Table 86: Interest on normative Loan (in Rs Cr.) as approved by the Commission

Particulars	Approved in T.O. 28.03.2025 (ARR)	Petition	Approved
Normative Opening Loan	21.12	3.23	3.59
Add: Deemed Addition during the FY	96.96	28.42	28.42
Less: Deemed Repayment	20.99	18.69	18.50
Normative Closing Loan	97.10	12.96	13.51
Average Loan	59.11	8.09	8.55
Interest Rate	10.65%	11.00%	11.00%
Interest on Loan	6.30	0.89	0.94

Interest on Security Deposits

Petitioner's Submission

6.71 The Petitioner has furnished the details of Interest on Consumers' Security Deposit (CSD) for the first six months actual and next six month estimated for FY 2025-26.

6.72 It is estimated that the average security deposit amount as on year-end of FY 2024-25 will be Rs. 55.56 Cr. and the corresponding interest on security deposit will be Rs. 6.25 Cr.

Table 87: Interest on CSD (Rs Cr.) as submitted by the Petitioner

Sr. No.	Particulars	Formula	Estimates Approved in T.O. 28.03.2025	Revised Estimates for FY 2025-26
1	Opening Security Deposit	A	51.47	55.56
2	Security Deposit expected	B	3.71	9.12
3	Closing Security Deposit	C=A+B	55.18	64.68
4	Average Security Deposit	$D=(A+C)/2$	53.33	60.12
5	Rate of Interest: SBI Base Rate	E	10.25%	10.40%
6	Interest on Security Deposit	F=D*E	5.47	6.25

Commission's Analysis



6.73 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulation 2020 for approval of interest on consumer security deposit as reproduced below.

“Interest on Consumer Security Deposits

6.49 **Interest paid** on consumer security deposits shall be as specified by the Commission in ‘Jharkhand (Electricity Supply Code) Regulations, 2015’ and as amended or replaced from time to time.”

6.74 On scrutinizing and analysing the submission available on record for FY 2025-26, the Commission has observed that interest on consumer security deposit tuned to Rs 6.25 Cr., while calculating the interest on security deposit at a rate specified (10.40% interest payable at SBI Base Rate as on April 01 of the Financial Year) in the provision of JSERC Electricity Supply code regulation 2015 it would be Rs 6.25 Cr. Accordingly, the Commission approves the interest on consumer security deposit tuned to Rs 6.25 Cr.:

Table 88: Interest on CSD (Rs. Cr.) as approved by the Commission

Particulars	Estimates Approved in T.O. 28.03.2025	Petition	Approved
Opening Consumer Security Deposit	51.47	55.56	55.55
Consumer Security Deposit Addition	3.71	9.12	9.12
Closing Consumer Security Deposit	55.18	64.68	64.67
Average Security Deposit	53.33	60.12	60.11
Interest Rate	10.25%	10.40%	10.40%
Interest on Consumer Security Deposit	5.47	6.25	6.25

Return on Equity

Petitioner’s Submission

6.75 The deemed addition to the equity has been considered @30% of total GFA addition after reducing asset addition from CC amount capitalized during the year.

6.76 The Petitioner has considered the opening balance of normative equity for FY 2025-26 as per the closing balance for the FY 2024-25.

6.77 Further, the Petitioner has submitted that the rate of Return on Equity (RoE) has considered as 14.50% as per **clause 10.19** of JSERC Distribution Tariff Regulations, 2020. It was also submitting that the Return on Equity has been grossed with the applicable income tax rate for FY 2025-26, which stands at 25.17% as shown below:



Table 89: Return on Equity (Rs Cr.) as submitted by the Petitioner

S. No	Particulars	Formula	Estimates Approved in T.O 28.03.2025 (ARR) (in Rs. Cr.)	Revised Estimates for FY 2025-26 (in Rs. Cr.)
1	Opening Balance of Normative Equity	A	175.81	167.73
2	Add: Deemed Additions during the FY 2025-26	B	41.56	12.18
3	Closing Balance of Normative Equity	C=A+B	217.37	179.91
4	Average Balance of Normative Equity	D=(A+C)/2	196.59	173.82
5	Rate of Return on Equity	E	14.50%	14.50%
6	Normative ROE Amount	F=D*E	28.51	25.20
7	Income Tax Rate	G	25.17%	25.17%
8	Normative ROE Amount with Income tax	H=F/(1-G)	38.09	33.68

Commission's Analysis

- 6.78 On consideration of the Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2025-26 as the Closing Equity base approved for FY 2024-25. Furthermore, the Commission has considered the normative Equity addition during the financial year as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 6.79 In accordance with **clause 10.19** of Distribution Tariff Regulation 2020 the Commission has allowed a rate of return of 14.50% on equity.
- 6.80 The Commission approves the income tax amount for FY 2025-26 is Rs. 8.48 Cr., being 25.17% of Rs. 33.68 Cr. of total Return on Equity including income tax.
- 6.81 Based on above discussion, the Commission approves the Return on Equity along with Income Tax for FY 2025-26 is tabulated hereunder.

Table 90: Return on Equity (Rs Cr.) as approved by the Commission

Particulars	Estimates Approved in T.O 28.03.2025	Petition	Approved
Opening Equity (Normative)	175.81	167.73	167.73
Equity Addition	41.56	12.18	12.18
Closing Equity (Normative)	217.37	179.91	179.91
Average Equity	196.59	173.82	173.82
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	28.51	25.20	25.20



Particulars	Estimates Approved in T.O 28.03.2025	Petition	Approved
Income Tax Rate	25.17%	25.17%	25.17%
Income Tax	-	8.48	8.48
Return on Equity including Income Tax	38.09	33.68	33.68

Interest on Working Capital

Petitioner's Submission

6.82 The Petitioner has submitted the Wheeling & Retail ARR has been computed as per allocation ratios in accordance with JSERC Distribution Tariff Regulations, 2020. The detailed computation of Interest on Working Capital for the wheeling as well as retail supply business is shown in the table below:

Table 91: Interest on Working Capital (Rs Cr.) as submitted by the Petitioner

Particulars	Formula	Approved in T.O. 28.03.2025	Total Normative Claim	Wheeling	Retail
Receivables (2 months)	A	293.8	270.88	27.09	243.80
Maintenance Spares (1% of Opening GFA)	B	6.68	6.39	0.64	5.74
Less: Security Deposit	C	53.33	60.12	0.00	60.12
Less: Power Purchase Cost (1 month)	D	130.15	124.29	0.00	124.29
Total Working Capital	E=A+B+C+D	117	92.87	27.73	65.14
Rate of Interest (SBI 1 yr MCLR plus 350 b.p) (in %)	F	12.15%	12.50%	12.50%	12.50%
Interest on Working Capital	G=F*E	14.22	11.61	3.47	8.14

Commission's Analysis

6.83 The Commission has outlined **clause 10.30 to clause 10.32** of JSERC Distribution Tariff Regulation 2020, for approval of Interest on Working Capital (IoWC) is reproduced below:

“10.30 Working capital for the Wheeling Business for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA of Wheeling Business; plus

b) Two months equivalent of the expected revenue from wheeling charges at the prevailing tariffs; minus



c) Amount, if any, held as security deposits.

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus

b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus

c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus

d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.

10.32 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which true up exercise has been undertaken.”

6.84 Based on the above excerpt, the Commission approves the Interest on working capital for FY 2025-26 on normative basis is computed hereunder:

Table 92: Interest on Working Capital (in Rs. Cr.) as approved by the Commission

Particulars	Wheeling Normative Approved	Retail Normative Approved	Total normative Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	0.64	5.75	6.38
Revenue from Wheeling and Retail Supply Charges-2 month	21.80	249.09	270.88
Less: Power Purchase Cost for One Month Retail Business		121.29	121.29
Less: Average Security Deposit		60.11	60.11
Total Working Capital Requirement	22.43	73.43	95.87
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.50%	12.50%	12.50%
Total Interest on Working capital	2.80	9.18	11.98

Non-Tariff Income



Petitioner's Submission

6.85 The Petitioner has considered non-Tariff income of Rs. 2.92 Cr. as approved by the Hon'ble Commission vide its Order dated 28th March 2025 for Non-Tariff Income for FY 2025-26. For the purpose of revised estimates of ARR for FY 2025-26, the Petitioner has considered non-tariff income at the same level:

Table 93: Non-Tariff Income (Rs Cr.) as submitted by the Petitioner

Particulars	Estimates Approved in T.O 28.03.2025	Petition
Non-Tariff Income	2.92	2.92

Commission's Analysis

6.86 On scrutinizing and analysing the data, material, information available on record, the Commission provisionally approves the NTI as Rs 2.92 Cr. for FY 2025-26, subjected to truing up on the actual basis.

Table 94: Non-Tariff Income (Rs Cr.) as approved by the Commission

Particulars	Estimates Approved in T.O 28.03.2025	Petition	Approved
Non-Tariff Income	2.92	2.92	2.92

Revenue from sale of power

Petitioner's Submission

6.87 The Petitioner has submitted that the Revenue from Sale of Power for H₁ is taken as per actual and that for H₂ has been computed based on growth in load, consumers and energy sales during the H₂ period for FY 2025-26.

6.88 The Petitioner has further submitted that the Revenue from sale of Power in H₂ during Oct 2025 and March 2026 is considered on the basis of prevailing tariff for FY 2025-26.

6.89 Based on the above submission, the Petitioner has submitted the revenue from sale of power for FY 2025-26 as shown in the table below.

Table 95: Revenue (Rs Cr.) as submitted by the Petitioner

Particulars	Petition
Revenue from sale of Power	1,625.30

Commission's Analysis

6.90 On scrutinizing and analysis information available on record, the Commission approves the Revenue from Sale of Power equal to the Petitioner Projection, subject to prudent check at the time of true-up on actuals basis.



Table 96: Revenue (Rs Cr.) as approved by the Commission

Particulars	Petition	Approved
Revenue from sale of Power	1,625.30	1,625.30

Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

6.91 The Petitioner has estimated a Revenue surplus of Rs. (24.58) Cr. for FY 2025-26 based on actual for H₁ period and projected for H₂ period.

Commission's Analysis

6.92 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2025-26 which is summarized hereunder.

Table 97: Summary of ARR (Rs Cr.) as approved by the Commission for FY 2025-26

Particulars	MYT	Petition	Approved
Net Power Purchase Cost	1,561.84	1,408.73	1,372.74
Power Purchase Cost	-	1,491.44	1,455.45
Less: Sale of Surplus power	1,561.84	82.71	82.71
O&M Expenses after sharing of Gain/loss	118.82	123.72	113.36
Interest on Loan	6.30	0.89	0.94
Interest on Working Capital	14.22	11.61	11.98
Financing Cost of DPS FY 2020-21		-	-
Interest on Security Deposit	5.47	6.25	6.25
Depreciation	20.99	18.77	18.50
Return on Equity	38.09	33.68	33.68
Gross Aggregate Revenue Requirement	1,765.71	1,603.65	1,557.45
Less: Non-Tariff Income	2.92	2.92	2.92
Aggregate Revenue Requirement	1,762.79	1,600.73	1,554.53
Revenue from sale of Power @ Existing Tariff	1,838.74	1,625.30	1,625.30
Net Revenue Gap/(Surplus)	(75.95)	(24.57)	(70.77)

6.93 The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in **Chapter 8** of this Order.

6.94 The Commission also approves the summarised ARR for wheeling and Retail Business for FY 2025-26.



Table 98: Summary of ARR (Rs Cr.) as approved by the Commission

Particulars	Wheeling %	Retail %	Wheeling ARR (Rs. Cr.)	Retail ARR (Rs. Cr.)	Total Audited / Normative Claim (Rs. Cr.)
Power Purchase Cost	0%	100%	-	1,372.74	1,372.74
Net O&M Expenses			76.37	36.99	113.36
Employee Expenses	60%	40%	20.96	13.98	34.94
A&G Expenses	50%	50%	18.06	18.06	36.11
R&M Expenses	90%	10%	36.44	4.05	40.49
Petition Filing Charges & CGRF Expenses	50%	50%	0.91	0.91	1.82
Less: Sharing of Gain				-	
Interest on Loan	90%	10%	0.85	0.09	0.94
Interest on Working Capital	10%	90%	1.20	10.78	11.98
Financing Cost of DPS FY	10%	90%	-	-	-
Interest on Security Deposit	0%	100%	-	6.25	6.25
Depreciation	90%	10%	16.65	1.85	18.50
Return on Equity	90%	10%	30.31	3.37	33.68
Gross Aggregate Revenue Requirement			125.37	1,432.07	1,557.45
Less: Non-Tariff Income	10%	90%	0.29	2.63	2.92
Aggregate Revenue Requirement	8.19%	91.81%	125.08	1,429.45	1,554.53
Less: Revenue from sale of Power @ Existing Tariff	8.19%	91.81%	130.77	1,494.53	1,625.30
Net Gap/ (Surplus)			(5.69)	(65.08)	(70.77)

Chapter 7: APPROVAL OF BUSINESS PLAN FOR FY 2026-27 TO FY 2030-31.

- 7.1 The Petitioner is required to file the Business Plan for approval before the Commission as per Clause 6.9, Clause 6.10 and Clause 6.11 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. The relevant Clauses are reproduced below:

"Business Plan

Each Licensee shall file for the Commission's approval a Business Plan approved by an authorized signatory, as per the timelines specified in Section A 24 of these Regulations.

The Business Plan shall be filed separately for the Retail Supply and Wheeling Business. As specified in Clause 6.7 of these Regulations, in the absence of segregated accounts for the two Businesses, the Licensee shall prepare an allocation statement and submit the same with the Business Plan.

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

Capital Investment Plan for the entire Control Period commensurate with load growth, distribution loss reduction trajectory and quality improvement measures proposed in the Business Plan. The Capital Investment Plan should also include corresponding capitalisation schedule and financing plan;

The Distribution Licensee shall also submit scheme-wise capital structure and cost of financing (interest on debt) and return on equity, Grant, Deposit Works along with terms of the existing loan agreements, etc., as a part of Capital Investment Plan;

Sales/Demand Forecast for each consumer category and sub-categories for each year of the Control Period;

Power Procurement Plan based on the sales forecast and distribution loss trajectory for each year of the Control Period. The Power Procurement Plan shall also include energy efficiency, RPO fulfilment, and demand side management measures;

A set of targets proposed for other controllable items such as distribution losses, billing efficiency, collection efficiency, working capital requirement, quality of supply targets (viz., SAIFI, SAIDI and MAIFI as per the JSERC (Distribution Licensees' Standards of Performance) Regulations, 2015, and subsequent amendments), etc. The targets shall be consistent with the capital investment plan proposed by the Licensee;

Human Resource Plan with manpower planning including details of the estimated year wise manpower addition and retirements for the Control Period to meet the growth in demand/consumers;

Proposals for Non-Tariff Income with item-wise description and details;

Proposals in respect of income from Other Business.

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, distribution loss trajectory, quality improvement measures undertaken, category-wise number of consumers, connected load and sales, source-wise power procurement quantum and cost, Employee, R&M 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 Licensee, such information is required to be submitted for the period of operations up to the start of the Control Period."

- 7.2 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 on December 01, 2020.
- 7.3 The Petitioner further added that the Business Plan submitted before the Commission is broadly classified into four heads as mentioned below and requested the Commission to duly consider the same while approving the Business Plan for the Control Period from FY 2026-27 to FY 2030-31:
- a) Demand and Sales Forecast;
 - b) Power Purchase Plan;
 - c) Capital Investment Plan;
 - d) Human Resource Plan.
- 7.4 The Commission has approved the Business Plan for the Control Period from from FY 2026-27 to FY 2030-31, in line with the relevant Regulations specified above.
- 7.5 The component-wise description of the Petitioner's submission and the Commission's analysis thereof is provided here under.

Demand and Sales Forecast

Petitioner's Submission

- 7.6 The Petitioner submitted that Demand and Sales Forecast is one of the key element of power distribution licensee Business Plan. In this Business Plan demand estimation has been done for each category of consumers separately and then it has been added to arrive at the total demand/sales.
- 7.7 The Petitioners has projected category wise additions in the number of consumers for each year of the control period. Primarily following two approaches to project consumer additions in each category:
- a) Average (5 year moving average) addition in the number of consumers for each year of the Control Period
 - b) Addition in number of consumers done based on consumer specific information available to Petitioner about the upcoming network expansion.
 - c) Network extension and constraints

- 7.8 For projection of the connected load for each consumer category, the Petitioner has derived the connected load (KVA) per consumer (Load Multiplier) based on the last 5-year data i.e. FY 2021-22 to FY 2025-26 then multiplied by the no. of consumer projected to arrive at the Connected load projection for each consumer category.
- 7.9 For projection of the Sales for each consumer category, the Petitioner has derived the average load factor of the previous 5 years i.e. FY 2021-22 to FY 2025-26 then multiplied with the projected contracted load and added with the previous year sales (MU) to reach to the projected sales figure for the Control Period.
- 7.10 The Petitioner further submitted that it has also considered increase in Energy consumption in the Domestic Urban and Commercial service urban category due to Electric Vehicles, and subsequent increase in Electricity demand.
- 7.11 The no. of consumer, connected load and Sales as projected by the Petitioner for the Control Period is as follows:

Table 99: Number of Consumers as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31

Particulars	Base Year FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	CAGR
Domestic	42,197	43,512	44,867	46,265	47,706	49,192	3.12%
Domestic - DSHT	146	149	152	155	158	161	1.98%
Commercial	11,342	11,591	11,845	12,105	12,371	12,642	2.19%
LTIS	3	3	4	5	5	6	
HT IS	176	181	186	191	196	201	2.73%
HT4	1	1	1	1	1	1	
Utilities/Street Light	408	414	419	425	431	437	1.40%
Temporary Supply	250	250	258	265	273	281	
Other License - Tata Steel UISL	1	1	1	1	1	1	
MESRTODL	1	1	1	1	1	1	
Sale thru IEX - Power market							
Total	54,525	56,102	57,734	59,414	61,143	62,924	

Table 100: Connected Load as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31

Particulars	Base Year FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Average
Domestic	2,69,138.47	2,75,711.41	2,82,489.11	2,89,477.97	2,96,684.55	3,04,115.65	5.00
Domestic - DSHT	61,945.84	63,173.03	64,424.48	65,700.69	67,002.13	68,329.31	425.03
Commercial	93,672.29	95,614.44	97,599.19	99,627.48	1,01,700.27	1,03,818.53	7.81
LTIS	275.00	275.00	375.27	475.53	475.53	575.80	100.27
HT IS	3,55,838.14	3,57,642.53	3,59,496.25	3,61,400.66	3,63,357.12	3,65,367.08	375.00
HT4	80,000.00	80,000.00	90,000.00	90,000.00	90,000.00	90,000.00	80,000.00
Utilities/Street Light	1,943.53	1,970.50	1,997.84	2,025.57	2,053.68	2,082.18	4.74

Particulars	Base Year FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Average
Temporary Supply	4,623.55	4,623.55	4,703.38	4,785.61	4,870.30	4,957.53	10.64
Other License - Tata Steel UISL	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	73,600.00
MESRTODL	299.88	299.88	299.88	299.95	299.95	299.95	299.95
Sale thru IEX - Power market	-	-	-	-	-	-	-
Total	9,55,736.70	9,67,310.33	9,89,385.41	10,01,793.45	10,14,443.54	10,27,546.03	17.53

Table 101: Sales as submitted by the Petitioner for The Control Period FY 2026-27 to FY 2030-31

Particulars	Base Year FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Average Load Factor
Domestic	193.38	198.51	203.79	209.24	214.86	220.66	10.47%
Domestic - DSHT	72.74	74.20	75.94	77.71	79.52	81.36	16.02%
Commercial	89.66	91.55	93.48	95.45	97.47	99.53	13.07%
LTIS	0.44	0.44	0.64	0.84	0.84	1.04	27.13%
Total HT IS	1,659.19	1,729.02	1,679.13	1,689.51	1,700.17	1,711.13	62.85%
HT 4	188.93	153.00	326.00	193.00	124.00	232.00	
Utilities/Street Light	6.50	6.60	6.69	6.79	6.89	6.99	47.02%
Temporary Supply	3.35	3.35	3.45	3.55	3.66	3.77	16.98%
MESRTODL	0.77	0.77	0.77	0.77	0.77	0.77	31.83%
Total Sale to Consumers	2,214.95	2,257.43	2,389.89	2,276.87	2,228.19	2,357.26	225.38%
Sale to Other Licensee - TSUISL	492.44	500.00	500.00	500.00	500.00	500.00	76.17%
Total		2,757.43	2,889.89	2,776.87	2,728.19	2,857.26	
Sale of Surplus balance power in Exchange @400kV	124.84	125.00	125.00	125.00	125.00	125.00	0.00%
Sale of Surplus balance power in Exchange @132kV		105.12	105.12	105.12	105.12	105.12	
Total	2,832.23	2,987.55	3,120.01	3,006.99	2,958.31	3,087.38	

Commission's Analysis

7.12 In order to project number of consumers, connected load and sales for the Control Period from FY 2026-27 to FY 2030-31, the Commission has considered it appropriate to consider last five years' data from FY 2021-22 to FY 2025-26. Based on the actual last five years' data, the Commission has analyzed category wise 5 Years CAGR, 4 Years CAGR, 3 Years CAGR, 2 Years CAGR and Year-on-Year growth rate and compared the same with the growth rates considered by the Petitioners for projections.

7.13 The growth rate considered by the Petitioner for the upcoming Control Period for the no of consumers in different category is summarised

below and followed by the Commission's approach in subsequent table:

Table 102: CAGR for different consumer categories as submitted by the Petitioner

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	3.12%	2.33%	1.55%	0.77%
Domestic - DSHT	1.98%	1.48%	0.98%	0.49%
Commercial	2.19%	1.64%	1.09%	0.54%
LTIS	18.92%	10.67%	4.66%	4.66%
HT IS	2.73%	2.04%	1.36%	0.68%
HT4				
Utilities/Street Light	1.40%	1.04%	0.70%	0.35%
Temporary Supply	3.00%	2.24%	1.49%	0.74%
Other License - Tata Steel UISL	0.00%	0.00%	0.00%	0.00%
MESRTODL	0.00%	0.00%	0.00%	0.00%

7.14 Table for CAGR, 4 Years CAGR, 3 Years CAGR, 2 Years CAGR and Year-on-Year growth rate as computed by the Commission for the past control period is as follows:

Table 103: CAGR for different consumer categories computed by the Commission

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	3.12%	2.79%	1.54%	1.00%
Domestic - DSHT	1.98%	1.60%	1.05%	0.87%
Commercial	2.19%	1.95%	1.41%	0.80%
LTIS	31.61%	31.61%	31.61%	0.00%
HT IS	2.88%	1.77%	1.31%	0.72%
HT4				
Utilities/Street Light	1.40%	0.88%	0.43%	0.06%
Temporary Supply	27.37%	29.10%	27.37%	-2.00%
Other License - Tata Steel UISL	0.00%	0.00%	0.00%	0.00%
MESRTODL	0.00%	0.00%	0.00%	0.00%

7.15 Approach adopted by the Commission, for projection of number of consumers of different categories is as follows:

Table 104: Approach for Projection of No. of Consumers for Control Period

Categories	Approach for Projection of No. of Consumers
Domestic	The Commission has analysed category-wise 5-Year CAGR, 4-Year CAGR, 3-Year CAGR, 2-Year CAGR and Year-on-Year growth rate and compared the same with the growth rates considered by the Petitioner for projections. As the consumer count projected by the Petitioner for the Control Period is lower than or in line with the growth trend computed by the Commission, the Commission approves the projection submitted by the Petitioner.



Categories	Approach for Projection of No. of Consumers
Domestic – DSHT	The Commission has analysed category-wise 5-Year CAGR, 4-Year CAGR, 3-Year CAGR, 2-Year CAGR and Year-on-Year growth rate and compared the same with the growth rates considered by the Petitioner. Since the projected consumer count is conservative relative to historical growth trends, the Commission finds the projection reasonable and approves the same.
Commercial	The Commission has examined historical growth trends through multi-year CAGR analysis and Year-on-Year variation and compared them with the projections submitted. As the projected consumer base is consistent with historical growth and does not exceed trend levels, the Commission approves the same.
LTIS	The Commission has analysed historical growth patterns using 5-Year, 4-Year, 3-Year, 2-Year CAGR and Year-on-Year growth rate. The projected number of consumers is found to be reasonable and aligned with past trends; hence, the Commission approves the projection.
HT IS	The Commission has reviewed the historical growth trajectory of consumers under the HT IS category and compared it with the projections submitted. Given the projected trend are on the higher side as computed based on past years, the Commission approves the projected consumer count as per CAGR computed by the Commission.
HT4	The Commission has analysed multi-year CAGR and Year-on-Year growth for the HT4 category and compared the same with the Petitioner's projections. As the projected figures are within reasonable limits of historical growth trends, the Commission approves the same.
Utilities / Street Light	The Commission has examined the historical growth pattern of Utilities / Street Light consumers and compared it with projected growth. The projected figures are slightly on the higher side as claimed by the Petitioner. Accordingly, the Commission approves the multi-year CAGR and Year-on-Year as computed by the Commission.
Temporary Supply	The Commission has analysed historical fluctuations and growth trends for Temporary Supply connections. The projected figures are slightly on the higher side as claimed by the Petitioner. Accordingly, the Commission approves the multi-year CAGR and Year-on-Year as computed by the Commission.
Other License – Tata Steel UISL	The Commission notes that the consumer base under this category remains stable and governed by contractual arrangement. As the projection reflects continuation of the existing arrangement without abnormal variation, the Commission approves the same.
MESRTODL	The Commission has examined historical data and observed that the consumer base under this category remains constant. The projected figure is consistent with past approvals and is therefore approved.

7.16 The growth rate considered by the Petitioner for the upcoming Control Period for connected load in different categories is summarised below and followed by the Commission's approach in subsequent table:

Table 105: CAGR for connected load in different consumer categories considered by the Petitioner

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	2.48%	1.86%	1.24%	0.62%
Domestic - DSHT	1.98%	1.48%	0.99%	0.49%



Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Commercial	2.08%	1.56%	1.04%	0.52%
LTIS	20.29%	11.30%	4.90%	4.90%
HT IS	0.54%	0.41%	0.27%	0.14%
HT4				
Utilities/Street Light	1.39%	1.04%	0.69%	0.35%
Temporary Supply	1.76%	1.32%	0.89%	0.44%
Other License - Tata Steel UISL	0.00%	0.00%	0.00%	0.00%
MESRTODL	0.01%	0.01%	0.00%	0.00%

7.17 Table for CAGR, 4 Years CAGR, 3 Years CAGR, 2 Years CAGR and Year-on-Year growth rate as computed by the Commission for the past control period is as follows:

Table 106: CAGR for connected load in different consumer categories computed by the Commission

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	3.50%	3.11%	1.74%	1.24%
Domestic - DSHT	1.85%	1.86%	0.65%	0.94%
Commercial	5.44%	4.53%	2.66%	1.16%
LTIS	26.91%	26.91%	26.91%	0.00%
HT IS	1.14%	0.67%	0.93%	1.07%
HT4				
Utilities/Street Light	1.31%	1.12%	1.00%	0.06%
Temporary Supply	150.19%	54.43%	36.83%	12.72%
Other License - Tata Steel UISL	5.89%	5.89%	5.89%	5.89%
MESRTODL	-0.01%	-0.01%	-0.01%	0.00%

7.18 Approach adopted by the Commission, for projection of connected load in different categories of consumers, is as follows:

Table 107: Approach for Projection for Connected Load

Category	Approach Adopted by the Commission for Projection of Connected Load
Domestic	The Commission has analysed historical growth trends in connected load using 5-Year, 4-Year, 3-Year, 2-Year CAGR and Year-on-Year growth rates and compared the same with the growth rates considered by the Petitioner. As the projections for certain years were found to be conservative and within historical trends, the Commission approves the Petitioner's projections for those years.
Domestic - DSHT	The Commission has examined the historical CAGR trends and compared them with the projected growth submitted by the Petitioner. For years where the projected growth was found to deviate downward from reasonable historical trends, the Commission has adopted the growth rate computed by it. For the remaining years, the Petitioner's projections are approved.
Commercial	The Commission has analysed historical CAGR trends across multiple periods and compared them with the Petitioner's projected growth rates. Since the projected growth in certain years was aligned with the historical trend, the same is approved.



Category	Approach Adopted by the Commission for Projection of Connected Load
	Where projections appeared understated relative to historical performance, the Commission has adopted its own computed growth rate.
LTIS	The Commission has observed significant variation in historical growth trends in connected load under LTIS category. After comparing the multi-year CAGR analysis with the Petitioner's projections, the Commission has adopted its own computed growth rate in years where the Petitioner's projection deviated materially from historical growth, while approving the Petitioner's projections for the remaining years.
HT IS	The Commission has analysed the historical growth trajectory and compared it with projected figures. In years where the projected growth was consistent with past trends, the Commission approves the Petitioner's claim. For years showing abnormal deviation, the Commission adopts the growth rate derived from its own analysis.
HT4	The Commission notes that the connected load under HT4 category has remained stable historically. Since the projections reflect continuation of the existing trend without material deviation, the Commission approves the projections submitted.
Utilities / Street Light	The Commission has examined historical CAGR and Year-on-Year variation. For years where the projected growth rate was found inconsistent with the historical trajectory, the Commission adopts its own computed growth rate. For other years, the Petitioner's projections are approved.
Temporary Supply	The Commission observes high volatility in historical growth rates for Temporary Supply category. Accordingly, the Commission has adopted a cautious approach. Where the Petitioner's projected growth is found excessive or negative beyond reasonable variation, the Commission has considered its own derived rate based on historical trends.
Other License – Tata Steel UISL	The Commission notes that the connected load under this category is governed by contractual arrangements and remains largely stable. Accordingly, the projections submitted by the Petitioner are approved except in years where abnormal deviation from trend is observed.
MESRTODL	The Commission has reviewed historical growth data and compared it with the Petitioner's projections. Since the variation is marginal and within acceptable limits, the Commission approves the projected connected load.

7.19 The growth rate considered by the Petitioner for the upcoming Control Period for Sales (in MUs) under different consumer categories is summarised below and followed by the Commission's approach in subsequent table:

Table 108: CAGR for Sales in MUs under different consumer categories considered by the Petitioner

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	2.68%	2.01%	1.34%	0.67%
Domestic - DSHT	2.33%	1.74%	1.15%	0.57%
Commercial	2.11%	1.58%	1.05%	0.52%
LTIS	24.33%	13.05%	5.53%	5.53%
Total HT IS	-0.26%	0.47%	0.32%	0.16%
HT 4	10.97%	-8.15%	4.71%	16.95%
Utilities/Street Light	1.45%	1.08%	0.72%	0.36%
Temporary Supply	3.02%	2.25%	1.50%	0.75%
MESRTODL	0.01%	0.01%	0.00%	0.00%



Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Total Sale to Consumers	1.09%	-0.34%	0.87%	1.42%
Sale to Other Licensee - TSUISL	0.00%	0.00%	0.00%	0.00%

7.20 Table for CAGR, 4 Years CAGR, 3 Years CAGR, 2 Years CAGR and Year-on-Year growth rate as computed by the Commission for the past control period is as follows:

Table 109: CAGR for Sales in MUs under different consumer categories Computed by the Commission

Particulars	CAGR 5 Year	CAGR 4 Year	CAGR 3 Year	CAGR 2 Year
Domestic	2.49%	0.55%	-0.47%	-3.05%
Domestic - DSHT	-3.19%	-4.15%	-3.73%	-4.00%
Commercial	9.03%	3.15%	1.54%	-1.48%
LTIS	17.43%	10.81%	13.88%	8.40%
Total HT IS	-4.21%	-4.40%	-3.60%	-2.85%
HT 4	41.84%	11.25%	25.16%	20.97%
Utilities/Street Light	-1.11%	-0.33%	0.09%	-0.76%
Temporary Supply	32.07%	18.10%	16.45%	8.66%
MESRTODL	-8.13%	0.64%	1.32%	-1.30%
Total Sale to Consumers	-1.45%	-2.72%	-1.71%	-1.58%
Sale to Other Licensee - TSUISL	10.76%	5.18%	2.51%	4.19%

7.21 Approach adopted by the Commission, for projection of sales under different categories of consumers, is as follows:

Table 110: Approach for Projection of Sales for Control Period

Category	Approach for Projection of Sales
Domestic	The Commission has analysed 5-Year, 4-Year, 3-Year, 2-Year CAGR and Year-on-Year growth rates and compared them with the Petitioner's projections. For years where projected growth was within historical trend, the Petitioner's projection is approved. For years reflecting abnormal decline, the Commission has adopted the growth rate computed by it.
Domestic - DSHT	Historical CAGR analysis indicates declining trend. Where the Petitioner's projected decline is sharper than historical averages, the Commission has moderated the projection by adopting its own computed growth rate. For other years, the Petitioner's projections are approved.
Commercial	The Commission has compared projected growth with historical CAGR trends. Projections aligned with historical performance are approved. For years reflecting deviation from past growth pattern, the Commission has adopted its own derived rate.
LTIS	Considering significant historical volatility, the Commission has approved the Petitioner's projections where consistent with trend. For years showing excessive fluctuation relative to historical CAGR, the Commission has adopted its own computed growth rate.



Category	Approach for Projection of Sales
Total HT IS	Historical CAGR reflects moderate negative to marginal growth. Where the Petitioner's projections show sharper decline or deviation, the Commission has adopted its own growth rate. Projections aligned with trend are approved.
HT4	Given the volatility observed in historical CAGR, the Commission has exercised prudence. For years with abnormal variation in projected growth, the Commission adopts its own computed rate; otherwise, the Petitioner's projections are approved.
Utilities / Street Light	Historical growth trend is relatively stable. The Commission approves the Petitioner's projections where aligned with trend. For years showing inconsistent decline or excessive growth, the Commission has adopted its own computed growth rate.
Temporary Supply	Due to historically high volatility in this category, the Commission has adopted a cautious approach. Where projected growth deviates materially from historical CAGR, the Commission applies its own computed rate; otherwise, the Petitioner's projection is approved.
MESRTODL	Historical variation is marginal. The Commission approves the Petitioner's projections except in years where material deviation from trend is observed, in which case the Commission's computed growth rate is adopted.
Sale to Other Licensee – Tata Steel UISL	As this category is governed by contractual arrangement, projections aligned with historical trend are approved. Where abnormal deviation is observed, the Commission adopts its own computed growth rate.

7.22 Based on above approach, the No. of Consumers, Connected Load and Sales approved for the control period from FY 2026-27 to FY 2030-31 by the Commission is as follows:

Table 111: Number of Consumers as approved by the Commission for the Control Period (Nos)

Consumer Category	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petitioner	Approved								
Domestic	43,511.59	43,511.59	44,867.13	44,867.13	46,264.90	42,848.65	47,706.22	47,706.22	49,192.43	49,192.43
Domestic - DSHT	148.89	148.89	151.83	151.83	154.83	154.83	157.90	157.90	161.02	161.02
Commercial	11,590.82	11,590.82	11,845.10	11,845.10	12,104.96	12,104.96	12,370.51	12,370.51	12,641.90	12,641.90
LTIS	3.00	3.00	4.00	4.00	5.00	5.00	5.00	5.00	6.00	6.00
HT IS	180.81	180.81	185.75	185.75	190.83	190.83	196.05	196.05	201.41	201.41
HT4	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Utilities/Street Light	413.69	413.69	419.47	419.47	425.32	425.32	431.25	431.25	437.27	437.27
Temporary Supply	250.00	250.00	257.50	257.50	265.23	265.23	273.18	273.18	281.38	281.38
Other License - Tata Steel UISL	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
MESRTODL	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sale thru IEX - Power market	-	-	-	-	-	-	-	-	-	-
Total	56,101.80	56,101.80	57,733.78	57,733.78	59,414.07	55,997.82	61,143.11	61,143.11	62,924.41	62,924.41

Table 112: Connected Load as approved by the Commission for the Control Period (kVA)

Consumer Category	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petitioner	Approved	Petitioner	Approved	Petitioner	Approved	Petitioner	Approved	Petitioner	Approved
Domestic	2,75,711	2,75,711	2,82,489	2,82,489	2,89,478	2,89,478	2,96,685	2,96,685	3,04,116	3,04,116
Domestic - DSHT	63,173	63,091	64,424	64,424	65,701	62,346	67,002	67,002	68,329	68,329
Commercial	95,614	95,614	97,599	97,599	99,627	99,627	1,01,700	1,01,700	1,03,819	95,620
LTIS	275	275	375	375	476	476	476	275	576	576
Total HT IS	3,57,643	3,57,643	3,59,496	3,59,496	3,61,401	3,61,401	3,63,357	3,63,357	3,65,367	3,57,744
HT 4	80,000	80,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Utilities/Street Light	1,970	1,969	1,998	1,998	2,026	2,026	2,054	1,945	2,082	2,082
Temporary Supply	4,624	4,624	4,703	4,703	4,786	4,786	4,870	4,870	4,958	4,705
Sale to TSUISL	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000
MESRTODL	300	300	51	300	300	300	300	300	300	300
Sale thru IEX - Power market	-	-	-	-	-	-	-	-	-	-
Total	9,67,310	9,67,227	9,89,385	9,89,385	10,01,793	9,98,439	10,14,444	10,14,134	10,27,546	10,11,472

Table 113: Sales as approved by the Commission for the Control Period (MU's)

Consumer Category	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petitioner	Approved								
Domestic	198.51	198.19	203.79	194.45	209.24	192.48	214.86	187.48	220.66	220.66
Domestic - DSHT	74.20	70.41	75.94	69.72	77.71	70.02	79.52	69.82	81.36	81.36
Commercial	91.55	91.55	93.48	93.48	95.45	95.45	97.47	88.33	99.53	91.55
LTIS	0.44	0.51	0.64	0.48	0.84	0.84	0.84	0.84	1.04	1.04
Total HT IS	1,729.02	1,589.34	1,679.13	1,586.24	1,689.51	1,599.46	1,700.17	1,611.87	1,711.13	1,711.13
HT 4	153.00	153.00	326.00	326.00	193.00	193.00	124.00	124.00	232.00	209.65
Utilities/Street Light	6.60	6.43	6.69	6.48	6.79	6.51	6.89	6.45	6.99	6.99
Temporary Supply	3.35	3.35	3.45	3.45	3.55	3.55	3.66	3.66	3.77	3.45
MESRTODL	0.77	0.71	0.77	0.77	0.77	0.77	0.77	0.76	0.77	0.77
Total Sale to Consumers	2,257.43	2,113.49	2,389.89	2,281.07	2,276.87	2,162.09	2,228.19	2,093.22	2,357.26	2,326.60
Sale to Other Licensee - TSUISL	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Total	2,757.43	2,613.49	2,889.89	2,781.07	2,776.87	2,662.09	2,728.19	2,593.22	2,857.26	2,826.60
Sale of Surplus balance power in Exchange @400kV	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00
Sale of Surplus balance power in Exchange @132kV	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12
Total	2,987.55	2,843.61	3,120.01	3,011.19	3,006.99	2,892.21	2,958.31	2,823.34	3,087.38	3,056.72

Distribution Loss

Petitioner's Submission

7.23 The Petitioner has submitted that for the purpose of Business plan projection it has considered the increase in the distribution loss from the previous control in the proposed control period i.e. from FY 2026-27 to FY 2030-31. Petitioner has submitted that load on the distribution network is increasing steadily, distribution network is



expanding to cover remote rural areas in addition to densely populated urban region. Therefore, distribution loss during the proposed control period may go up due to which, Petitioner has considered the Distribution loss of 3.50%.

Commission's Analysis

- 7.24 The Commission observes that the actual distribution loss of the Petitioner for FY 2024-25 is 2.91%. The historical loss trajectory over the previous five years indicates that the distribution loss has remained within a narrow band, though with some variation, ranging between 2.47% and 3.37%.
- 7.25 The Commission notes that the Petitioner's distribution loss levels over the previous years were 2.69% in FY 2020-21, 2.78% in FY 2021-22, 2.47% in FY 2022-23, 3.37% in FY 2023-24, and 2.91% in FY 2024-25. While the Petitioner has maintained losses broadly within a reasonable range, the increase observed in FY 2023-24 and FY 2024-25 indicates operational variability.
- 7.26 Further, the Commission takes cognisance of the network expansion and connected load growth during the previous control period. However, in view of the observed fluctuation and in order to ensure realistic target-setting while maintaining efficiency discipline, the Commission considers it appropriate to approve a distribution loss trajectory for the Control Period based on the recent average performance rather than the lowest historical level.
- 7.27 Accordingly, the Commission approves a distribution loss level of **3.00%** for each year of the proposed Control Period.
- 7.28 Based on the above excerpt the Commission approves the energy Balance as submitted by the Petitioner and as approved by the Commission for FY 2025-26, is summarized hereunder below:

Energy Balance

Petitioner's Submission

- 7.29 The Petitioner submitted that the energy requirement has been arrived by adding up distribution loss to the projected sales. For the purpose of Business plan projection, the Petitioner has considered uniform loss of 3.50% on overall sales. Slightly higher loss levels are projected due to expected decrease in HT sales, relatively higher sales in LT levels and increase in provisional connections in Congested fringe areas. As can also be seen from sales to LT consumers is increasing in maximum whereas sales in High Tension categories and decreasing and remaining at similar levels in THIS Category as percentage of overall sales is increasing throughout the Control Period. TSI will take all efforts to keep the T&D loss levels to one of the best in the country, for which TSL has also included plans to increase actions related to removal of unauthorized connections and other administrative and technical measures during the control period



Table 114: Energy Requirement (MUs) as by the Petitioner for the Control Period

Particulars	Base Year FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Sales to Other Licensees	492.44	500.00	500.00	500.00	500.00	500.00
Distribution Losses on Sales to Other Licensees (%)	0.00	0.00%	0.00%	0.00%	0.00%	0.00%
Unit Lost on Sales to Other Licensees	0.00	0	0	0	0	0
Energy Requirement for Sales to Other Licensees	492.44	500.00	500.00	500.00	500.00	500.00
Sales to HT - IV Category	188.93	153.00	326.00	193.00	124.00	232.00
Distribution Losses to HT - IV (%)	0.00	0.00%	0.00%	0.00%	0.00%	0.00%
Unit lost on Sales to HT - IV	0.00	0	0	0	0	0
Energy Requirement for HT - IV Category	188.93	153.00	326.00	193.00	124.00	232.00
Sales to LT Consumers (Dom+Comm+Street light+temp)	293.32	300.43	308.05	315.88	323.72	331.99
Sales to HT Consumers (other than HT-IV, TSUISL, IEX)	1732.69	1803.99	1755.84	1767.99	1780.46	1793.26
Total Sales to consumers other than Steel works & TSUISL	2026.02	2104.43	2063.89	2083.87	2104.19	2125.26
Distribution Losses on Sales to Other Consumers (%)	4.34%	4.54%	4.83%	4.61%	4.49%	4.65%
Unit Lost on Sales to Other Consumers	1,436.46	100.01	104.81	100.72	98.95	103.63
Energy Requirement for Sales to Other Consumers	2,117.84	2,204.44	2,168.70	2,184.59	2,203.14	2,228.89
Overall, Sales	2,707.39	2,757.43	2,889.89	2,776.87	2,728.19	2,857.26
Overall Distribution Losses (%)	3.28%	3.50%	3.50%	3.50%	3.50%	3.50%
Overall Distribution Losses	91.82	100.01	104.81	100.72	98.95	103.63
Total Energy Requirement (Mus) excluding sales to IEX	2,799.21	2,857.44	2,994.70	2,877.59	2,827.14	2,960.89
Sale of Daily Surplus balance to Exchange (MU) @ 400kV	124.84	125.00	125.00	125.00	125.00	125.00
Sale of Daily Surplus balance to Exchange (MU) @ 132kV		105.12	105.12	105.12	105.12	105.12
Total Energy Requirement (Mus) including sales to IEX	2924.05	3087.56	3224.82	3107.71	3057.26	3191.01



Commission’s Analysis

7.30 The Commission has projected the energy requirement for the Control Period after grossing up the approved energy sales by the distribution loss for each year of the Control Period.

7.31 The Energy Sales, Distribution Loss and Energy Requirement based on approved Sales for the Control Period, is shown in the following table:

Table 115: Energy Requirement (MUs) as by the Petitioner for the Control Period

Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved								
Sales to Other Licensees	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Distribution Losses on Sales to Other Licensees (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unit Lost on Sales to Other Licensees	-	-	-	-	-	-	-	-	-	-
Energy Requirement for Sales to Other Licensees	500.00									
Sales to Steel Works	153.00	153.00	326.00	326.00	193.00	193.00	124.00	124.00	232.00	209.65
Distribution Losses to Steel Works (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unit lost on Sales to Steel Works	-	-	-	-	-	-	-	-	-	-
Energy Requirement for Steel Works Category	153.00	153.00	326.00	326.00	193.00	193.00	124.00	124.00	232.00	209.65
Sales to LT Consumers (Dom+Comm+Street light+temp)	300.43	300.03	308.05	298.34	315.88	298.83	323.72	286.76	331.99	323.69
Sales to HT Consumers (other than HT-IV, TSUISL, IEX)	1,803.99	1,660.46	1,755.84	1,656.72	1,767.99	1,670.26	1,780.46	1,682.45	1,793.26	1,793.26
Total Sales to consumers other than Steel works & TSUISL	2,104.43	1,960.49	2,063.89	1,955.07	2,083.87	1,969.09	2,104.19	1,969.22	2,125.26	2,116.95
Distribution Losses on Sales to Other Consumers (%)	4.54%	3.85%	4.83%	4.09%	4.61%	3.90%	4.49%	3.80%	4.65%	3.85%
Unit Lost on Sales to Other Consumers	100.01	75.39	104.81	80.02	100.72	76.75	98.95	74.84	103.63	81.53
Energy Requirement for Sales to Other Consumers	2,204.44	2,038.89	2,168.70	2,038.50	2,184.59	2,048.95	2,203.14	2,047.01	2,228.89	2,201.75



Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved								
Overall Sales (4+8+9+12)	2,757.43	2,613.49	2,889.89	2,781.07	2,776.87	2,662.09	2,728.19	2,593.22	2,857.26	2,826.60
Overall Distribution Losses (%)	3.50%	3.00%	3.50%	3.00%	3.50%	3.00%	3.50%	3.00%	3.50%	3.00%
Overall Distribution Losses	100.01	78.40	104.81	83.43	100.72	79.86	98.95	77.80	103.63	84.80
Total Energy Requirement (Mus) excluding sales to IEX	2,857.44	2,691.89	2,994.70	2,864.50	2,877.59	2,741.95	2,827.14	2,671.01	2,960.89	2,911.40
Sale of Daily Surplus balance to Exchange (MU) @ 400kV	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00
Sale of Daily Surplus balance to Exchange (MU) @ 132kV	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12	105.12
Total Energy Requirement (Mus) including sales to IEX	3,087.56	2,922.01	3,224.82	3,094.62	3,107.71	2,972.07	3,057.26	2,901.13	3,191.01	3,141.52

Power Purchase Cost

Petitioner's Submission

7.32 The Petitioner submitted that it procures power from (1) Tata Power Company Limited (TPCL) – Unit II & Unit III, (2) Damodar Valley Corporation (DVC)-at two connectivity points, 132 kV and 400 kV, (3) Tata Steel Works - intermittently, (5) Open Access & Power Exchange to meet the demand during outage DVC units. To meet the Renewable Energy Compliance, TSL has contracted 50 MW from SECI which will be purchased from November'2027 subject to approval of PPA by Hon'ble Commission. These sources have been considered for the upcoming control period. In case requirement going more than the projections additional capacity will be tied up with approval of Hon'ble Commission.

7.33 The power procured from above sources in the last MYT period is given below:

Table 116 : Power Procurement during Current Control Period in MUs

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 (Projected)
Tata Power Company Limited					
Unit – II	682.46	806.29	801.61	728.34	750.51
Unit – III	784.74	829.04	761.78	804.95	729.95
Damodar Valley Corporation					
132 kV	252.93	282.88	269.78	240.06	208.92



Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 (Projected)
400 kV	1057.34	1138.71	1088.86	952.68	922.00
TSW (Captive)	44.24	6.00	40.16	14.57	26.97
Open Market	21.06	9.48	8.39	4.90	3.10
GDAM	46.39	26.66	104.1	258.02	282.60
Total Pooled Energy (MUs)	2889.16	3099.07	3074.68	3003.52	2924.05

7.34 The average energy requirement during current control period FY22 to FY26 (Provisional) has remained at 2992 MUs. Tata Power Units II & III remain the largest supplier together accounting for ~51 % of total pooled energy, Damodar Valley Corporation (DVC), contributing to 43% of the total Energy. Green power Purchase from market has increased from 46 MUs in FY22 to 283 MUs projected in FY26 (based on available opportunity in energy exchange) indicating a growing reliance on renewable market purchases to fulfill Renewable Purchase Obligation. TSW Captive and Open Market remain marginal contributors to total pooled Energy.

7.35 Power procurement plan for upcoming control period has been made based on (1) total energy requirement, (2) available power sources, (3) source end connectivity capacity and (4) network interconnections to feed customers along with other considerations of variable charges and auxiliary consumption of generating units. Input has been taken from past trends, petitions filed by DVC with respect to cost of DVC generating units, transmission losses being charged by DVC. For the purpose of renewable purchase obligation input has been taken from regulation notified by the Hon'ble Commission, trend of Renewable Energy Certificates Costs, Green energy availability in power exchange. In the overall planning priority has been given to lower cost sources followed by other sources within the constraints of inter-connectivity of source and load, minimum turn-down limits of machines, contracted capacity, auxiliary consumption and maximum possible generation considering trends of shut down and breakdown of these generating units.

7.36 The source wise allocation capacity for the next control period is given below:

Table 117: Source wise allocated Capacity

S. No.	Source	Generator	Maximum Capacity (MW)	% Allocation	Allocated Capacity (MW)	% Auxiliary Consumption	Allocated Ex. Bus Capacity (MW)
1	TPCL	Unit II	120	100%	120	10%	108
		Unit III	120	100%	120	10%	108
	Total				240		216
2	132kV DVC	MTPS (5-6)	500	10%	50	5.25%	47



S. No.	Source	Generator	Maximum Capacity (MW)	% Allocation	Allocated Capacity (MW)	% Auxiliary Consumption	Allocated Ex. Bus Capacity (MW)
		KTPS (1-2)	1000	2.50%	25	6.25%	23
		RTPS (1-2)	1200	1.25%	15	6.25%	14
		Total				90	
3	400kV DVC	DSTPS (1-2)	1000	10%	100	6.25%	94
		MTPS (7-8)	1000	10.00%	100	6.25%	94
		Total				200	
4	SECI (Solar)	Solar	W.e.f Nov-2027 (FY 2027-28)				50

7.37 There is no specific allocation from Tata Steel Works as power from this source is taken intermittently to meet requirement during outage of long term tied up sources.

7.38 Considering the above, the power procurement for the next control period is tabulated below:

Table 118: Power Procurement Plan for next Control Period in MUs

A. Source wise Power Purchase Quantum (in MUs)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Tata Power Company Limited					
Unit - II	730	850	780	850	780
Unit - III	800	780	850	780	850
Damodar Valley Corporation`					
132 kV	340	364	345	347	380
MTPS (5-6) : 50 MW	190	189	190	205	209
KTPS (1-2) : 25 MW	94	116	95	97	105
RTPS (1-2) : 15 MW	56	58	60	58	66
400 kV	1190.36	1177.82	1020.60	967.88	1068.66
DSTPS (1-2): 100 MW	655	648	561	532	588
MTPS (7-8) : 100 MW	536	530	459	436	481
50 MW Solar (SECI)		42	101	101	101
RTS (Net Injection)	0.20	0.21	0.22	0.23	0.24
TSW (Captive)	6.00	6.00	6.00	6.00	6.00
Open Market	5.00	5.00	5.00	5.00	5.00
GDAM	16	0	0	0	0
Total Pooled Energy Availability (MUs)	3088	3225	3108	3057	3191

7.39 The explanation / assumptions considered for projecting power purchase cost from each of the sources is discussed hereunder.

Power Purchase from Tata Power Company Limited – Unit II & Unit III

7.40 TSL purchase power from TPCL’s Coal-fired Jojobera Plant Unit II and Unit III, having a capacity of 2 x 120 MW, having respective CODs of 01.02.2001 01.02.2002. The industrial development, township development and growth in electricity demand of Steel Works and Jamshedpur Township required Tata Power to expand the generating capacity at Jojobera. Hence, Jojobera Unit II and III were developed only to meet demand of TSL.

Power Purchase Quantum (MU) from TPCL Source

7.41 Tata Power Unit#2 & Unit#3 is connected in 132kV island of TSL network. Load on these units depends on loading of consumers connected to the source. The power purchase quantum is projected is based on ratio of TSL energy requirement met by Tata Power Unit II & III to the total energy requirement during base year (FY 2025-26) and impact of availability of generation due to planned shutdown maintenance & Load factor.

Power Purchase Cost (Rs. Cr.) from TPCL Source

7.42 The Projection of the Power Purchase Cost from TPCL Units II & III has been done by considering an escalation of 2 % per annum over base year of FY 2025-26 which is shown in the table below. These however are subject to variations due to loading pattern of Connected Load in upcoming Control Period and actual cost incurred by TPCL.

Table 119: Tata Power Unit-2 and Unit-3 Power purchase details for Control Period FY 2027-31

Tata Power Company Limited						
Particulars	FY 2025-26(Base Year)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Power purchase Quantum Mus						
Unit – II (MUs)	750.51	730*	850	780	850	780
Unit – III (MUs)	729.95	800*	780	850	780	850
Power purchase cost Rs. Cr.						
Unit – II (Rs. Cr.)	305.40	302.99	359.86	336.83	374.4	350.43
Unit – III (Rs. Cr.)	296.65	331.62	329.79	366.58	343.12	381.39
Per Unit Cost Rs./Unit						
Unit – II (Rs./Unit)	4.07	4.15	4.23	4.32	4.40	4.49
Unit – III (Rs./Unit)	4.06	4.15	4.23	4.31	4.40	4.49

*Planned Annual Shutdown of one unit happens every year. In those year availability is less- and therefore less procurement in alternate year.

Power Purchase from DVC

7.43 Currently 132kV Power Supply from DVC is taken in fixed contract demand mode (i.e., Consumer mode). DVC vide letter dated 13th

March 2025 has requested TSL to finalize and execute an agreement for drawing of power in schedule mode like any other Distribution Licensee and further mentioned that DVC will not be able to supply power to TSL in “Consumer mode”. Subsequently TSL filed a petition before the Hon’ble Commission for approval of PPA between DVC & TSL in Schedule mode, The Schedule mode of operation is expected to start from Dec-25 onwards, accordingly the expected per unit cost in schedule mode is considered thereafter. The total Allocated capacity is 90 MW from DVC at 132 kV level from the following generating units.

Table 120: Unit wise Allocated capacity of DVC units (132 kV) for Control Period FY 2027-31

Source	Capacity of Station (MW)	% Allocation	Allocated Capacity (MW)	% Auxiliary Consumption	Allocated Ex. Bus Capacity (MW)
132 kV					
MTPS (5-6)	2 x 250	10%	50	5.25%	47
KTPS (1-2)	2 x 500	2.50%	25	6.25%	23
RTPS (1-2)	2 x 600	1.25%	15	6.25%	14
Total			90		85

Power Purchase Quantum from DVC 132kV Source

7.44 The projections for energy intake from various Generators allocated to TSL has been done considering expected Energy Charge of Generating units Source within constraints of Allocated Capacity and Outage due to Shutdown / Breakdown. Constraints include Minimum Turn down Level (MTL) for DVC generating stations (55% of MCR as per IEGC regulations 2023 and its amendments thereof), Maximum Energy which can be dispatched by these sources within Contracted Capacity etc.

Power Purchase Cost from DVC 132kV Source

7.45 The power purchase cost is projected on the basis of tariff petition filed by DVC before Hon’ble CERC for the period FY 2024-25 to FY 2028-29. TSL has considered Annual fixed charges, Ash evacuation charges and ECR from DVC tariff petition for FY 2026-27 to FY 2028-29, While such charges for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29. Annual Supplementary Fixed charges for KTPS (1-2) and RTPS (1-2) are based on recent invoices raised by DVC as per the information available to Petitioner FGD system is not installed in MTPS (5-6) hence Supplementary Capacity charges are not considered.

7.46 Based on previous tariff filings by DVC and subsequent Approvals by CERC, TSL has considered 95% of Annual fixed charges and Ash evacuation charges. Annual Supplementary Fixed charges for KTPS (1-

2) and RTPS (1-2) are considered same as mentioned in recent DVC invoices. ECR for FY 2026-27 have been considered same as the petition filed by DVC for FY 2026-27, While 2 % escalation have been considered thereafter till FY 2030-31. Such escalation would factor in supplementary energy charges which would be raised by DVC on account of cost incurred to DVC for FGD system in upcoming control period.

7.47 The projected power purchase Quantum & cost for DVC 132kV in next Control Period is as presented in the table below: -

Table 121: Unit wise Power Purchase Quantum & Cost of DVC Units (132 kV)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
MTPS (5-6) (MUs)	190	189	190	205	209
KTPS (1-2) (MUs)	94	116	95	97	105
RTPS (1-2) (MUs)	56	58	60	58	66
Power purchase Quantum (MUs)	340	364	345	347	380
MTPS (5-6) (Rs Cr.)	121.21	123.96	127.33	134.61	138.04
KTPS (1-2) (Rs Cr.)	67.00	67.54	58.43	59.64	62.94
RTPS (1-2) (Rs Cr.)	42.26	43.16	44.26	44.20	47.42
Power purchase cost (Rs Cr.)	230.47	234.66	230.03	238.45	248.40
MTPS (5-6) (Rs./Unit)	6.38	6.55	6.70	6.57	6.59
KTPS (1-2) (Rs./Unit)	7.14	5.80	6.14	6.15	6.00
RTPS (1-2) (Rs./Unit)	7.51	7.42	7.42	7.58	7.21
Derived Per Unit Cost (Rs./Unit)	6.78	6.45	6.67	6.87	6.54

7.48 The detailed computation of source wise power purchase quantum and cost is given in the table given below:



Table 122: DVC (132kV) Power Purchase cost for FY 2026-27 to FY 2028-29

Particular	FY 2026-27				FY 2027-28				FY 2028-29			
	Total	MTPS (5-6) 50 MW	KTPS (1-2) 25 MW	RTPS (1-2) 15 MW	Total	MTPS (5-6) 50 MW	KTPS (1-2) 25 MW	RTPS (1-2) 15 MW	Total	MTPS (5-6) 50 MW	KTPS (1-2) 25 MW	RTPS (1-2) 15 MW
Power Purchase Quantum (at TSL Periphery)	340	190	94	56	364	189	116	58	345	190	95	60
Power Purchase Quantum (at Ex. Bus) (Loss 2.95% @ 132kV , 3.50% at 400kV)	350	196	97	58	375	195	120	60	355	196	98	61
ECR (Rs. / kWh) (as per DVC Tariff Petition)		3.56	2.98	3.40		3.63	3.04	3.47		3.71	3.10	3.54
Energy Charge on Scheduled Energy (Rs. Cr.) after rebate of 1.5%	117	69	28	19	126	70	36	20	123	71	30	21
% Allocation		10.00%	2.50%	1.25%		10.00%	2.50%	1.25%		10.00%	2.50%	1.25%
% Factor for ash evacuation charges		5.55%	1.39%	0.69%		5.52%	1.72%	0.72%		5.55%	1.41%	0.73%
Station Annual Fixed Cost (Rs. Cr.) (as per DVC Tariff Petition)		542	1476	1790		557	1164	1776		572	1037	1789
Station Annual Supplementary Fixed Cost(Rs. Cr.) (as per DVC Bills)		0	128	142		0	128	142		0	128	142
Station Annual Ash Evacuation Expenses (Rs. Cr.) (as per DVC Tariff Petition)		35.96	70.54	21.54		40	74	22		44	78	22
Annual Fixed Cost for TSL (Rs. Cr.)		51	35	21		53	28	21		54	25	21
Annual Supplementary Fixed Cost for TSL (Rs. Cr.)		0	3.20	1.78		0	3.20	1.78		0	3.20	1.78
Annual Ash Evacuation Expenses for TSL (Rs. Cr.)		1.89	0.93	0.14		2.09	1.21	0.15		2.33	1.04	0.15
Total Fixed Cost after Rebate	114	53	39	23	108	54	32	23	107	56	28	23
Total Cost	230	121	67	42	235	124	68	43	230	127	58	44
Variable Cost - Landed Unit Per unit	3.43	3.62	3.03	3.45	3.47	3.69	3.09	3.52	3.56	3.76	3.15	3.59
Fixed Cost - Landed Unit Per unit	3.35	2.77	4.11	4.06	2.98	2.87	2.71	3.89	3.11	2.94	2.99	3.83
Total Per Unit Cost	6.78	6.38	7.14	7.51	6.45	6.55	5.80	7.42	6.67	6.70	6.14	7.42



Table 123: DVC (132kV) Power Purchase cost for FY 2029-30 to FY 2030-31

Source	FY 2029-30				FY 2030-31			
	Total	MTPS (5-6) 50 MW	KTPS (1-2) 25 MW	RTPS (1-2) 15 MW	Total	MTPS (5-6) 50 MW	KTPS (1-2) 25 MW	RTPS (1-2) 15 MW
Power Purchase Quantum (at TSL Periphery)	347	205	97	58	380	209	105	66
Power Purchase Quantum (at Ex. Bus) (Loss 2.95% @ 132kV , 3.50% at 400kV)	358	211	100	60	392	216	108	68
ECR (Rs. / kWh) (as per DVC Tariff Petition)		3.78	3.17	3.61		3.86	3.23	3.68
Energy Charge on Scheduled Energy (Rs. Cr.) after rebate of 1.5%	131	79	31	21	141	82	34	25
% Allocation		10.00%	2.50%	1.25%		10.00%	2.50%	1.25%
% Factor for ash evacuation charges		5.98%	1.43%	0.72%		6.12%	1.55%	0.81%
Station Annual Fixed Cost (Rs. Cr.) (as per DVC Tariff Petition)		572	1037	1789		572	1037	1789
Station Annual Supplementary Fixed Cost(Rs. Cr.) (as per DVC Bills)		0	128	142		0	128	142
Station Annual Ash Evacuation Expenses (Rs. Cr.) (as per DVC Tariff Petition)		44	78	22		44	78	22
Annual Fixed Cost for TSL (Rs. Cr.)		54	25	21		54	25	21
Annual Supplementary Fixed Cost for TSL (Rs. Cr.)		0	3.20	1.78		0	3.20	1.78
Annual Ash Evacuation Expenses for TSL (Rs. Cr.)		2.51	1.06	0.15		2.56	1.15	0.17
Total Fixed Cost after Rebate	107	56	28	23	107	56	29	23
Total Cost	238	135	60	44	248.4	138	63	47.42
Variable Cost - Landed Unit Per unit	3.78	3.84	3.21	3.66	3.71	3.91	3.28	3.74
Fixed Cost - Landed Unit Per unit	3.09	2.74	2.93	3.91	2.83	2.68	2.72	3.47
Total Per Unit Cost	6.87	6.57	6.15	7.58	6.54	6.59	6.00	7.21

7.49 The subsequent section elaborates on each parameter and computation reflected in the table above:

Power Purchase Quantum (at TSL Periphery) in MUs: Expected Power Purchase Quantum at TSL periphery from DVC Generating stations at 132kV.

Power Purchase Quantum (at Ex-Bus) in MU: The expected scheduled energy at the Ex-bus of DVC Generating stations has been derived by grossing up the power purchase quantum at TSL periphery to include DVC STU loss of 2.95%.

ECR (Rs. /kWh): ECR for FY 2026-27 have been considered same as the petition filed by DVC for the year, while 2 % escalation have been considered for subsequent years thereafter till FY 2030-31.

Energy Charge (Rs. Cr.) on Scheduled Energy after rebate of 1.5%: Total variable cost after applying rebate of 1.5%. It is derived by multiplying ECR (Rs/kWh) with Scheduled Energy (MUs) at DVC Ex-Bus.

% Allocation: Capacity Allocation for TSL in Percentage from DVC Generating stations.

Ash Evacuation Charges Factor: This factor is ratio of expected Energy Drawl Scheduled by TSL at DVC Ex. Bus to Overall Scheduled Ex. Bus Generation from the generating station. This factor is considered for computation of Ash Evacuation expenses.

Station Annual Fixed Cost (Rs. Cr.): Annual Fixed Cost for FY 2026-27 to FY 2028-29 is considered as per Tariff Petition for FY 2024-25 to FY 2028-29 filed by DVC to Hon'ble CERC for MTPS (5-6), KTPS (1-2) & RTPS (1-2) generating stations, while Station AFC for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29 values of DVC tariff petition.

Station Annual Supplementary Fixed Charges towards ECS/FGD system (Rs. Cr.): Annual Supplementary Fixed charges are based on recent invoices raised by DVC.

MTPS (5-6): FGD system is not installed in this Generating station.

KTPS (1-2) & RTPS (1-2): Annual Supplementary Fixed charges for entire control period from KTPS (1-2) & RTPS (1-2) are considered same as mentioned in recent DVC invoices.

Station Annual Ash Evacuation Expenses (Rs. Cr.): Annual Ash Evacuation charges for FY 2026-27 to FY 2028-29 are considered as per Tariff Petition for FY 2024-25 to FY 2028-29 filed by DVC to Hon'ble CERC for MTPS (5-6) , KTPS(1-2) & RTPS(1-2) generating stations, while Station Annual Ash Evacuation Expenses for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29 values of DVC tariff petition.

Annual Fixed Cost for TSL allocated Capacity (Rs. Cr.): The expected Annual Fixed Cost apportioned to TSL is determined by



applying 95% of the Station Annual Fixed Cost as specified in Sl No. 7 above and then allocating it in proportion to TSL’s allocated capacity from the respective generating station.

Annual Supplementary Fixed Charges towards ECS/FGD system for TSL allocated Capacity (Rs. Cr.): The expected Annual Supplementary Fixed Cost apportioned to TSL from DVC Generator’s is explained below.

MTPS (5-6): FGD system is not installed for this Generating station.

KTPS (1-2) & RTPS (1-2): Station Annual Fixed Cost is considered same as mentioned in recent DVC invoices and further applying TSL’s allocated capacity of 1.25% from this station.

Annual Supplementary FC for TSL= (Annual Supp. FC mentioned in bill) × Proportion of Allocated Capacity (%)

Annual Ash Evacuation Expenses for TSL (Rs. Cr.): The expected Annual Ash evacuation expenses for TSL is considered as 95% of the Station Annual Ash Evacuation Expenses as specified in Sl No. 9 and then applying Ash Evacuation charges factor (%) for TSL from respective generating stations i.e., 95% of Station Annual Ash Evacuation expense e filed by DVC × Ash Evacuation Charges Factor for TSL (%)

Total Fixed Cost after rebate (Rs. Cr.): Sum of all fixed components for the year after rebate i.e. Total Fixed Cost=(AFC +Annual Supplementary Fixed charges+ Annual Ash Evacuation Charges) x (1-1.5%)

Total Cost (Rs. Cr.): Sum of Fixed Charges and Variable Charges.

Variable Cost Landed Per Unit (Rs. /kWh): Energy charge per unit delivered at TSL periphery

Fixed Cost Landed Per Unit (Rs. /kWh): Fixed charge per unit delivered at TSL periphery

Derived Total Per Unit Cost (Rs. /kWh): Combined landed cost (variable + fixed) per unit delivered at TSL periphery.

Power Purchase from DVC 400 kV Source

7.50 TSL has contracted capacity of 200 MW from DVC at 400 kV level from the following generating units.

Table 124: DVC 400 kV Power Purchase cost for Control Period

Source	Capacity of Station (MW)	% Allocation	Allocated Capacity (MW)	% Auxiliary Consumption	Allocated Ex. Bus Capacity (MW)
DVC 400 kV					
DSTPS (1-2)	2 x 500	10%	100	6.25%	94



Source	Capacity of Station (MW)	% Allocation	Allocated Capacity (MW)	% Auxiliary Consumption	Allocated Ex. Bus Capacity (MW)
MTPS (7-8)	2 x 500	10%	100	6.25%	94
Total			200		188

Power Purchase Quantum from DVC 400 kV Source

7.51 The projections for energy intake from various Generators allocated to TSL has been done considering expected Energy Charge of Generating units within constraints of Allocated Capacity and Outage due to Shutdown / Breakdown. Constraints include Minimum Turn Down Level (MTL) for DVC generating stations (55% of MCR as per IEGC regulations 2023 and its amendments thereof), Maximum Energy which can be dispatched by these sources within Contracted Capacity etc.

Power Purchase Cost from DVC 400kV Source

7.52 The power purchase cost is projected on the basis of tariff petition filed by DVC before Hon'ble CERC for the period FY 2024-25 to FY 2028-29. TSL has considered Annual fixed charges, Ash evacuation charges and ECR from DVC tariff petition for FY 2026-27 to FY 2028-29, While such charges for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29. Annual Supplementary Fixed charges for both stations are based on recent invoices raised by DVC.

7.53 Based on previous tariff filings by DVC and subsequent Approvals by CERC, TSL has considered 95% of Annual fixed charges and Ash evacuation charges. Annual Supplementary Fixed charges for both generators are considered same as mentioned in recent DVC invoices. ECR for FY 2026-27 have been considered same as the petition filed by DVC for FY 2026-27, While 2 % escalation have been considered thereafter till FY 2030-31. Such escalation would factor in supplementary energy charges which would be raised by DVC on account of cost incurred to DVC for FGD system in upcoming control period.

7.54 The projected power purchase Quantum & cost for DVC 400kV in next Control Period is as presented in the table below:

Table 125: Power Purchase Quantum & Cost from DVC 400 kV

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
DSTPS (1-2) (MUs)	655	648	561	532	588
MTPS (7-8) (MUs)	536	530	459	436	481
Power purchase Quantum(MUs)	1190	1178	1021	968	1069
DSTPS (1-2) (Rs. Cr.)	369	346	314	308	333
MTPS (7-8) (Rs. Cr.)	320	319	288	282	305

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Power purchase cost (Rs. Cr.)	689	665	603	590	638
DSTPS (1-2) (Rs. /Unit)	5.64	5.35	5.60	5.78	5.67
MTPS (7-8) (Rs. /Unit)	5.97	6.01	6.28	6.48	6.33
Per Unit Cost (Rs./Unit)	5.79	5.65	5.91	6.09	5.97

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



7.55 The detailed calculation for quantum and cost of power purchase for the control period is provided in the table below:

Table 126: DVC (400kV) Power Purchase cost for Control Period

Source	FY 2026-27			FY 2027-28			FY 2028-29		
	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW
Power Purchase Quantum (at TSL Periphery)	1190	655	536	1178	648	530	1021	561	459
Power Purchase Quantum (at Ex. Bus) (Loss 2.95% @ 132kV , 3.50% at 400kV)	1234	678	555	1221	671	549	1058	582	476
ECR (Rs. / kWh) (as per DVC Tariff Petition)		3.44	3.70		3.51	3.77		3.58	3.85
Energy Charge on Scheduled Energy (Rs. Cr.) after rebate of 1.5%	432	230	202	436	232	204	386	205	180
% Allocation		10%	10%		10%	10%		10%	10%
% Factor for ash evacuation charges		9.72%	7.95%		9.62%	7.87%		8.33%	6.82%
Station Annual Fixed Cost (Rs. Cr.) (as per DVC Tariff Petition)		1307	1090		1040	1059		996	989
Station Annual Supplementary Fixed Cost(Rs. Cr.) (as per DVC Bills)		110	116		110	116		110	116
Station Annual Ash Evacuation Expenses (Rs. Cr.) (as per DVC Tariff Petition)		68	53		68	56		68	59
Annual Fixed Cost for TSL (Rs. Cr.)		124	104		99	101		95	94

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Source	FY 2026-27			FY 2027-28			FY 2028-29		
	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW
Annual Supplementary Fixed Cost for TSL (Rs. Cr.)		11	11.60		11	11.60		11	11.60
Annual Ash Evacuation Expenses for TSL (Rs. Cr.)		6.31	4.00		6.24	4.16		5.41	3.80
Total Fixed Cost after Rebate	257	139	117	229	114	115	217	109	108
Total Cost	689	369	320	665	346	319	603	314	288
Variable Cost - Landed Unit Per unit	3.63	3.51	3.78	3.70	3.58	3.85	3.78	3.65	3.93
Fixed Cost - Landed Unit Per unit	2.16	2.13	2.19	1.94	1.77	2.16	2.13	1.95	2.35
Total Per Unit Cost	5.79	5.64	5.97	5.65	5.35	6.01	5.91	5.60	6.28

Table 127: DVC(400 kV) Power Purchase cost for Control Period

Source	FY 2029-30			FY 2030-31		
	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW
Power Purchase Quantum (at TSL Periphery)	968	532	436	1069	588	481
Power Purchase Quantum (at Ex. Bus) (Loss 2.95% @ 132kV , 3.50% at 400kV)	1003	552	451	1107	609	498
ECR (Rs. / kWh) (as per DVC Tariff Petition)		3.65	3.93		3.72	4.01
Energy Charge on Scheduled Energy (Rs. Cr.) after rebate of 1.5%	373	198	175	420	223	197
% Allocation		10%	10%		10%	10%
% Factor for ash evacuation charges		7.90%	6.47%		8.73%	7.14%

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Source	FY 2029-30			FY 2030-31		
	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW	Total	DSTPS (1-2) 100 MW	MTPS (7-8) 100 MW
Station Annual Fixed Cost (Rs. Cr.) (as per DVC Tariff Petition)		996	989		996	989
Station Annual Supplementary Fixed Cost (Rs. Cr.) (as per DVC Bills)		110	116		110	116
Station Annual Ash Evacuation Expenses (Rs. Cr.) (as per DVC Tariff Petition)		68	59		68	59
Annual Fixed Cost for TSL (Rs. Cr.)		95	94		95	94
Annual Supplementary Fixed Cost for TSL (Rs. Cr.)		11	11.60		11	11.60
Annual Ash Evacuation Expenses for TSL (Rs. Cr.)		5.13	3.60		5.66	3.97
Total Fixed Cost after Rebate	217	109	108	218	110	108
Total Cost	590	308	282	638	333	305
Variable Cost - Landed Unit Per unit	3.85	3.73	4.01	3.93	3.80	4.09
Fixed Cost - Landed Unit Per unit	2.24	2.05	2.47	2.04	1.87	2.24
Total Per Unit Cost	6.09	5.78	6.48	5.97	5.67	6.33



7.56 The subsequent section elaborates on each parameter and computation reflected in the table above:

Power Purchase Quantum (at TSL Periphery) in MUs: Expected Power Purchase Quantum at TSL periphery from DVC Generating stations at 400kV.

Power Purchase Quantum (at Ex-Bus) in MU: The expected scheduled energy at the Ex-bus of DVC Generating stations has been derived by grossing up the power purchase quantum at TSL periphery to include ISTS loss of 3.50%.

ECR (Rs. /kWh): ECR for FY 2026-27 have been considered same as the petition filed by DVC for the year, while 2 % escalation have been considered for subsequent years thereafter till FY 2030-31.

Energy Charge (Rs. Cr.) on Scheduled Energy after rebate of 1.5%: Total variable cost after applying rebate of 1.5%. It is derived by multiplying ECR (Rs/kWh) with Scheduled Energy (MUs) at DVC Ex-Bus.

% Allocation: Capacity Allocation for TSL in Percentage from DVC Generating stations.

Ash Evacuation Charges Factor: This factor is ratio of expected Energy drawl Scheduled by TSL at DVC Ex. Bus to Overall Scheduled Ex. Bus Generation from the generating station. This factor is considered for computation of Ash Evacuation expenses.

Station Annual Fixed Cost (Rs. Cr.): Annual Fixed Cost for FY 2026-27 to FY 2028-29 is considered as per Tariff Petition for FY 2024-25 to FY 2028-29 filed by DVC to Hon'ble CERC for DSTPS (1-2) and MTPS (7-8) generating stations, while Station AFC for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29 values of DVC tariff petition.

Station Annual Supplementary Fixed Charges towards ECS/FGD system (Rs. Cr.): Annual Supplementary Fixed charges are based on recent invoices raised by DVC.

DSTPS (1-2) & MTPS (7-8): Annual Supplementary Fixed charges for entire control period from DSTPS (1-2) & MTPS (7-8) are considered same as mentioned in recent DVC invoices.

Station Annual Ash Evacuation Expenses (Rs. Cr.): Annual Ash Evacuation charges for FY 2026-27 to FY 2028-29 are considered as per Tariff Petition for FY 2024-25 to FY 2028-29 filed by DVC to Hon'ble CERC for DSTPS (1-2) & MTPS (7-8) generating stations, while Station Annual Ash Evacuation Expenses for FY 2029-30 & FY 2030-31 are considered same as FY 2028-29 values of DVC tariff petition.



Annual Fixed Cost for TSL allocated Capacity (Rs. Cr.): The expected Annual Fixed Cost apportioned to TSL is determined by applying 95% of the Station Annual Fixed Cost as specified in Sr. No. 7 above and then allocating it in proportion to TSL's allocated capacity from the respective generating station.

Annual Supplementary Fixed Charges towards ECS/FGD system for TSL allocated Capacity (Rs. Cr.): The expected Annual Supplementary Fixed Cost apportioned to TSL from DVC generators is explained

DSTPS (1-2) & MTPS (7-8): Station Annual Supplementary Fixed Cost is considered same as mentioned in recent DVC invoices and further applying TSL's allocated capacity of 1.25% from this station.

Annual Supplementary FC for TSL= (Annual Supp. FC mentioned in bill) × Proportion of Allocated Capacity (%)

Annual Ash Evacuation Expenses for TSL (Rs. Cr.): The expected Annual Ash evacuation expenses for TSL is considered as 95% of the Station Annual Ash Evacuation Expenses as specified in Sl No. 9 and then applying Ash Evacuation charges factor (%) for TSL from respective generating stations i.e., *95% of Station Annual Ash Evacuation Expense filed by DVC × Ash Evacuation Charges Factor for TSL (%)*

Total Fixed Cost after rebate Rs. Cr.): Sum of all fixed components for the year after rebate **i.e.** Total Fixed Cost=(AFC +Annual Supplementary Fixed charges+ Annual Ash Evacuation Charges) x (1-1.5%)

Total Cost (Rs. Cr.): Sum of Fixed Charges and Variable Charges.

Variable Cost Landed Per Unit (Rs. /kWh): Energy charge per unit delivered at TSL periphery

Fixed Cost Landed Per Unit (Rs. /kWh): Fixed charge per unit delivered at TSL periphery

Derived Total Per Unit Cost (Rs. /kWh): Combined landed cost (variable + fixed) per unit delivered at TSL periphery.

Power Purchase from Tata Steel Works (TSW)

7.57 TSL has been purchasing power from Tata Steel Works based on the availability of power from its other long-term sources. TSL primarily purchases power from TSW in case of outage of the long-term sources of power of TSL. In the past Hon'ble Commission has approved the rate of power purchase from this source, the same as the weighted average cost of power from TPCL Jojobera. Accordingly weighted average cost of power for from TPCL Jojobera has been considered as the unit rate of power purchase from this source.

7.58 The quantum allocation of TSW Captive based on inputs received from the generator and past trends.



Table 128: Power Purchase – Tata Steel Works

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Power purchase Quantum (MUs)	6.00	6.00	6.00	6.00	6.00
Power purchase Cost (Rs. Cr.)	2.49	2.54	2.59	2.64	2.69
Per Unit Cost (Rs. /kWh)	4.15	4.23	4.32	4.40	4.49

Roof Top Solar - RTS (Net Injection)

7.59 TSL has facilitated the installation of Rooftop Solar (RTS) systems by consumers under the net metering framework, in compliance with the JSERC (Rooftop Solar PV Grid Interactive Systems) Regulations. These systems primarily serve Consumer own consumption, with surplus energy injected into the grid. The Net injected energy is expected to be 0.20 MUs for first year (FY 2026-27) of control period and thereafter considering an escalation of ~ 5% year on year, the net injection till Last year (FY 2030-31) of control period reaches 0.24 MUs. The injected energy will be settled at the approved rate of Rs. 3.80 per unit (PU), as per the Commission’s notified tariff for RTS net injection.

Table 129: Power Purchase – Tata Steel Works

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Injection Quantum MUs	0.20	0.21	0.22	0.23	0.24
Power purchase cost Rs. In Cr.	0.08	0.08	0.08	0.09	0.09
Per Unit Cost Rs./Unit	3.80	3.80	3.80	3.80	3.80

Renewable Power Purchase Obligation

7.60 The JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024 stipulates the long-term trajectory till FY 2029-30 for the Distribution Licensee. The same is reproduced below:

Table 130: RPO trajectory from FY 2024-25 to FY 2029-30

Year	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%



- 7.61 The Petitioner in the past has faced various difficulties in procuring renewable energy. The Petitioner had to rely on purchase of Renewable Energy Certificates (RECs) which is the alternate mechanism available to meet RPO.
- 7.62 The Petitioner submits that it would make all efforts to procure power from renewable energy source as and when it is available.
- 7.63 The quantum of renewable energy proposed to be met by way of purchase of Renewable Energy Certificates for the control period is provided in the table below:

Table 131: Purchase of REC for the Control Period

Particulars	Formul a	FY 2026-27	FY 2027- 28	FY 2028- 29	FY 2029- 30	FY 2030- 31
Total Pooled Energy Availability (MUs)	A	3088	3225	3108	3057	3191
Less : Units Sale in Exchange at 400kV Level (MUs)	B	125.00	125.00	125.00	125.00	125.00
Less : Units Sale in Exchange at 132kV Level (MUs)	C	105.12	105.12	105.12	105.12	105.12
Total Pooled Energy Availability (MUs) (Excl. Units Sold in Exchange)	D = A- B-C	2857	2995	2878	2827	2961
Add : Gross Solar Generation from RTS Consumers in JSR (MUs)	E	26	28	30	32	34
Obligated Units (MUs)	F = D + E	2883	3023	2908	2859	2995
RPO target in %	G	35.95%	38.81%	41.36%	43.33%	43.33%
Total RPO requirement (MUs)	H = F x G	1037	1173	1203	1239	1298
Less : RPO fulfilled through RTS Consumers JSR (MUs)	I	26	28	30	32	34
Less : RPO fulfilled through 50MW SECI Source (MUs)	J	0	42	101	101	101
Less : Purchase from GDAM (MUs)	K	16	0	0	0	0
Less: REC Purchase (Equivalent MUs)	L	995	1103	1072	1106	1163
Balance (Surplus) / Deficit (MUs)	M = H-I- J-K-L	0.00	0.00	0.00	0.00	0.00

- 7.64 The cost of REC has been arrived by considering equivalent REC cost of Rs. 490 for 1000 units of compliances.

Table 132: Cost of REC for the upcoming Control Period

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
No of RECs (1 REC = 1 MWh)	9,94,596	11,03,027	10,71,577	11,05,864	11,62,685
Market Clearing Price of REC (Rs/REC)	400	400	400	400	400
GST on MCP (@18%) (Rs/REC)	72	72	72	72	72
Commission to IEX @ Rs. 10/REC plus 18% GST (Rs/REC)	12	12	12	12	12



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Success Fee to Trader @ Rs. 5/REC plus 18% GST (Rs/REC)	6	6	6	6	6
Landed Cost of REC (Rs/ REC)	490	490	490	490	490
Total Amount Payable (Rs. Cr.)	48.71	54.02	52.48	54.15	56.94

7.65 The Petitioner requests Hon'ble Commission to kindly approve the purchase of RECs as discussed above for the purpose of meeting the RPO for the control period.

Transmission and Scheduling Cost

7.66 Inter State Transmission Charges for 400 KV connectivity: TSL has considered actual Transmission Cost for FY 2024-25 and escalated it by 1% YoY growth to project Transmission and Scheduling Cost for next Control Period as shown in tables below.

Table 133: Annual Inter State Transmission Charges Current Control Period

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 (Projected)
ISTS & ERLDC Charges (Rs. Cr.)	76.07	83.76	79.50	63.13	63.18

Table 134: Annual Inter State Transmission Charges projected for next Control Period

Particulars	FY 2025-26 (Base Year)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
ISTS & ERLDC Charges (Rs. Cr.)	63.18	63.81	64.45	65.09	65.75	66.40

DVC Intra State Transmission Charges for 132 KV connectivity

7.67 TSL has projected Transmission Cost for FY 2026-27 and escalated it by 1% YoY growth to project DVC Intra State Transmission Charges for the remaining years of the Control Period.

7.68 Transmission & scheduling expense will be increased for power purchase from DVC for both interconnection points (1) 400 KV inter connection and (2) 132 KV intra connection points.

Table 135: Annual DVC Intra State Transmission Charges projected for FY 2026-27

Particulars	Formula	Unit	Amount
DVC Intra State transmission Charges in for FY 2023-24 (as per CERC Order dtd :7 th Aug 2023)	A	(Rs. Lakh/ MW/ month)	1.09
Contracted Capacity in MW - MTPS (5-6), KTPS(1-2) , RTPS (1-2)	B	MW	90



Particulars	Formula	Unit	Amount
Contracted Capacity at DVC Ex. Bus	C	MW	85
Annual DVC Intra State transmission Charges projected for FY 27	$D = \frac{A \times C \times 12}{100}$	Rs. Cr.	11.15

Table 136: Annual DVC Intra State Transmission Charges projected for next Control Period

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
ISTS & ERLDC Charges (Rs. Cr.)	11.15	11.26	11.37	11.48	11.60

Sale of Daily Surplus Balance Power

7.69 Based on past experience, Load balancing & price in exchange. TSL expects to sell 125 MUs each year at 400kV level and 100 MUs each year at 132kV Level. It is expected that average price of such power sales to be realized for TSL would be Rs. 4.00/kWh. Any Sale of daily surplus above the incremental cost of power will reduce the overall Power purchase cost for the Licensee.

Total Power Purchase Cost

7.70 As discussed in preceding paragraphs, the projected total power purchase cost in next Control Period is as presented in the table below: -

Table 137: Power Purchase Cost (in Rs. Cr) for Control Period FY 2026-27 to FY 2030-31

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Tata Power Company Limited					
Unit – II	302.99	359.86	336.83	374.40	350.43
Unit – III	331.62	329.79	366.58	343.12	381.39
Damodar Valley Corporation`					
132 kV	230.47	234.66	230.03	238.45	248.40
MTPS (5-6)	121.21	123.96	127.33	134.61	138.04
KTPS (1-2)	67.00	67.54	58.43	59.64	62.94
RTPS (1-2)	42.26	43.16	44.26	44.20	47.42
400 kV	689	665	603	590	638
DSTPS (1-2)	369	346	314	308	333
MTPS (7-8)	320	319	288	282	305
Solar (SECI)	0.00	11.38	27.32	27.32	27.32
RTS (Net Injection)	0.08	0.08	0.08	0.09	0.09
TSW (Captive)	2.49	2.54	2.59	2.64	2.69
Open Market	2.88	2.91	2.94	2.97	3.00

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
GDAM	6.40	0.00	0.00	0.00	0.00
REC Cost	48.71	54.02	52.48	54.15	56.94
ISTS & ERLDC Charges	63.81	64.45	65.09	65.75	66.40
DVC Intra State transmission Charges	11.15	11.26	11.37	11.48	11.60
Total Power Purchase Cost Rs. In Cr.	1689.58	1736.12	1698.02	1710.01	1785.88
Sale-Surplus Power	92.05	92.05	92.05	92.05	92.05
Sale of Daily Surplus balance to Exchange Rs. In Cr. @ 400kV	50.00	50.00	50.00	50.00	50.00
Sale of Daily Surplus balance to Exchange Rs.in Cr.@ 132kV	42.05	42.05	42.05	42.05	42.05
Net Power Purchase Cost Rs. In Cr.	1597.53	1644.07	1605.98	1617.97	1693.84

Table 138:Power Purchase Rate for Control Period (Rs/kWh)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Tata Power Company Limited					
Unit - II	4.15	4.23	4.32	4.40	4.49
Unit - III	4.15	4.23	4.31	4.40	4.49
Damodar Valley Corporation`					
132 kV	6.78	6.45	6.67	6.87	6.54
MTPS (5-6) : 50 MW	6.38	6.55	6.70	6.57	6.59
KTPS (1-2) : 25 MW	7.14	5.80	6.14	6.15	6.00
RTPS (1-2) : 15 MW	7.51	7.42	7.42	7.58	7.21
400 kV	5.79	5.65	5.91	6.09	5.97
DSTPS (1-2)	5.64	5.35	5.60	5.78	5.67
MTPS (7-8)	5.97	6.01	6.28	6.48	6.33
50 MW Solar (SECI)	2.70	2.70	2.70	2.70	2.70
RTS (Net Injection)	3.80	3.80	3.80	3.80	3.80
TSW (Captive)	4.15	4.23	4.32	4.40	4.49
Open Market	5.76	5.82	5.88	5.93	5.99
GDAM	4.00	4.08	4.16	4.24	4.33



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Power Purchase Per Unit Cost (in Rs./kWh)	5.17	5.10	5.17	5.29	5.31

Commission's Analysis

7.71 In view of the above, the Power Procurement Cost from each source as submitted by the Petitioner and as approved by the Commission for the Control Period FY 2026-27 to FY 2030-31 is tabulated below:



Table 139: Power Procurement Cost (Rs. Cr.) as approved by the Commission

Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved								
TPCL Unit 2										
Power Purchased (MU)	730.00	730.00	850.00	850.00	780.00	780.00	850.00	850.00	780.00	780.00
Rate of Power Purchased (Rs./kWh)	4.15	4.32	4.23	4.41	4.32	4.49	4.40	4.58	4.49	4.67
Power Purchase Cost (Rs. Crore)	302.99	315.27	359.86	374.44	336.83	350.47	374.40	389.56	350.43	364.63
Prior Period Adjustments (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
Net Power Purchase Cost (Rs. Crore)	302.99	315.27	359.86	374.44	336.83	350.47	374.40	389.56	350.43	364.63
TPCL Unit 3										
Power Purchased (MU)	800.00	800.00	780.00	780.00	850.00	850.00	780.00	780.00	850.00	850.00
Rate of Power Purchased (Rs./kWh)	4.15	4.43	4.23	4.52	4.31	4.61	4.40	4.70	4.49	4.80
Power Purchase Cost (Rs. Crore)	331.62	354.68	329.79	352.73	366.58	392.07	343.12	366.98	381.39	407.91
Prior Period Adjustments (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
Net Power Purchase Cost (Rs. Crore)	331.62	354.68	329.79	352.73	366.58	392.07	343.12	366.98	381.39	407.91
DVC 132 kV										
Power Purchased (MU)	340.00	340.00	363.71	363.71	344.89	344.89	347.14	347.14	380.11	380.11
Rate of Power Purchased (Rs./kWh)	6.78	6.78	6.45	6.45	6.67	6.67	6.87	6.87	6.54	6.54
Power Purchase Cost (Rs. Crore)	230.47	230.47	234.66	234.66	230.03	230.03	238.45	238.45	248.40	248.40

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved								
Prior Period Adjustments (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
Net Power Purchase Cost (Rs. Crore)	230.47	230.47	234.66	234.66	230.03	230.03	238.45	238.45	248.40	248.40
DVC 400 kV										
Power Purchased (MU)	1,190.36	1,190.36	1,177.82	1,177.82	1,020.60	1,020.60	967.88	967.88	1,068.66	1,068.66
Rate of Power Purchased (Rs./kWh)	5.79	5.79	5.65	5.65	5.91	5.91	6.09	6.09	5.97	5.97
Power Purchase Cost (Rs. Crore)	688.99	688.99	665.18	665.18	602.73	602.73	589.66	589.66	637.62	637.62
Prior Period Adjustments (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
Net Power Purchase Cost (Rs. Crore)	688.99	688.99	665.18	665.18	602.73	602.73	589.66	589.66	637.62	637.62
TSW (Captive)										
Power Purchased (MU)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Rate of Power Purchased (Rs./kWh)	4.15	4.32	4.23	4.41	4.32	4.49	4.40	4.58	4.49	4.67
Power Purchase Cost (Rs. Crore)	2.49	2.59	2.54	2.64	2.59	2.70	2.64	2.75	2.69	2.80
Prior Period Adjustments (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
Net Power Purchase Cost (Rs. Crore)	2.49	2.59	2.54	2.64	2.59	2.70	2.64	2.75	2.69	2.80
Others/Open Market										
Power Purchased (MU)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved	Petition	Approved	Petition	Approved	Petition	Approved	Petition	Approved
Rate of Power Purchased (Rs./kWh)	5.76	5.76	5.82	5.82	5.88	5.88	5.93	5.93	5.99	5.99
Power Purchase Cost (Rs. Crore)	2.88	2.88	2.91	2.91	2.94	2.94	2.97	2.97	3.00	3.00
RPO Purchased (Rs. Crore)	-	-	-	-	-	-	-	-	-	-
G-TAM (F)										
Power Purchased (MU)	16.00	16.00	-	-	-	-	-	-	-	-
Rate of Power Purchased (Rs./kWh)	4.00	4.00	4.08	4.08	4.16	4.16	4.24	4.24	4.33	4.33
Power Purchase Cost (Rs. Crore)	6.40	6.40	-	-	-	-	-	-	-	-
REC										
Power Purchase Cost (Rs. Crore)	48.71	48.71	54.02	54.02	52.48	52.48	54.15	54.15	56.94	56.94
50 MW Solar (SECI)										
Power Purchased (MU)	-	-	42.08	42.08	101.00	101.00	101.00	101.00	101.00	101.00
Rate of Power Purchased (Rs./kWh)	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Power Purchase Cost (Rs. Crore)	-	-	11.38	11.38	27.32	27.32	27.32	27.32	27.32	27.32
RTS										
Power Purchased (MU)	0.20	0.20	0.21	0.21	0.22	0.22	0.23	0.23	0.24	0.24

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT for FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved								
Rate of Power Purchased (Rs./kWh)	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80
Power Purchase Cost (Rs. Crore)	0.08	0.08	0.08	0.08	0.08	0.08	0.09	0.09	0.09	0.09
Power Purchased (MU)	230.12	230.12	230.12	230.12	230.12	230.12	230.12	230.12	230.12	230.12
Rate of Power Purchased (Rs./kWh)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Revenue from Surplus Sales (Rs. Crore)	92.05									
Disallowed Sales										
Total Power Purchase										
Power Purchased (MU)	3,087.56	2,922.01	3,224.82	3,094.62	3,107.71	2,972.07	3,057.26	2,901.13	3,191.01	3,141.52
Power Purchase Cost (Rs. Crore)	1,614.62	1,650.06	1,660.41	1,698.03	1,621.56	1,660.80	1,632.78	1,671.92	1,707.88	1,748.71
Transmission Charges	74.96	74.96	75.71	75.71	76.47	76.47	77.23	77.23	78.00	78.00
Net Power Purchase Cost	1,689.58	1,632.97	1,736.12	1,681.69	1,698.02	1,645.22	1,710.01	1,657.10	1,785.88	1,734.67
Rate of Power Purchased (Rs./kWh)	5.17	5.27	5.10	5.14	5.17	5.23	5.29	5.39	5.31	5.23



Capital Investment Plan

Petitioner's Submission

- 7.72 The Petitioner is required to submit its Business Plan and Multi-Year Tariff (MYT) Petition for the Control Period commencing from April 1, 2026 (FY 2026-27) to March 31, 2031 (FY 2030-31) in accordance with the provisions of the Jharkhand State Electricity Regulatory Commission (JSERC) (Terms and Conditions for Determination of Distribution Tariff) Regulations.
- 7.73 The Petitioner has submitted that the present distribution network comprises distribution network cables, distribution transformers, switch houses, customer substations, meters, metering equipment and all associated control, monitoring, communication and protection equipment. The distribution network of Tata Steel Limited operates at voltage levels of 132 kV, 33 kV, 6.6 kV and LT levels.
- 7.74 The Petitioner has submitted that it continuously evaluates its distribution network to ensure reliable and quality power supply to existing as well as new consumers. Periodic assessments of the network are undertaken to identify requirements for network strengthening, augmentation and modernization in order to meet growing demand and maintain supply reliability.
- 7.75 The Petitioner has further submitted that a significant portion of the distribution network is old and has been in service for several decades. Accordingly, the Petitioner has been undertaking gradual replacement and strengthening of its network infrastructure to ensure safe, reliable and uninterrupted power supply to its consumers.
- 7.76 The Petitioner has submitted that while sales in the industrial segment have shown a declining trend in recent years, sales in the domestic and commercial segments have increased. Consequently, there is a need for strengthening the distribution network and substations catering to these consumer segments. Further, certain substations are presently fed from single sources without adequate tie arrangements, thereby necessitating creation of additional source feeders and tie lines to ensure reliability and redundancy.
- 7.77 The Petitioner has also submitted that in certain substations, the installed transformer capacity has already reached its operational limits due to increasing load, thereby requiring augmentation of capacity. In addition to network strengthening, the Petitioner proposes to undertake capital investments towards technology upgradation, improved monitoring systems, testing infrastructure and overall enhancement of reliability and quality of supply.



- 7.78 The Petitioner has further submitted that considering the highly industrialized consumer base within its licensed area, uninterrupted power supply is of paramount importance as even short-duration outages can lead to significant production losses for industrial consumers.
- 7.79 Based on the above requirements, the Petitioner has proposed a capital investment plan comprising 8 schemes for the Control Period FY 2026-27 to FY 2030-31 with a total capital expenditure of Rs. 386.86 Crore, the entire amount of which is expected to be capitalised during the Control Period.
- 7.80 The Petitioner has submitted that one of the schemes, namely “Capacity Augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur”, is a carry-over scheme from the previous Control Period. The scheme could not be completed earlier as the expected load additions were delayed and therefore the scheme was deferred in the larger interest of stakeholders. The scheme has now been included in the capital investment plan for the forthcoming Control Period.
- 7.81 The Petitioner has further submitted that the proposed capital investment schemes primarily focus on replacement of obsolete and unsafe equipment, strengthening of the distribution network through creation of tie lines and additional source feeders, installation of new power transformers and substations, as well as development of testing and monitoring infrastructure.
- 7.82 The Petitioner has submitted that the major capital schemes proposed during the Control Period include the following:
- (a) Replacement of old and obsolete oil-type 6.6 kV circuit breakers with modern vacuum circuit breakers (VCBs) and rebuilding of deteriorated substation structures;
 - (b) Establishment of a new 6.6 kV switch room and distribution substation in the Telco area for improved supply reliability in Ramadin Bagan and surrounding areas;
 - (c) Capacity augmentation of transformer and source feeders at the 33/6.6 kV Sakchi substation to meet increasing load demand and ensure N-1 reliability compliance;
 - (d) Augmentation and strengthening of testing infrastructure including meter testing facilities, condition monitoring systems, cable fault detection equipment and specialized testing instruments;
 - (e) Installation of advanced power quality monitoring systems to monitor voltage variations, harmonics and other parameters in compliance with regulatory standards;



- (f) Establishment of a new 2×25 MVA, 33/6.6 kV GIS substation at Baridih to cater to increasing load demand in Eastern Jamshedpur and;
 - (g) Development of 6.6 kV and LT distribution infrastructure in Bagan and Bustee areas to provide reliable electricity supply to consumers currently experiencing frequent outages.
- 7.83 The Petitioner has submitted that the proposed capital expenditure plan is aimed at replacing aged infrastructure, enhancing network reliability, strengthening redundancy, ensuring regulatory compliance and supporting future load growth within the licensed area.
- 7.84 The detailed scheme-wise information of the Capital Expenditure Plan proposed by the Petitioner for the Control Period FY 2026-27 to FY 2030-31 has been furnished in Annexure-1 of the Petition. The summary of the same is provided in the table below:



Table 140: Scheme-wise phasing of Capital Expenditure and Capitalization during the Control Period

S No	Type	Scheme name	Capex Phasing (Rs Cr)					Capitalization Phasing (Rs Cr)					Total	
			Scheme Cost	FY27	FY28	FY29	FY30	FY31	FY27	FY28	FY29	FY30		FY31
A	Carry Forward Scheme from previous MYT FY22-FY26													
1	Growth	Capacity augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur. (Total Scheme value Rs 226 Cr; exp in FY26 is Rs 13.23)	212.8	113.0	90.0	9.8				210.0	16.0			226.0
B	New Scheme Proposed for MYT Control Period FY27-FY31													
2	Safety	Replacement of old obsolete unsafe vertical isolation 6.6kV CB	66.0	0.0	15.0	16.0	17.0	18.0		15.0	16.0	17.0	18.0	66.0
3	Reliability	6.6 KV Switch Room at Ramadin Bagan	4.0	0.2	2.5	1.3					4.0			4.0
4	Reliability	Firm Capacity augmentation for Transformer and Source feeder of 33/6.6 kV substation at Sakchi.	14.0			4.0	5.0	5.0				4.0	10.0	14.0
5	Reliability	Augmentation & Strengthening of Testing Infrastructure (Sum of 5.1 – 5.6)	7.8		1.6	3.0	2.0	1.2		1.6	3.0	2.0	1.2	7.8
6	Quality	PQ Meter Installation	3.0	1.5	1.5					3.0				3.0
7	Growth	2 x 25 MVA, 33/6.6 kV GIS Substation at Baridih	48.0		8.0	20.0	20.0					48.0		48.0
8	Growth	Power Distribution Infrastructure for Jamshedpur city including Bagan & Bastee Area	10.0		2.0	4.0	2.0	2.0		2.0	3.0	3.0	2.0	10.0
Total of New Capex being proposed			152.8	1.7	30.6	48.3	46.0	26.2	0.00	21.6	26.00	74.0	31.2	152.8
Grand Total (A+B)			365.6	114.7	120.6	58.1	46.0	26.2	0.00	231.6	42.0	74.0	31.2	378.8
C	Self-Financing Schemes													
9	New Connection	Other Assets to provide consumer connection from consumers (Self-financing Schemes)	20.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	20.0
Grand Total (A+B+C)			385.6	118.7	124.6	62.1	50.0	30.2	4.0	235.6	46.0	78.0	35.2	398.8



Commission's Analysis

7.85 As per Regulation 6.12 to 6.15 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025:

“Capital Investment Plan

The Licensee shall file for the Commission's approval a Capital Investment Plan for the entire Control Period along with the Business Plan. The Capital Investment Plan shall be prepared scheme-wise and each scheme shall include:

Purpose of investment (e.g., replacement of existing assets, meeting load growth, technical and distribution loss reduction, non-technical loss reduction, meeting reactive energy requirements, customer service improvement, improvement in quality and reliability of supply, etc.);

Approval of Competent Authority;

Capital Structure;

Detailed Project Report;

Capitalization Schedule;

Implementation schedule including timelines;

Cost-benefit analysis and Rate reasonability;

Improvement in operational efficiency envisaged in the Control Period;

On-going schemes that will spill over into the year under review along with justification;

New schemes that will commence during the Control Period but may be completed within or beyond the Control Period.

.....”

7.86 The Commission has examined the Capital Investment Plan submitted by the Petitioner for the Control Period FY 2026-27 to FY 2030-31. The Petitioner has proposed capital expenditure of Rs. 386.86 Cr. under various capital expenditure schemes primarily for replacement of aged and obsolete equipment, strengthening of distribution network, augmentation of substation capacity, improvement of testing and monitoring infrastructure, and expansion of distribution infrastructure to meet the expected load growth in the licensed area.

7.87 During scrutiny of the Petition, the Commission observed that several schemes proposed under the Capital Investment Plan had only received departmental level approval, while some schemes had received technical approval and certain schemes had not yet received approval from the competent authority. Accordingly, through the discrepancy note, the Commission directed the Petitioner to clarify the status of approvals from the Board/Competent Authority and to provide timelines for obtaining such approvals.



- 7.88 In response to the above observation, the Petitioner submitted that the proposed capital schemes form part of the five-year Business Plan of Tata Steel Limited, and that the Chief of Power System and Energy is authorized to make submissions before the Commission including those relating to capital investment schemes. The Petitioner further submitted that the new schemes were deliberated internally with the relevant departments and were subsequently included in the five-year Business Plan.
- 7.89 The Petitioner further submitted that the proposed schemes will undergo a three-stage internal approval process, namely Business Unit Project Review Group (BU-PRG), Project Review Group (PRG) and Capital Expenditure Committee (CEC) prior to commencement of the execution of the projects on ground, in accordance with the Tata Steel Capital Governance process. The Petitioner has also submitted minutes of the BU-PRG meeting in support of the internal review process and stated that certain schemes have already received preliminary approval under this process.
- 7.90 The Commission also notes that certain schemes proposed by the Petitioner relate to replacement of aged and obsolete equipment such as 6.6 kV oil type circuit breakers and associated infrastructure. In such cases, the Commission directs the Petitioner to submit certificate of obsolescence, asset condition assessment reports and justification for replacement of assets at the time of APR/True-up along with supporting documents and disposal/decapitalisation details of the replaced assets.
- 7.91 For schemes involving establishment of new substations and expansion of distribution infrastructure, the Commission directs the Petitioner to submit Detailed Project Reports (DPR), implementation schedules, cost estimates and necessary internal approvals from the competent authority at the time of prudence check.
- 7.92 Further, in case of asset replacement schemes, the Petitioner shall submit details of de-capitalisation of the existing assets along with accounting treatment and proceeds from disposal, if any, during the respective True-up petitions.
- 7.93 The Commission shall review the capital expenditure and capitalization actually done by the Petitioner at the end of each year of the Control Period in accordance with Clause 6.13 to Clause 6.15 of the Distribution Tariff Regulations, 2025. The relevant regulation is mentioned below:

".....

During the Annual Performance Review, the Commission shall monitor the year-wise progress of the actual capital expenditure incurred by the Licensee vis-à-vis the approved capital expenditure. The Licensee shall submit the actual capital expenditure incurred along with the Annual Performance Review Filing.



The Commission shall review the actual capitalisation at the end of each year of the Control Period vis-à-vis the approved capitalisation schedule and shall true up the ARR based on actual capitalisation for the year for which True up has been filed and also revise the ARR components for the year for which APR and Tariff have been sought.

In case the capital expenditure is required for emergency work, which has not been approved in the Capital Investment Plan, the Licensee shall submit an application containing all relevant information along with reasons justifying emergency nature of the proposed work seeking approval of the Commission wherever possible:

Provided that in case the capital expenditure is required for emergency work or unforeseen situation to mitigate threat to life and property and if prior intimation thereof to the Commission shall cause any irreparable loss or injury, the Licensee may undertake such capital expenditure and submit the details for post- facto approval of the Commission along with next Tariff Petition with all relevant details."

- 7.94 The Commission at this junction does not approve any de-capitalisation, however, the Petitioner is required to submit the details of de-capitalisation, if any at the time up of APR/truing up.
- 7.95 Accordingly, the Commission provisionally considers the Capital Expenditure Plan and the corresponding capitalisation schedule for the Control Period FY 2026-27 to FY 2030-31, subject to prudence check at the time of APR/True-up:



Table 141: Provisionally Approved Scheme-wise phasing of Capital Expenditure and Capitalization

S No	Type	Scheme name	Capex Phasing (Rs Cr)					Capitalization Phasing (Rs Cr)					Total		
			Scheme Cost	FY27	FY28	FY29	FY30	FY31	FY27	FY28	FY29	FY30		FY31	
A	Carry Forward Scheme from previous MYT FY22-FY26														
1	Growth	Capacity augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur. (Total Scheme value Rs 226 Cr; exp in FY26 is Rs 13.23)	212.77	113.00	90.00	9.77					210.00	16.00			226.00
B	New Scheme Proposed for MYT Control Period FY27-FY31														
2	Safety	Replacement of old obsolete unsafe vertical isolation 6.6kV CB	66.00	-	15.00	16.00	17.00	18.00			15.00	16.00	17.00	18.00	66.00
3	Reliability	6.6 KV Switch Room at Ramadin Bagan	4.00	0.20	2.50	1.30						4.00			4.00
4	Reliability	Firm Capacity augmentation for Transformer and Source feeder of 33/6.6 kV substation at Sakchi.	14.00			4.00	5.00	5.00					4.00	10.00	14.00
5	Reliability	Augmentation & Strengthening of Testing Infrastructure (Sum of 5.1 – 5.6)	7.80		1.60	3.00	2.00	1.20			1.60	3.00	2.00	1.20	7.80
6	Quality	PQ Meter Installation	3.00	1.50	1.50						3.00				3.00
7	Growth	2 x 25 MVA, 33/6.6 kV GIS Substation at Baridih	48.00		8.00	20.00	20.00						48.00		48.00
8	Growth	Power Distribution Infrastructure for Jamshedpur city including Bagan & Bastee Area	10.00		2.00	4.00	2.00	2.00			2.00	3.00	3.00	2.00	10.00
Total of New Capex being proposed			152.80	1.70	30.60	48.30	46.00	26.20		-	21.60	26.00	74.00	31.20	152.80
Grand Total (A+B)			365.57	114.70	120.60	58.07	46.00	26.20		-	231.60	42.00	74.00	31.20	378.80
C	Self-Financing Schemes														
9	New Connection	Other Assets to provide consumer connection from consumers (Self-financing Schemes)	20.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	20.00
Grand Total (A+B+C)			385.6	118.7	385.57	118.70	124.60	62.07		50.00	30.20	4.00	235.60	46.00	78.00



Financing of Capital Expenditure Plan

Petitioner's Submission

7.96 The financing of the proposed Capex schemes is envisaged to be done through internal accrual.

7.97 The Petitioner further submitted that as per the methodology given in JSERC Distribution Tariff Regulations, 2025, any GFA addition in the Control Period after deducting consumer contribution has been considered to be funded by Petitioner in a Debt: Equity ratio of 70:30:

Table 142 Financing of Capital Expenditure Plan as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Transferred To GFA during year	4.00	235.60	46.00	78.00	35.20
Capitalization from Consumer Contribution	4.00	4.00	4.00	4.00	4.00
GFA Addition (Debt & Equity)	0	231.6	42	74	31.2
Equity addition during the Financial Year @ 30%	0.00	69.48	12.60	22.20	9.36
Debt addition during the Financial Year @ 70%	0.00	162.12	29.40	51.80	21.84

Commission's Analysis

7.98 As per Clause 10.16 & Clause 10.17 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025:

"Debt-Equity Ratio

10.16 Existing Projects: In case of capital expenditure schemes capitalised prior to April 01, 2026, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2026 shall be considered.

10.17 New Schemes: For capital expenditure schemes capitalised after April 01, 2026:

a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;

b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;

c) In case the actual equity employed is less than 30%, the actual debt-equity ratio shall be considered;



d) The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals Created out of free reserve, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal accruals are actually utilized for meeting capital expenditure.

.....;

7.99 The Commission accordingly approves Normative Equity to the tune of 30% and has considered the remaining 70% as Normative Debt. The financing of the additional capitalization as approved by the Commission is tabulated below.

Table 143 Financing of Capital Expenditure Plan as approved by the Commission (Rs. Cr.)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Transferred To GFA during year	4.00	235.60	46.00	78.00	35.20
Capitalization from Consumer Contribution	4.00	4.00	4.00	4.00	4.00
GFA Addition (Debt & Equity)	0.00	231.60	42.00	74.00	31.20
Equity addition during the Financial Year @ 30%	0.00	69.48	12.60	22.20	9.36
Debt addition during the Financial Year @ 70%	0.00	162.12	29.40	51.80	21.84

Human Resource Plan

Petitioner's Submission

7.100 The Petitioner has submitted the Human Resource Plan for the Control Period FY 2026-27 to FY 2030-31 in accordance with the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. The relevant regulation is reproduced below:

“6.11 The Business Plan shall be for the entire Control Period and shall interalia contain:

a) Capital Investment Plan for the entire Control Period commensurate with load growth, distribution loss reduction trajectory and quality improvement measures proposed in the Business Plan. The Capital Investment Plan should also include corresponding capitalisation schedule and financing plan; The Distribution Licensee shall also submit scheme-wise capital structure and cost of financing (interest on debt) and return on equity, Grant, Deposit Works, along with terms of the existing loan agreements, etc., as a part of the Capital Investment Plan;



- b) *Sales/Demand Forecast for each consumer category and subcategories for each year of the Control Period;*
- c) *Power Procurement Plan based on the sales forecast and distribution loss trajectory for each year of the Control Period. The Power Procurement Plan shall also include energy efficiency, RPO fulfilment, and demand side management measures;*
- d) *A set of targets proposed for other controllable items such as distribution losses, Billing efficiency, Collection efficiency, working capital requirement, quality of supply targets (viz., SAIFI, SAIDI and MAIFI as per the Jharkhand State Electricity 12 Jharkhand Gazette (Extraordinary) Thursday 16th October, 2025 Regulatory Commission (Distribution Licensees' Standards of Performance) Regulations, 2015, and subsequent amendments), etc. The targets shall be consistent with the capital investment plan proposed by the Licensee.*
- e) *Human Resource Plan with manpower planning including details of the estimated year wise manpower addition and retirements for the Control Period to meet the growth in demand/consumers;*
- f) *Proposals for Non-Tariff Income with item-wise description and details;*
- g) *Proposals in respect of income from Other Business. 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, distribution loss trajectory, quality improvement measures undertaken, category-wise number of consumers, connected load and sales, source-wise power procurement quantum and cost, Employee, R&M 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 Licensee, such information is required to be submitted for the period of operations up to the start of the Control Period.”

7.101 In compliance with the above Regulation, the Petitioner has submitted that it has formulated the Human Resource Plan for the Control Period based on the operational and maintenance requirements of the distribution system, expected growth in consumer base, and regulatory requirements relating to service standards, safety compliance, and consumer grievance redressal.

7.102 The Petitioner submitted that employees are a critical resource for ensuring uninterrupted operation of the electricity distribution system, which operates on a 24×7 basis and requires continuous monitoring,



maintenance and prompt response to operational contingencies. The Petitioner further submitted that its distribution network spreads across multiple locations within Jamshedpur and is susceptible to disruptions arising from urban construction activities, excavation works, encroachments, environmental conditions, vehicular movement and other external factors.

7.103 The Petitioner further submitted that during the upcoming Control Period approximately 20 employees are expected to superannuate, thereby necessitating replacement of manpower to ensure continuity of operations. Recruitment is proposed to be undertaken prior to retirement to allow sufficient time for training and skill development of new employees before assuming independent operational responsibilities.

7.104 The details of manpower replacement on account of retirement during the Control Period are given below.

Table 144: Manpower Required to replace superannuating employees

Level	FY27	FY28	FY29	FY30	FY31	Total
Managerial & Officers	1	1	-	1	-	3
Supervisory & Workmen	1	2	4	6	4	17
Total Manpower Replaced	2	3	4	7	4	20

7.105 The Petitioner further submitted that following the enactment of the Electricity Act, 2003, the electricity sector has undergone significant reforms in areas such as tariff determination, consumer services, power procurement planning, safety standards and reliability of supply. Various regulations issued by the Commission, including JSERC (Distribution Licensees' Standard of Performance) Regulations, 2015, provisions relating to Consumer Grievance Redressal Forums, and the JSERC (Framework for Resource Adequacy) Regulations, 2024, require distribution licensees to maintain adequate manpower for ensuring compliance with regulatory requirements.

7.106 The Petitioner submitted that while it has attempted to comply with regulatory requirements through redeployment of existing manpower during the previous Control Period, certain functional requirements could not be adequately addressed due to manpower constraints. Accordingly, the Petitioner has assessed the requirement of additional manpower during the Control Period to meet these operational and regulatory requirements.

7.107 The Petitioner has proposed manpower addition for various operational functions including:

- Safety inspections across distribution installations and consumer premises



- Disconnection and reconnection activities related to payment defaults
- Vigilance and inspection related to theft and unauthorized use of electricity
- Operation and maintenance of substations, lines and distribution equipment
- Underground cable fault identification and restoration
- Testing, fault analysis and relay coordination activities
- Distribution network management in Bustee cluster areas

7.108 The details of manpower addition proposed for these functions during the Control Period are given below.

Table 145: Manpower Required for additional function in existing operational area.

Activity Details	CONTROL PERIOD					
	FY27	FY28	FY29	FY30	FY31	Total
Safety inspection in Market area, HT & LT consumers premise including fringe areas	0	1	0	0	0	1
Power disconnection on payment default	2	0	0	0	0	2
Inspection, vigilance, theft and Unauthorized use of electricity.	1	1				2
O&M of 132/33/6.6/415V equipment & Line including installation at Consumer premises	1	2	2	2	2	9
Underground Cable Fault finding & restoration.	1	2	1			4
Testing, Fault Analysis & Relay Co-ordination		1	1		0	2
Retail Distribution network management in Bustee Clusters.	1	1	0	0	0	2
Total Manpower Added	6	8	4	2	2	22

7.109 Based on the above manpower requirement, the Petitioner has proposed recruitment of 22 additional employees during the Control Period across managerial, supervisory and worker levels.

7.110 The category-wise manpower recruitment plan is given below.

Table 46: Total Additional Manpower recruitment proposed

Level	FY27	FY28	FY29	FY30	FY31	Total
Managerial	1	3	1			5
Supervisor	4	3	1	1		9
Worker	1	2	2	1	2	8
Total	6	8	4	2	2	22

Commission's Analysis



- 7.111 The Commission has examined the Human Resource Plan submitted by the Petitioner for the Control Period FY 2026-27 to FY 2030-31 in accordance with Regulation 6.11(e) of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.
- 7.112 The Commission notes that the Petitioner has proposed manpower replacement for employees expected to retire during the Control Period and additional manpower to meet operational requirements such as safety inspections, maintenance of distribution infrastructure, fault restoration, consumer service activities and regulatory compliance functions.
- 7.113 The Commission observes that manpower replacement against retirement is a normal operational requirement for ensuring continuity of operations. Accordingly, the Commission considers the manpower replacement proposed by the Petitioner during the Control Period.
- 7.114 With regard to the additional manpower proposed by the Petitioner, the Commission notes that the same has been justified on account of operational requirements including maintenance of expanding distribution infrastructure, safety compliance, theft detection and monitoring activities, and consumer service requirements.
- 7.115 7.103 However, the Commission directs that any recruitment undertaken by the Petitioner during the Control Period shall be based on actual operational requirement and internal approval of the competent authority. The Petitioner shall ensure optimal utilisation of existing manpower and adoption of efficient operational practices before undertaking additional recruitment.
- 7.116 The Commission further directs that the actual employee strength and employee expenses shall be subject to prudence check during the Annual Performance Review and True-up proceedings based on actual manpower deployed and supporting documentary evidence.
- 7.117 Accordingly, the Commission considers the Human Resource Plan submitted by the Petitioner for the Control Period FY 2026-27 to FY 2030-31 for the purpose of ARR determination, subject to prudence check at the time of APR/True-up.

Table 146 Manpower approved by the Commission for Control Period (Nos.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Manpower	165	171	179	183	185
Less: Manpower Superannuating	0	0	0	0	0
Manpower additions	6	8	4	2	2
Closing Manpower during the Year	171	179	183	185	187
Growth Rate (%)	3.64%	4.68%	2.23%	1.09%	1.08%



Chapter 8: MYT for FY 2026-27 TO FY 2030-31 and Aggregate Revenue Requirement & Tariff for FY 2026-27

- 8.1 The Petitioner, in the current Petition has submitted the MYT Petition for the Control Period from FY 2026-27 to FY 2030-31 and has computed each element of ARR for the 4th Control Period taking into the following consideration:
- a. Norms and Principles outlined in the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations 2025;
 - b. Business Plan and Multi Year Tariff Petition covering Operational and Financial Plan submitted for the Control Period from FY 2025-26 to FY 2030-31;
 - c. Actual parameters of the last Control Period i.e. FY 2021-22 to FY 2025-26 and actuals for first six months and estimates for the remaining six months for FY 2026-27;
- 8.2 The Commission has scrutinized the Petition filed by the Petitioner for determination of Distribution Tariff for the MYT Control Period i.e. FY 2025-26 to 2030-31, in accordance with JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations 2025.
- 8.3 The Commission has approved the ARR for the Control Period i.e. FY 2025-26 to 2030-31 and dealt with the Petitioner's Tariff proposal for FY 2026-27 taking into consideration:
- Material evidences placed before the Commission;
 - Distribution Tariff Regulations, 2025;
 - Methodology adopted by the Commission in previous Order
- 8.4 The component-wise description of the Petitioner's submission and the Commission's analysis thereon is depicted in the following paragraphs.

Consumers, Connected Load and Energy Sales

Petitioner's Submission

- 8.5 The Petitioner had projected the number of consumers, Connected Load and Sales in Business Plan for FY 2025-26 to FY 2030-31 as discussed in the Business Plan Chapter.

Commission's Analysis

- 8.6 The Commission has approved the Number of Consumers, Connected Load and Sales for the Control Period i.e. FY 2025-26 to FY 2030-31 as discussed in Chapter 7, Sub-Section: Demand and Sales Forecast of this Order.



Distribution Loss

Petitioner's Submission

8.7 Petitioner has conducted element wise estimation of loss levels in the distribution network and arrived that Distribution loss may be in the range of 37.60 MU to 41.33MU and may lead to Distribution losses between 2.6% to 3.2% during the Control period. Petitioner submits that losses in interconnecting 132kV lines also form part of this loss. Therefore, for the purpose of Business Planning Petitioner has considered Distribution loss of 3.0%. for the control period FY 2025-26 to FY 2030-31.

Commission's Analysis

8.8 The Commission has approved the Distribution Loss for the Control Period i.e. FY 2025-26 to FY 2030-31 as discussed in Chapter 7 of this Order.

Energy Balance

Petitioner's Submission

8.9 The Petitioner submitted that the projection for energy requirement has been arrived by grossing up the Sales with transmission loss and distribution loss.

8.10 The Petitioner has envisaged some increase in Distribution loss levels over the years due to significant increase in network and growth in LT consumer segment during the Control Period.

8.11 The Petitioner has considered the distribution loss in the range of 37.60 MU to 41.33MU and that may lead to Distribution losses between 2.6% to 3.2% during the Control Period.

8.12 The Petitioner has submitted that it started purchasing electricity from DVC Generators in Schedule mode from September 2025 and therefore for all the energy purchased from DVC Transmission losses are applicable. Transmission loss of 2.96% in DVC system has been considered to compute the total schedule energy at DVC Generator Ex-Bus.

Commission's Analysis

8.13 The Commission has approved the Energy Balance for the Control Period i.e. FY 2025-26 to FY 2030-31 as discussed in Chapter 7, Sub-Section: Energy Balance of this Order.

Renewable Purchase Obligation

Petitioner's Submission



- 8.14 TSL has been purchasing power from Tata Steel Works based on the availability of power from its other long-term sources. TSL primarily purchases power from TSW in case of outage of the long-term sources of power of TSL. In the past Hon'ble Commission has approved the rate of power purchase from this source, the same as the weighted average cost of power from TPCL Jojobera. Accordingly weighted average cost of power for from TPCL Jojobera. has been considered as the unit rate of power purchase from this source.
- 8.15 The quantum allocation of TSW Captive based on inputs received from the generator and past trends.

Table 147: Power Purchase – Tata Steel Works

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Power purchase Quantum (MUs)	6.00	6.00	6.00	6.00	6.00
Power purchase Cost (Rs. Cr.)	2.49	2.54	2.59	2.64	2.69
Per Unit Cost (Rs. /kWh)	4.15	4.23	4.32	4.40	4.49

- 8.16 The Petitioner has facilitated the installation of Rooftop Solar (RTS) systems by consumers under the net metering framework, in compliance with the JSERC (Rooftop Solar PV Grid Interactive Systems) Regulations. These systems primarily serve Consumer own consumption, with surplus energy injected into the grid. The Net injected energy is expected to be 0.20 MUs for first year (FY 2026-27) of control period and thereafter considering an escalation of ~ 5% year on year, the net injection till Last year (FY 2030-31) of control period reaches 0.24 MUs. The injected energy will be settled at the approved rate of ₹3.80 per unit (PU), as per the Commission's notified tariff for RTS net injection.

Table 148: Power Purchase – Tata Steel Works

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Injection Quantum MUs	0.20	0.21	0.22	0.23	0.24
Power purchase cost Rs. In Cr.	0.08	0.08	0.08	0.09	0.09
Per Unit Cost Rs./Unit	3.80	3.80	3.80	3.80	3.80

- 8.17 The JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024 stipulates the long-term trajectory till FY 2029-30 for the Distribution Licensee. The same is reproduced below:



Table 149: RPO trajectory from FY 2024-25 to FY 2029-30

Year	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

8.18 The Petitioner in the past has faced various difficulties in procuring renewable energy. The Petitioner had to rely on purchase of Renewable Energy Certificates (RECs) which is the alternate mechanism available to meet RPO.

8.19 The Petitioner submits that it would make all efforts to procure power from renewable energy source as and when it is available.

8.20 The quantum of renewable energy proposed to be met by way of purchase of Renewable Energy Certificates for the control period is provided in the table below:

Table 150 RPO Computation from FY 2026-27 to FY 2030-31

Particulars	Formula	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Pooled Energy Availability (MUs)	A	3088	3225	3108	3057	3191
Less : Units Sale in Exchange at 400kV Level (MUs)	B	125.00	125.00	125.00	125.00	125.00
Less : Units Sale in Exchange at 132kV Level (MUs)	C	105.12	105.12	105.12	105.12	105.12
Total Pooled Energy Availability (MUs) (Excl. Units Sold in Exchange)	D = A-B-C	2857	2995	2878	2827	2961
Add : Gross Solar Generation from RTS Consumers in JSR (MUs)	E	26	28	30	32	34
Obligated Units (MUs)	F = D + E	2883	3023	2908	2859	2995
RPO target in %	G	35.95%	38.81%	41.36%	43.33%	43.33%
Total RPO requirement (MUs)	H = F x G	1037	1173	1203	1239	1298
Less : RPO fulfilled through RTS Consumers JSR (MUs)	I	26	28	30	32	34



Particulars	Formula	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Less : RPO fulfilled through 50MW SECI Source (MUs)	J	0	42	101	101	101
Less : Purchase from GDAM (MUs)	K	16	0	0	0	0
Less: REC Purchase (Equivalent MUs)	L	995	1103	1072	1106	1163
Balance (Surplus) / Deficit (MUs)	M = H-I-J-K-L	0.00	0.00	0.00	0.00	0.00

Commission's Analysis

8.21 The Commission, after thorough analysis of the facts, is in consent with the Petitioner's claim that the RPO obligation will be there on the Petitioner for the purchase of the power from the DVC in the scheduled mode as per the Commission's Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024. The trajectory for the RPO is provided below.

Table 151 RPO Trajectory from FY 2024-25 to FY 2029-30 (in %)

Year	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total
2024-25	0.67%	0.38%	1.50%	27.35%	29.91%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

8.22 As per the RPO percentage given in the RPO trajectory table above, the Commission is calculated the actual obligated Renewable Energy that the Petitioner is required to be purchase from any renewable energy sources. The detail RPO computation is summarised below. The Commission has considered the cost of REC certificates in line with APR cost approved subject to submission at the time of true up.

Table 152 RPO Computation from FY 27 to FY31

Particulars	Formula	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Pooled Energy Availability (MUs)	A	3088	3225	3108	3057	3191



Particulars	Formula	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Less : Units Sale in Exchange at 400kV Level (MUs)	B	125.00	125.00	125.00	125.00	125.00
Less : Units Sale in Exchange at 132kV Level (MUs)	C	105.12	105.12	105.12	105.12	105.12
Total Pooled Energy Availability (MUs) (Excl. Units Sold in Exchange)	D = A-B-C	2857	2995	2878	2827	2961
Add : Gross Solar Generation from RTS Consumers in JSR (MUs)	E	26	28	30	32	34
Obligated Units (MUs)	F = D + E	2883	3023	2908	2859	2995
RPO target in %	G	35.95%	38.81%	41.36%	43.33%	43.33%
Total RPO requirement (MUs)	H = F x G	1037	1173	1203	1239	1298
Less : RPO fulfilled through RTS Consumers JSR (MUs)	I	26	28	30	32	34
Less : RPO fulfilled through 50MW SECI Source (MUs)	J	0	42	101	101	101
Less : Purchase from GDAM (MUs)	K	16	0	0	0	0
Less: REC Purchase (Equivalent MUs)	L	995	1103	1072	1106	1163
Balance (Surplus) / Deficit (MUs)	M = H-I-J-K-L	0.00	0.00	0.00	0.00	0.00

Power Purchase Cost

Petitioner's Submission

8.23 The Petitioner had projected the total power purchase cost in Business Plan for FY 2025-26 to FY 2030-31 as discussed in the Business Plan Chapter 7 of this Order.

Commission Analysis

8.24 The Commission has approved the Power Purchase Cost for the Control Period i.e. FY 2025-26 to FY 2030-31 as discussed in Chapter 7, Sub-Section: Power Purchase Plan of this Order.

Capital Work in Progress (CWIP) & Gross Fixed Asset (GFA)

Petitioner's Submission

8.25 As per the Petitioner's submission of Capital Expenditure and Capitalization proposed in the Business Plan for the Control Period, the Petitioner has projected the CWIP and GFA for the Control Period as depicted below. Further, the Petitioner also submitted the scheme-wise details of Capital Expenditure and Capitalisation along with the Petition.



8.26 The Petitioner requested the Commission to approve the Capital Expenditure and Capitalization for the Control Period as proposed by the Petitioner.

Table 153 Capital Work in Progress (CWIP) as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening CWIP	15.01	129.71	18.71	34.78	6.78
Add: Capex during year	118.70	124.60	62.07	50.00	30.20
Less: Trfd to (GFA Capitalised)	4.00	235.60	46.00	78.00	35.20
Closing CWIP	129.71	18.71	34.78	6.78	1.78

Table 154 Gross Fixed Assets (GFA) as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening GFA	683.91	687.91	923.51	969.51	1047.51
Add: Trfd from CWIP	4.00	235.60	46.00	78.00	35.20
Less: disposal	0.00	0.00	0.00	0.00	0.00
Closing GFA	687.91	923.51	969.51	1047.51	1082.71

Commission's Analysis

8.27 The Commission has scrutinized the additional capitalisation submitted by the Petitioner in its MYT Business Plan along with Detail Project Report (DPR). The Commission after prudence check approves the additional capitalisation for the Control Period as detailed in Chapter 7, Sub-Section: Capital Investment Plan of this Order.

8.28 The CWIP and GFA approved by the Commission for the Control Period from FY 2026- 27 to FY 2030-31 is tabulated below.

Table 155 Capital Work in Progress (CWIP) as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening CWIP	34.68	149.38	38.38	54.45	26.45
Additional Capex	118.70	124.60	62.07	50.00	30.20
Less: Capitalisation	4.00	235.60	46.00	78.00	35.20
Closing CWIP	149.38	38.38	54.45	26.45	21.45

Table 156 Gross Fixed Assets (GFA) as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening GFA	683.47	687.47	923.07	969.07	1047.07
Add: Trans from CWIP	4.00	235.60	46.00	78.00	35.20
Less: Asset Decapitalised	0.00	0.00	0.00	0.00	0.00
Closing GFA	687.47	923.07	969.07	1047.07	1082.27



Consumer Contribution (CC)

Petitioner's Submission

8.29 The Petitioner has projected the both received and capitalization of Consumer Contribution (CC) for the control period as follows:

Table 157 CC Capitalisation as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Consumer Contribution Amount (received)	86.87	90.87	94.87	98.87	102.87
Other Consumer Contribution received during the year	4.00	4.00	4.00	4.00	4.00
Closing Consumer Contribution Amount (received)	90.87	94.87	98.87	102.87	106.87
Opening Consumer contribution capitalized	79.18	83.18	87.18	91.18	95.18
Add: Consumer contribution Capitalized during the year	4.00	4.00	4.00	4.00	4.00
Closing consumer contribution Capitalized	83.18	87.18	91.18	95.18	99.18

Commission's Analysis

8.30 The Commission has considered the addition in CC Received as Rs. 4.00 Cr. for each year of the Control Period as per the Methodology adopted by the Commission in the previous Orders, subject to truing up

Table 158 CC Capitalisation as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
CC capitalized during the Year	4.00	4.00	4.00	4.00	4.00

Depreciation

Petitioner's Submission

8.31 The Petitioner submitted the depreciation is calculated in accordance with JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.

8.32 The Petitioner has projected the Gross Depreciation considering an average rate of depreciation of past financial years (3.05%) to arrive at the year on year depreciation for the Control Period.

8.33 Further, for the assets created out of Consumer Contribution (CC), the equivalent depreciation corresponding to Consumer Contribution is deducted from Gross Depreciation to derive net Depreciation.

Table 159 Net Depreciation as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Gross Depreciation for the Year	20.94	24.59	28.89	30.78	32.51



Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Consumer Contribution towards Closing GFA	4.00	4.12	4.25	4.39	4.52
Average GFA	685.91	805.71	946.51	1008.51	1065.11
Closing Consumer Contribution received	83.18	87.18	91.18	95.18	99.18
Depreciation on account of Consumer Contribution	2.77	2.90	3.02	3.14	3.26
Net Depreciation	18.16	21.70	25.87	27.64	29.25

Commission's Analysis

8.34 The relevant extract of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is reproduced below.

“Depreciation

Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission:

Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

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

Provided that the Distribution Licensee 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.

Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset.

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average



GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.

In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalised asset during its useful services.”

- 8.35 The Commission has determined Depreciation considering the approved depreciation in FY 2024-25 which is the last trued up year i.e, 3.05%. The table below summarizes the depreciation as submitted by the Petitioner and as approved by the Commission for FY 2026-27 to FY 2030-31:

Table 160: Depreciation (Rs Cr.) as approved by the Commission

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Gross Depreciation for the Year	20.94	24.59	28.89	30.78	32.51
Depreciation on account of Consumer Contribution (CC)	2.71	2.84	2.96	3.20	3.32
Net Depreciation for the year	18.22	21.76	25.93	27.58	29.19

Interest and Finance Charges

Petitioner’s Submission

- 8.36 The Petitioner has submitted that they have considered the opening debt for FY 2026-27 equal to closing value of FY 2025-26 as submitted in its APR Petition.
- 8.37 The annual addition during the financial year of Control Period is considered in line with funding as submitting in its Business Plan.
- 8.38 Further, repayment of loan for each financial year of the Control Period has been considered equal to net Depreciation in line with the Regulation 10.23 of the JSERC Tariff Regulations, 2025.
- 8.39 The rate of interest on long-term loan has been considered as prevailing Marginal Cost of Lending Rate (MCLR) of SBI plus 200 basis points as per Regulation 10.26 of the JSERC Distribution Tariff Regulations, 2025.



Table 161: Interest and Finance Charges as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Balance	12.88	0.00	140.42	143.95	168.10
Addition	0.00	162.12	29.40	51.80	21.84
Repayment	18.16	21.70	25.87	27.64	29.25
Closing Balance	0.00	140.42	143.95	168.10	160.69
Average Loan	6.44	70.21	142.19	156.03	164.40
Rate of Interest	11.00%	11.00%	11.00%	11.00%	11.00%
Interest Cost	0.71	7.72	15.64	17.16	18.08

Commission's Analysis

8.40 The relevant Regulations related to Interest on Loan of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

“Interest on Loan Capital

10.21 *The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.*

10.22 *The normative loan outstanding as on April 01, 2026 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2025 from the gross normative loan.*

10.23 *The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.*

10.24 *In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.*

10.25 *Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/ asset.*

10.26 *The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee:*

Provided that Rate of Interest shall not exceed Bank Rate as on April 01 of the respective year of the Control Period plus two hundred (200) basis points.

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be



considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus two hundred (200) basis points.

10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of fifty: fifty (50:50).”

8.41 In accordance with the Tariff Regulations, 2025, the Commission has computed the normative loan addition during the year equal to 70% of the approved capitalization after deducting assets funded out of CC. The normative repayment is deemed to be equal to the approved net depreciation during the Financial Year.

8.42 The Opening loan for FY 2025-26 has been considered as the closing loan approved by the Commission in True up Order of FY 2024-25. Thereafter GFA addition and Consumer Contribution received during FY 2025-26 has been considered as per the APR Petition for FY 2025-26 to arrive at Normative loan addition for FY 2025-26. Similarly, Debt repayment has been arrived considering the numbers of APR Petition for FY 2025-26 as submitted by the Petitioner. The closing loan thus arrived for FY 2025-26 has been considered as opening loan for FY 2026-27.

8.43 Further, in accordance with the Tariff Regulations, 2025, interest on normative loan has been approved based on the average normative loan outstanding during the FY at the interest rate of MCLR SBI Rate as on April 01, 2025 plus 200 basis points for each year of the Control Period.

8.44 The following table summarises the Interest and Finance Charges (IFC) as approved by the Commission for the Control period.

Table 162: Interest and Finance Charges as approved by the Commission for Control Period

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Balance of Normative Loan	13.51	-4.71	135.65	139.12	163.34
Add: Deemed Additions during the year	-	162.12	29.40	51.80	21.84
Less: Deemed Repayments	18.22	21.76	25.93	27.58	29.19
Closing Balance of Normative Loan	-4.71	135.65	139.12	163.34	155.99



Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Average Balance of Normative Loan	4.40	65.47	137.39	151.23	159.66
Bank Rate plus 200 BP as on 1st April of the respective years	11.00%	11.00%	11.00%	11.00%	11.00%
Interest and Finance Charges	0.48	7.20	15.11	16.64	17.56

Interest on Consumer Security Deposits

Petitioner's Submission

8.45 The Petitioner has submitted that the computation of Interest on Security Deposit for the Control Period FY 2026-27 to FY 2030-31 has been carried out in accordance with the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. The relevant provision of the Regulation is reproduced below:

“10.33 Interest paid on consumer security deposits shall be as specified by the Commission under the JSERC (Electricity Supply Code) Regulations, 2015 as amended or replaced from time to time.”

8.46 The Petitioner submits that as per the JSERC Supply code regulation, 2015, mentioned the following with regards to interest on Security deposit is as represented below:

“8.2.16 The Distribution Licensee shall pay interest to the consumer at the State Bank of India base rate prevailing on the 1st of April for the year, payable annually on the consumer's security deposit with effect from the date of such deposit in case of new connections energized after the date of this notification, or in other cases, from the date of notification of these Regulations. The interest accrued during the year shall be adjusted in the consumer's bill for the first billing cycle of the ensuing financial year.”

8.47 the Petitioner has submitted that the projected security deposit during the Control Period has been estimated in proportion to the projected increase in connected load for the respective years. The incremental connected load has been multiplied with the applicable per kVA/kW security deposit requirement to arrive at the estimated security deposit addition during each year of the Control Period.

8.48 The Petitioner has further submitted that the interest on security deposit has been computed based on the average security deposit balance for each year of the Control Period and an interest rate of 10.40%, which corresponds to the State Bank of India base rate prevailing as on 1st April 2025.

8.49 Based on the above methodology, the Petitioner has computed the Interest on Security Deposit for the Control Period FY 2026-27 to FY 2030-31 as shown in the table below.



Table 163 Interest on CSD as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Security Deposit	64.68	68.21	71.88	75.66	79.47
Security Deposit Expected	3.53	3.68	3.77	3.82	3.97
Closing Security Deposit	68.21	71.88	75.66	79.47	83.45
Average Security Deposit	66.44	70.05	73.77	77.57	81.46
Rate of Interest: SBI Base Rate	10.40%	10.40%	10.40%	10.40%	10.40%
Interest on Security Deposit	6.91	7.28	7.67	8.07	8.47

Commission's Analysis

8.50 The relevant Regulations related to Interest on Consumer Security Deposits of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below

“Interest on Consumer Security Deposits

10.33 Interest paid on consumer security deposits shall be as specified by the Commission in JSERC (Electricity Supply Code) Regulations, 2015 as amended or as replaced from time to time.”

10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.

10.22 The normative loan outstanding as on April 01, 2026 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2025 from the gross normative loan.”

8.51 The JSERC (Electricity Supply Code) Regulations 2015 specifies that the Licensee shall pay interest to its consumer at the SBI Base rate prevailing on April 01, of the respective financial year. The relevant section of JSERC (Electricity Supply Code) Regulations 2015 is reproduced below.

“Interest on Security Deposit

8.2.16 The Distribution Licensee shall pay interest to the consumer at the State Bank of India base rate prevailing on the 1st of April for the year, payable annually on the consumer's security deposit with effect from date of such deposit in case of new connections energized after the date of this notification, or in other cases, from the date of notification of these Regulations. The interest accrued during the year shall be adjusted in the consumer's bill for the first billing cycle of the ensuing financial year.”

8.52 The Opening Security Deposit for FY 2025-26 has been considered as the closing security deposit approved by the Commission in True up Order of FY 2024-25. Thereafter Security Deposit Addition has been considered as per the APR Petition for FY 2025-26 as submitted by the Petitioner. The closing Security Deposit thus arrived for FY 2025-26 has been considered as opening Security Deposit for FY 2025-26.



- 8.53 The Commission has considered the Security Deposit additions as submitted by the Petitioner for each year of the Control Period, subject to the true-up.
- 8.54 The rate of interest of Security Deposit is considered as SBI Base as on April 01, 2025 for FY 2026-27 and thereafter considered the same for the subsequent years of the Control Period.
- 8.55 The Commission has provisionally approved the Interest on CSD as shown below, subject to truing up based on actuals:

Table 164 Interest on CSD as approved by the Commission for Control Period (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Security Deposit	64.68	68.21	71.88	75.66	79.47
Security Deposit Expected	3.53	3.68	3.77	3.82	3.97
Closing Security Deposit	68.21	71.88	75.66	79.47	83.45
Average Security Deposit	66.44	70.05	73.77	77.57	81.46
Rate of Interest: SBI Base Rate	10.40%	10.40%	10.40%	10.40%	10.40%
Interest on Security Deposit	6.91	7.28	7.67	8.07	8.47

Return on Equity

Petitioner's Submission

- 8.56 The Petitioner submitted that it has considered the opening equity base for FY 2026-27 equal to closing value of FY 2025-26 as submitted in its APR Petition for FY 2025-26.
- 8.57 The annual addition during the financial year of Control Period is considered in line with financing plan as submitting in its Business Plan.
- 8.58 The rate of return on equity has been considered at 15.00% as per provisions of Regulation 10.19 and 10.20 of the JSERC Distribution Tariff Regulations, 2025.
- 8.59 The Petitioner submitted the computation of return on equity as shown in the table below:



Table 165 Return on Equity as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Equity for GFA upto 31.03.2026	179.91	179.91	179.91	179.91	179.91
Normative Equity additions during the year upto FY 26					
Normative equity for GFA added after 1.4.2026	0.00	69.48	12.60	22.20	9.36
Cumulative Normative Equity for GFA added after 1.4.2026	0.00	69.48	82.08	104.28	113.64
Total normative equity	179.91	249.39	261.99	284.19	293.55
Average Equity for GFA upto 31.03.2026	173.82	173.82	173.82	173.82	173.82
Average equity for GFA added after 1.4.2026	0.00	34.74	75.78	93.18	108.96
Equity on assets created from 01.04.2026 onwards	179.91	249.39	192.51	202.11	189.27
Average Equity	179.91	214.65	186.21	191.01	184.59
Return on Equity(for assets created upto 31.03.2026) @14.5%	25.20	25.20	25.20	25.20	25.20
Return on Equity(for assets created from 01.04.2026 onwards) @15.50%	0.00	5.38	11.75	14.44	16.89
Total Return on Equity	25.20	30.59	36.95	39.65	42.09
Tax Rate (in %)	25.17%	25.17%	25.17%	25.17%	25.17%
Return on Equity including Tax	33.68	40.88	49.38	52.98	56.25

Commission's Analysis

8.60 The relevant Regulations related to return on equity and income tax on equity of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

“Return on Equity

10.19 The base rate of Return on Equity (RoE) shall be 14.50% (post-tax) for assets capitalized prior to April 01, 2026 and 15.00% (post-tax) for assets capitalised from April 01, 2026, provided that in addition to the base RoE, the Commission may allow an additional 0.50% RoE for assets capitalised from April 01, 2026, to the Distribution Licensee that demonstrably ensures uninterrupted supply of electricity to Universal Supply Obligated Entities, including, but not limited to, Religious Institutions, Government Hospitals, Educational Establishments, Public Water Supply and Sanitation Services, Street Lighting Systems, critical infrastructure facilities, and renewable energy integration projects, eligibility for such additional RoE shall be linked to specific, measurable Key Performance Indicators (KPIs), including but not limited to SAIDI, SAIFI,



outage duration, and supply reliability percentage to the above categories, as verified through independent certification by the State Load Despatch Centre (SLDC) and/or a Statutory Auditor or any third-party agency as approved by the Commission.

10.20 The Licensee to provide Return on equity for each year shall be allowed on equity employed in assets in use considering the following:

a) Equity employed in accordance with Clause 10.16 of these Regulations on assets (in use) capitalised as on the beginning of the year; and

b) Fifty Percent (50%) of the equity projected to be employed in accordance with Clause 10.17 of these Regulations on assets (in use) Commissioned during the year.

The Distribution Licensee shall furnish all requisite data, information, and supporting documents pertaining to the respective Financial Year by 30th November of the year in which the Petition is to be filed. Nonsubmission of the complete data within the stipulated timeline shall render the Licensee ineligible to claim carrying cost for the corresponding period, unless condoned by the Commission with recorded reasons.

.....”

Income Tax

Tax on income, if any, on the Licensed business of the Licensee shall be limited to tax on the allowed return on equity.

The income tax actually payable or paid limited to the tax on allowed return on equity shall be included in the ARR while truing up. The actual assessment of income tax should take into account benefits of tax holiday, and the Credit for carry forward losses applicable as per the provisions of the Income Tax Act, 1961 and its amendments thereof shall be passed on to the consumers. Tax on the other income streams of the Distribution Licensee shall not be recovered from the Beneficiaries.”

8.61 In accordance with the Tariff Regulations, 2025, the Commission asked the Petitioner in the Data Query to provide the targets for the control period (FY 2026-27 to FY 2030-31) including but not limiting to distribution losses, billing efficiency, collection efficiency, working capital requirement, quality of supply targets viz, SAIFI, SAIDI and MAIFI) to claim an additional RoE of 0.50%.

8.62 The Commission approved the following operational norms and parameters:



Table 166: Operation Parameters as approved by the Commission

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Distribution Losses (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Billing Efficiency (%)	97%	97%	97%	97%	97%
Collection Efficiency (%)	99.50%	99.50%	99.50%	99.50%	99.50%
SAIDI	320	315	310	305	300
SAIFI	3.00	2.85	2.80	2.75	2.70

8.63 The Commission opines that Petitioner may claim the additional 0.5% RoE at the time of true-up, if it has shown the performance better than the above approved operational parameters/measurable Key Performance Indicators (KPIs). The Commission shall take into account the said submissions and other considerations to approve the extra 0.5% ROE.

8.64 In accordance with the Tariff Regulations, 2025, the Commission has computed the normative Equity addition during the year equal to 30% of the approved capitalization after deducting assets funded out of CC.

8.65 The Opening Equity for FY 2025-26 has been considered as the closing Equity approved by the Commission in True up Order of FY 2024-25. Thereafter GFA addition during FY 2025-26 has been considered as per the APR Petition for FY 2025-26 as submitted by the Petitioner to arrive at Normative Equity addition for FY 2025-26. The closing Equity thus arrived for FY 2025-26 has been considered as opening Equity for FY 2026-27.

8.66 For the remaining years of the control period, the opening equity will be the same as opening equity of the FY 2026-27. As per JSERC Distribution Tariff Regulations, 2025, the Commission has approved RoE as 14.50% (post-tax) for the assets capitalised prior to April 01, 2026. And for all the assets capitalised from April 01, 2026, the Commission has approved RoE as 15.00% (post-tax). Since all the equity addition is from/after the April 01, 2026, the Commission approved the 15.00% (post-tax) RoE on these assets.

8.67 The Commission has further considered the IT at the rate of 25.17% (based on the prevailing Corporate IT Rate u/s 115BAA of the IT Act) for grossing up the RoE for each year of the Control Period, subject to prudence check at the time of Truing up.

Table 167 Return on Equity as approved by the Commission for Control Period (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Equity for GFA upto 31.03.2026	179.91	179.91	179.91	179.91	179.91



Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Equity additions during the year upto FY 26	-	-	-	-	-
Normative equity for GFA added after 1.4.2026	-	69.48	12.60	22.20	9.36
Cumulative Normative Equity for GFA added after 1.4.2026	-	69.48	82.08	104.28	113.64
Total normative equity	179.91	249.39	261.99	284.19	293.55
Average Equity for GFA upto 31.03.2026	173.82	173.82	173.82	173.82	173.82
Average equity for GFA added after 1.4.2026	-	34.74	75.78	93.18	108.96
Equity on assets created from 01.04.2026 onwards	179.91	249.39	192.51	202.11	189.27
Average Equity	179.91	214.65	186.21	191.01	184.59
Return on Equity(for assets created upto 31.03.2026) @14.5%	25.20	25.20	25.20	25.20	25.20
Rate of ROE after 31.03.2026	15.00%	15.00%	15.00%	15.00%	15.00%
Additional ROE (on Performance)	0.00%	0.00%	0.00%	0.00%	0.00%
Return on Equity(for assets created from 01.04.2026 onwards)	-	5.21	11.37	13.98	16.34
Total Return on Equity	25.20	30.41	36.57	39.18	41.55
Tax Rate (in %)	25.17%	25.17%	25.17%	25.17%	25.17%
Return on Equity including Tax	33.68	40.65	48.87	52.36	55.52

Interest on Working Capital

Petitioner's Submission

8.68 The JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 provides the following with respect to computation of Interest on Working Capital for Wheeling Business:

“10.30 Working capital for the Wheeling Business of electricity for the Control Period shall comprise:

- a) Maintenance spares at 1% of Opening GFA of wheeling business; plus*
- b) Two months equivalent of the expected revenue from wheeling charges at the prevailing tariffs; minus*
- c) Amount, if any, held as security deposits.”*



10.32 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which trueing up exercise has been undertaken.”

8.69 The Petitioner has arrived at the Working Capital requirement based on the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 as cited above. The Normative Interest on this Working Capital has been computed on the prevailing Bank rate as on 30th September 2025 plus 350 basis points.

8.70 The detailed computation of IOWC for the wheeling business is shown in the table below:

Table 168: Interest on Working Capital – Wheeling Business

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Maintenance Spares - 1% of Opening Supply GFA	0.68	0.69	0.92	0.97	1.05
Expected Revenue - 2 Months	29.45	31.08	29.98	29.52	30.80
Total	30.13	31.77	30.91	30.49	31.85
Less: Power Purchase Cost - 1 Month	13.31	13.70	13.38	13.48	14.12
Less: Security Deposits for Supply	6.64	7.00	7.38	7.76	8.15
Total Working Capital	10.17	11.06	10.15	9.25	9.59
Interest on Working Capital	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital (Rs. Cr.)	1.25	1.36	1.24	1.13	1.17

8.71 Accordingly, the Petitioner submits to the Hon'ble Commission to approve the Interest on Working Capital for wheeling business for control period.

8.72 Further for Interest on Working Capital - Retail Supply Business, the Petitioner has referred to the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 provides the following with respect to computation of Interest on Working Capital for Retail Supply Business:

“10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

- a) *Maintenance spares at 1% of Opening GFA for retail supply business; plus*
- b) *Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*



- c) Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for wheeling business; minus
- d) One month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.”

10.32 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which true up exercise has been undertaken.”

8.73 The Petitioner has arrived at the Working Capital requirement based on the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 as cited above. The Normative Interest on this Working Capital has been computed on the prevailing Bank rate as on 30th September 2025 plus 350 basis points. The detailed computation of IOWC for the wheeling business is shown in the table below:

Table 169: Interest on Working Capital for Control Period – Retail Supply Business (in Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Maintenance Spares - 1% of Opening Supply GFA	6.16	6.19	8.31	8.73	9.43
Expected Revenue from Retail Supply Charges - 2 Months	265.01	279.73	269.85	265.67	277.24
Total	271.17	285.92	278.17	274.40	286.67
Less: Power Purchase Cost - 1 Month	119.81	123.31	120.45	121.35	127.04
Less: Security Deposits for Supply	59.80	63.04	66.39	69.81	73.31
Total Working Capital	91.56	99.57	91.33	83.24	86.31
Interest on Working Capital	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital (Rs. Cr.)	11.22	12.20	11.19	10.20	10.57

Commission's Analysis

8.74 The relevant Regulations related to Interest on Working Capital (IoWC) of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

“Interest on Working Capital



Working capital for the Wheeling Business for the Control Period shall comprise:

Maintenance spares at 1% of Opening GFA of Wheeling Business; plus

Two months equivalent of the expected revenue from wheeling charges at the prevailing tariffs; minus

Amount, if any, held as security deposits.

10.30 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus

b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus

c) Amount held as security deposits under Clause (a) and Clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus

d) One-month equivalent of cost of power purchased including the Inter-State and Intra- State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.

10.31 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which truing up exercise has been undertaken.”

8.75 As per Regulation 10.31, the rate of interest on Working Capital is to be considered as the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points, with the rate to be adjusted at the time of true-up based on the actual rate prevailing on April 01 of the respective financial year for which the truing-up exercise is undertaken.

8.76 Accordingly, the SBI Bank Rate as on September 30th, 2025 plus 350 basis points works out to 12.25%. The same is considered as the normative interest rate on Working Capital for each year of the Control Period for the Wheeling and Retail Supply Business, subject to adjustment during truing-up based on the prevailing rate as on April 01 of the respective financial year.

8.77 Further, the Commission has segregated Interest on Working Capital into Wheeling and Supply Business as per allocation specified in



Regulation 6.8 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.

8.78 The Interest on Working Capital approved by the Commission for Wheeling and Retail Supply Business activity combined together is shown in the table below:

Table 170 Interest on Working Capital – Wheeling Business as approved by the Commission for Control Period (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Maintenance Spares - 1% of Opening Supply GFA	0.68	0.69	0.92	0.97	1.05
Expected Revenue - 2 Months	21.98	25.62	30.52	31.36	34.33
Total	22.66	26.30	31.44	32.33	35.38
Less: Power Purchase Cost - 1 Month	-	-	-	-	-
Less: Security Deposits for Supply	6.64	7.00	7.38	7.76	8.15
Total Working Capital	16.02	19.30	24.06	24.57	27.23
Interest on Working Capital	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital	1.96	2.36	2.95	3.01	3.34

Table 171 Interest on Working Capital – Retail Business as approved by the Commission for Control Period (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Maintenance Spares - 1% of Opening Supply GFA	6.15	6.19	8.31	8.72	9.42
Expected Revenue from Retail Supply Charges - 2 Months	272.48	285.49	268.75	261.43	280.71
Total	278.63	291.68	277.06	270.16	290.14
Less: Power Purchase Cost - 1 Month	128.41	132.47	129.43	130.42	136.88
Less: Security Deposits for Supply	59.79	63.04	66.39	69.80	73.31
Total Working Capital	90.43	96.17	81.24	69.93	79.94
Interest on Working Capital	12.25%	12.25%	12.25%	12.25%	12.25%
Interest on Working Capital	11.08	11.78	9.95	8.57	9.79



- 8.79 The Commission has also not projected any amount against the Interest on Working Capital (IoWC) during the next control period subjected to truing up as per actuals.

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 8.80 Operation and Maintenance Expenses of TSL includes salaries, wages, Administrative & General Expenses and Repairs & Maintenance Expenses.
- 8.81 As per Regulation 6.5 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025; O&M Expenses of a Distribution Licensee shall be determined by the following formula:

“The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

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

Where, $R\&M_n$ – Repair and Maintenance Costs of the Licensee for the n th year;

EMP_n – Employee Costs of the Licensee for the n th year, excluding terminal liabilities; $A\&G_n$ – Administrative and General Costs of the Licensee for the n th year.

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

$$a) R\&M_n = K * GFA * (INDX_n / INDX_0)$$

Where, ‘K’ is a constant (expressed in percentage (%)) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and shall be calculated based on the percentage (%) of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalizing any abnormal expenses; ‘GFA’ is the opening value of the gross fixed asset of the n th;

$INDX_n$ is the indexation for n th year of control period; $INDX_0$ is the indexation for the base year of the control period;

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1}) + \text{provision for A\&G (if any)}$$

Where, EMP_{n-1} – Employee Costs of the Licensee for the $(n-1)$ th year excluding terminal liabilities;

$A\&G_{n-1}$ – Administrative and General Costs of the Licensee for the $(n-1)$ th year excluding legal/litigation expenses;

$INDX_n$ – Inflation factor to be used for indexing the employee cost and A&G cost.



This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year.

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

Provision: Cost or initiatives or other one-time expenses as proposed by the Distribution Licensee subject to the prudence check and is validated by the Commission.

$$c) \text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n;$$

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

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

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies”

- 8.82 The R&M, Employee and A&G costs for “nth” year shall be indexed by using inflationary factors. The index will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year. As per Regulation 6.6 (c), Inflation Factor is calculated by giving 55% weightage to the CPI index and 55% weightage to the WPI index as per the following formula.

$$\text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n$$

- 8.83 For the purpose of planning, indexation has been calculated based on WPI and CPI index of FY 2024-25 and FY 2023-24 has been considered. The month wise WPI data from office of economic advisor and CPI data from Bureau of Labor statistics for FY 2023-24 and FY 2024-25 has been provided at Annexure 1 of this document.

- 8.84 The derived inflation index ($\text{INDX}_{\text{FY 25}} / \text{INDX}_{\text{FY 24}}$) comes out to be 3.12%. The same has been considered for the control period subject to true-up.

- 8.85 The inflation factor for the Control Period works out as follows:



Table 172 Inflation Factor for WPI & CPI as submitted by The Petitioner

Period	WPI	CPI	Total
Weightage	0.45	0.55	1.00
Avg Indexation for FY 2024-25	154.86	410.64	
Avg Indexation for FY 2023-24	151.42	397.20	
Avg Indexation n (Index * Wt.)	69.69	225.85	295.54
Avg Indexation n-1 (Index * Wt.)	68.14	218.46	286.60
Combined Inflation $\{(Indxn/Indxn-1)-1\} * 100\%$	3.12%		

8.86 As per the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, TSL has used the same $INDX_n / INDX_{n-1}$ value for all years of the control period for the purpose of estimation. However, TSL understands that the Hon'ble Commission will consider the actual values in the $INDX_n / INDX_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period.

Repairs and Maintenance Expenses

8.87 The Commission has provided in the regulation to compute R&M expenses based on K-factor, GFA and indexation for inflation.

8.88 The Petitioner would like to submit that some of the special repair and maintenance activities which could not be done during initial year of the control period were done during FY 2024-25 and FY 2025-26. Therefore, the Petitioner has taken a deviation and computed the K-factor based on average GFA and average R&M expenditures for the last control period, in the overall interest of all stakeholders. The k-factor thus comes out to be 6.99%.

8.89 Indexation has been considered as 3.12% as computed in previous section.

Table 173 Calculation of K-factor

Particulars	Formula	FY 22	FY 23	FY 24	FY 25	FY 26	Average
Opening GFA	A	591.45	591.99	594.61	634.15	638.94	610.23
Actual R&M expense	B	29.51	30.41	35.95	59.71	57.79	42.67
Derived K-Factor	C=B/A	4.99%	5.14%	6.05%	9.42%	9.04%	6.99%

8.90 The 'K' factor considered for the entire Control Period is 6.99 %. The computation of k-factor for all years of the control period is given below. However, for the purpose of business plan k-factor of FY 2024-25 has been considered as per regulation.



8.91 The Tariff Regulation also provides for indexation of R&M expense using inflationary indices as discussed above. Based on the foregoing paragraphs, the R&M expense for the Control Period is shown in the table below.

Table 174 R&M Expenses for Control Period (in Rs. Cr.)

Particulars	Base Year FY 26	Average of Last control Period	FY 27	FY 28	FY 29	FY 30	FY 31
Opening GFA	638.94	610.23	683.91	687.91	923.51	969.51	1047.51
Actual R&M expense	57.79	42.67					
Average k Factor FY22 to FY26		6.99%					
<i>Derived K-Factor for the Control Period (FY 27 to FY 31) (6.99%)</i>			6.99%	6.99%	6.99%	6.99%	6.99%
Opening GFA* Derived K-Factor			47.83	48.11	64.58	67.80	73.25
<i>Add: Inflation factor for FY 2026-27</i>			3.12%	3.12%	3.12%	3.12%	3.12%
<i>Add: Inflation factor for FY 2027-28</i>				3.12%	3.12%	3.12%	3.12%
<i>Add: Inflation factor for FY 2028-29</i>					3.12%	3.12%	3.12%
<i>Add: Inflation factor for FY 2029-30</i>						3.12%	3.12%
<i>Add: Inflation factor for FY 2030-31</i>							3.12%
R&M Expense			49.32	51.16	70.82	76.67	85.42

Employee and A&G expenses

8.92 Employee expense has been projected based on the provisions under the regulation for cost to be incurred towards existing employees and additional employees to manage the projects, operation, maintenance and service requirements. As explained in the business plan there is an expected addition of approx. 4 employees every year. The cost of these employees has been considered under 'Growth factor'. For existing work force, some 'Growth factor' in employee expense is considered above inflation.

8.93 The cost due to additional manpower has been considered based on expected Employee expense at the prevailing average cadre/ designation wise CTC levels and escalated at the inflationary indices as per the regulatory provisions of JSERC (JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025).

Table 175 Additional Manpower Number

Manpower Addition (New)	FY 27	FY 28	FY 29	FY 30	FY 31
Managerial	1	3	1	0	0



Manpower Addition (New)	FY 27	FY 28	FY 29	FY 30	FY 31
Supervisor	4	3	1	1	0
Worker	1	2	2	1	2
Total	6	8	4	2	2
<i>*Total numbers of Manpower required for entire Control Period: 22</i>					

8.94 Based on the above, the total employee expenditure considering inflation factor, increase in contracted load and additional manpower for each year of the Control period is as presented in the table below: -

Table 176 Employee Expense for Control Period (in Rs. Cr.)

Particulars	Base Year FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost (n-1) Excluding Terminal Liabilities	33.38	35.77	38.23	42.45	46.06	49.45
Weighted Avg. Inflation factor (in %)	4.57%	3.12%	3.12%	3.12%	3.12%	3.12%
Growth Factor-Gn (in %)	2.48%	3.64%	7.68%	5.23%	4.09%	4.08%
Employee Cost as per normative	35.77	38.23	42.45	46.06	49.45	53.07

8.95 The Normative A&G expense for the control period computed as per regulations is shown below:

Table 177 A&G Expense for Control Period (in Rs. Cr.)

Particulars	Base Year FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
A & G Expenses- base year	35.73	39.60	41.33	43.59	45.51	47.52
Inflation Factor	4.57%	3.12%	3.12%	3.12%	3.12%	3.12%
Sub-total	37.36	40.83	42.62	44.95	46.93	49.01
Growth factor	5.99%	1.21%	2.28%	1.25%	1.26%	1.29%
Normative A&G Expenses	39.60	41.33	43.59	45.51	47.52	49.64
Add: CGRF Expenses	0.98	0.99	1.00	1.01	1.02	1.03
Add: Petition & other filing fees to JSERC	1.10	0.35	0.35	0.35	0.35	0.35
Normative A&G Expenses including CCGRF expenses and Petition & other filing expenses	41.68	42.67	44.94	46.87	48.89	51.02



Other Expenditures

8.96 The Petitioner has also considered Petition Filing Fees as JSERC (Fees, Fines & Charges Regulations, 2024). Rent and Remuneration of CGRF office for FY 2025-26 has been escalated by 1% as calculated above for projecting value for next Control Period.

Net Operation & Maintenance Expenses

8.97 Based on the foregoing paragraphs, the net O&M expenses for the control period are as follows:

Table 178 Net O&M Expenses for Control Period (in Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
R&M Expenses	49.32	51.16	70.82	76.67	85.42
Employee Expenses	38.23	42.45	46.06	49.45	53.07
A&G Expenses	42.67	44.94	46.87	48.89	51.02
Total O&M Expenses	130.21	138.54	163.75	175.00	189.51

Commission Analysis

8.98 The relevant Regulations related to O&M Expenses of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2020-21 to FY 2024-25, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below: $O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$ Where, $R\&M_n$ – Repair and Maintenance Costs of the Licensee for the nth year; EMP_n – Employee Costs of the Licensee for the nth year, excluding terminal liabilities; $A\&G_n$ – Administrative and General Costs of the Licensee for the nth year.

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

$$a) R\&M_n = K * GFA * (INDX_n / INDX_0)$$



Where,

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

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

INDX_n is the indexation for nth year of control period;

INDX₀ is the indexation for the base year of the control period;

b) $EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$
+ provision for A&G (if any)

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

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

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

Provision: Cost or initiatives or other one-time expenses as proposed by the Distribution Licensee subject to the prudence check and is validated by the Commission.

c) $INDX_n = 0.55 * CPI_n + 0.45 * WPI_n$

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

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



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

10.7 The Distribution Licensee shall submit a detailed break-up of Legal/Litigation Expenses incurred during the Control Period (FY 2026- 27 to FY 2030-31), along with necessary documentary evidence such as invoices, fee receipts, case references, and proof of payment. The Commission shall assess the admissibility of such expenses based on the provisions of the Jharkhand State Litigation Policy and allow recovery of expenses subject to prudence check at the time of trueing-up.

Provided that the legal expenses shall be considered on a case-by-case basis, subject to prudence check at the time of True-up, and only upon production of valid proof of payment for the actual amount claimed...”

8.99 For the MYT Control Period, the Commission has projected the O&M Expenses separately for each component of O&M Expenses as per the Distribution Tariff Regulations 2025.

8.100 The Commission has approved the component wise O&M Expenses and these estimates will be subject to true up during the Annual Performance Review/True up based on the actual as per audited accounts.

Normative Employee Expenses

8.101 The Commission had approved the Employee Expenses excluding the terminal liabilities for this control period years by considering the Employee Cost for the previous year (Excluding Terminal Liabilities) and gross up with the inflation factor and growth factor in to it.

8.102 For calculating the inflation factor, the Commission considered the average of past three years' inflation factors.

8.103 Further, 10.6(b) of Distribution Tariff Regulations, 2025 provides provision for determination of Growth factor (G(n)) factor to compute the increase in Employee Expenses for meeting the additional manpower requirement based on the Distribution Licensee's Filing, benchmarking and any other factor that the Commission feels appropriate.

8.104 Accordingly, the Commission has considered Growth factor based on manpower approved for the Control Period i.e. FY 2025-26 to FY 2030-31 as discussed in Chapter 7, Sub-Section: Human Resource Plan of this Order. The Growth factor considered for the control period, subject to prudence check at the time of APR/True up is as follows: -



Table 179 Growth Factor as approved by the Commission for Control Period (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Growth Rate (%)	3.64%	4.68%	2.23%	1.09%	1.08%

8.105 The Commission has approved the normative Employee Expenses including terminal benefits considering growth factor for the Control Period, subject to prudence check at the time of APR/True up.

8.106 Similarity, based on the methodology adopted for projection of Employee Expenses for the Control Period, Terminal Liabilities has been projected for the Control Period.

8.107 It is further clarified that the Petitioner shall be not entitled to claim any gain on account of saving in employee costs due to variation in nos. of employees recruited as well as inflation factor.

Normative A&G Expenses

8.108 Based on the methodology adopted for projection of Employee Expenses for the Control Period, A&G Expenses excluding Petition Filing Fee and CGRF Expenses and growth factor has been projected for the Control Period.

Normative R&M Expenses

8.109 In accordance with the provisions of Regulation 10.6(a) of JSERC Distribution Tariff Regulations, 2025, the Commission has approved the 'k' factor based on the actual ratio of R&M Expenses and the opening Gross Fixed Assets for the preceding year (i.e. FY 2024-25) as 6.21%.

8.110 The Commission has projected the normative R&M Expenses for the Control Period considering the approved opening GFA of respective year and multiplied with the 'k' factor of 6.21% and again multiplied with inflation factors for the respective years. Inflation factor is calculated based on the moving average of 3 previous year's Inflation factor, subject to true up. For example, inflation factor for the Financial Year 2026-27 calculated as the average of the inflation factor of financial year FY 23-24, FY 24-25 and FY 25-26, inflation factor for the Financial Year 2027-28 calculated as the average of the inflation factor of financial year FY 24-25, FY 25-26 and FY 26-27 and so on.

Other Expenditures

8.111 The Commission approves Terminal Liabilities, Petition Filing Fees and CGRF Expenses (rent and remuneration) based on the Petitioner's submission, subject to trueing up based on actuals.

8.112 Based on above, the Commission approves Operation and Maintenance Expenses for the Control Period as shown in the table below



Table 180 O&M Expenses as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost	37.29	40.11	42.21	43.83	45.61
Normative A&G	37.19	38.21	39.33	40.40	41.59
Normative R&M	43.74	45.20	62.47	67.37	74.94
O&M Expenses excluding Terminal, filing & CGRF	118.22	123.52	144.01	151.61	162.15
Terminal Liabilities					
Petition Filing Fee	0.99	1.00	1.01	1.02	1.03
CGRF Expenses (Rent & Remuneration)	0.35	0.35	0.35	0.35	0.35
Normative-O&M	119.56	124.87	145.37	152.98	163.53

Non-Tariff Income

Petitioner's Submission

8.113 The Petitioner submitted that the Non-Tariff Income (NTI) primarily consists of income against Delayed Payment Surcharge (DPS) scrap sales, cheque dishonour charges, supervision charges, fuse/MCB etc. replacement charges due to over loading. The Petitioner has provisionally proposed NTI as per following table for each year of the Control Period, subject to truing up based on actuals.

Table 181 Non-Tariff Income as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Non-Tariff Income	2.98	3.04	3.10	3.16	3.22

Commission's Analysis

8.114 The relevant Regulations related to Non-Tariff Income (NTI) of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

“Non-Tariff Income

The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

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

10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;
- b) Income from sale of scrap;



- c) Income from investments;
- d) Interest accrued on advances to suppliers/contractors;
- e) Interest income on loans/advances to employees;
- f) Income from rental of staff quarters;
- g) Income by rental from contractors;
- h) Income by hire charges from contactors and others;
- i) Income from delayed payment surcharge, supervision charges, etc.;
- j) Supervision charges for capital works;
- k) Income from recovery against theft and/or pilferage of electricity;
- l) Income from advertisements;
- m) Income from sale of tender documents;
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);
- o) Any other Non-Tariff Income:

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.”

8.115 The Commission has considered the NTI as submitted by the Petitioner for the Control Period.

8.116 The Commission has provisionally approved the NTI for the Control Period, subject to truing up based on actuals.

Table 182 Non-Tariff Income as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Non-Tariff Income	2.98	3.04	3.10	3.16	3.22

Summary of ARR for the MYT Control Period from FY 2026-27 to FY 2030-31

Petitioner’s Submission

8.117 Based on the assumption and estimation, the Annual Revenue Requirement as projected by the Petitioner for the Control Period from FY 2026-27 to FY 2030-31 is as shown below.



Table 183 Summary of ARR for the MYT Period as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Total Power Purchase Expense	1689.58	1736.12	1698.02	1710.01	1785.88
Less : Power Sold to Exchange	92.05	92.05	92.05	92.05	92.05
Net Power Purchase Cost	1597.53	1644.07	1605.98	1617.97	1693.84
O&M Expenses	130.21	138.54	163.75	175.00	189.51
Depreciation	18.16	21.70	25.87	27.64	29.25
Interest on Long Term Loan	0.71	7.72	15.64	17.16	18.08
Interest on Consumer Security Deposit	6.91	7.28	7.67	8.07	8.47
Interest on Working Capital	12.46	13.55	12.43	11.33	11.75
Return on Equity	33.68	40.88	49.38	52.98	56.25
Total Expenditure	1799.67	1873.75	1880.72	1910.16	2007.15
Less: Non-Tariff Income	2.98	3.04	3.10	3.16	3.22
Net: Aggregate Revenue Requirement	1796.69	1870.71	1877.63	1907.00	2003.92

Commission's Analysis

8.118 The Commission has approved the ARR for the Control Period from FY 2026-27 to FY 2030-31 based on the components approved in this Order. The following table summarises the ARR for the Control Period as approved by the Commission:

Table 184 Summary of ARR for the MYT Period as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Net Power Purchase Cost	1,632.97	1,681.69	1,645.22	1,657.10	1,734.67
<i>Power Purchase Cost</i>	1,540.92	1,589.64	1,553.17	1,565.05	1,642.62
<i>Less: Sale of Surplus power</i>	92.05	92.05	92.05	92.05	92.05
O&M Expenses after sharing of Gain/loss	119.56	124.87	145.37	152.98	163.53
Interest on Loan	0.48	7.20	15.11	16.64	17.56
Interest on Working Capital	13.04	14.15	12.90	11.58	13.13
Financing Cost of DPS FY 2020-21	-	-	-	-	-
Interest on Security Deposit	6.91	7.28	7.67	8.07	8.47
Depreciation	18.22	21.76	25.93	27.58	29.19
Return on Equity	33.68	40.65	48.87	52.36	55.52
Gross Aggregate Revenue Requirement	1,732.82	1,805.54	1,809.03	1,834.25	1,930.02



Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Less: Non-Tariff Income	2.98	3.04	3.10	3.16	3.22
Aggregate Revenue Requirement	1,729.84	1,802.51	1,805.93	1,831.09	1,926.79

Gap/(Surplus) at Existing Tariff

Commission's Analysis

8.119 The Commission has approved the ARR for FY 2026-27 based on the components approved in this Order. The following table summarises the Gap/(Surplus) for FY 2026-27 as existing tariff.

Table 185 Gap/(Surplus) at existing tariff as approved by the Commission (Rs. Crore)

Particulars	FY 2026-27
Annual Revenue Requirement	1,729.84
Revenue from Sales at Existing Tariff	1,766.76
Revenue Gap/(Surplus)	(36.92)

The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in Chapter 9 of this Order.



Chapter 9: Cumulative Revenue Gap/(Surplus) till FY 2026-27

Revenue Gap/(Surplus)

Petitioner's Submission

- 9.1 The Petitioner submitted that the Hon'ble Commission has trued-up the Revenue Gap for FY 2021-22, FY 2022-23 and FY 2023-24 in its Tariff Orders dated 29.09.2023, 24.06.2024 and 28.03.2025, respectively. The opening Revenue Gap at the beginning of the Control Period, i.e., FY 2021-22, was Rs. 645.39 Cr.
- 9.2 The Petitioner submitted that the standalone revenue gap/(surplus) for FY 2021-22 to FY 2023-24 as approved by the Commission is shown in the table below.

Table 186 Revenue Gap approved by Hon'ble Commission (in Rs. Cr.)

S No.	Year	Gap/ (Surplus)	Order Details
1	2021-22	(63.71)	Order on True up for FY 2022 dated 29 th Sept 2023
2	2022-23	(46.22)	Order on True up for FY 2022-23 dated 26 th June 2024
3	2023-24	(136.33)	Order on True up for FY 2023-24 dated 28 th March 2025

- 9.3 The Petitioner further submitted the standalone revenue gap/(surplus) for FY 2024-25 (True-up filed) and FY 2025-26 (APR filed) as presented below.

Table 187 Standalone revenue gap/surplus created/expected in FY 2024-25 and FY 2025-26

Particulars	FY 2024-25	FY 2025-26
	True up filed	APR filed
Standalone Revenue Gap/ (Surplus) created / expected for the year (Rs Cr.)	(183.11)	(24.58)

- 9.4 The Petitioner submitted that the estimated standalone revenue gap/(surplus) for FY 2026-27 at existing tariff is as shown below.

Table 188 Standalone revenue gap/surplus created/expected in FY 2026-27

Particulars	FY 2026-27
	ARR being filed
Standalone Revenue Gap/ (Surplus) created / expected for the year (Rs Cr.)	29.93



- 9.5 Based on the above, the Petitioner has computed the cumulative revenue gap up to FY 2026-27, considering the opening gap of the Control Period, trued-up values for FY 2021-22 to FY 2023-24, true-up filed for FY 2024-25, APR filed for FY 2025-26, ARR estimates for FY 2026-27 and applicable carrying cost.
- 9.6 The Petitioner submitted that the carrying cost has been computed in accordance with the provisions of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, which provide that under/over-recovered amounts shall be carried forward along with simple interest at the Bank Rate plus 350 basis points.
- 9.7 Accordingly, the cumulative revenue gap including carrying cost up to FY 2026-27 at existing tariff has been computed as shown below.

Table 189 Standalone revenue gap/surplus created/expected in FY 2026-27

Particulars	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27
	Trued-up	Trued-up	Trued-up	True up to be filed	APR to be filed	ARR to be filed
Opening Revenue Gap/(Surplus) as on 1 st April of FY (A)	645.39	581.68	535.46	399.13	216.02	191.44
Revenue Gap/ (Surplus) created during the year (B)	-63.71	-46.22	-136.33	-183.11	-24.58	29.93
Total excluding carrying cost (A+B)	581.68	535.46	399.13	216.02	191.44	221.37
Computation of Carrying Cost						
Rate of Interest *	10.50%	11.20%	12.00%	12.15%	12.50%	12.50%
Carrying Cost on Opening Gap/ (Surplus)	67.77	65.15	64.26	48.49	27.00	23.93
Carrying cost on Gap/(Surplus) created during the FY	-3.34	-2.59	-8.18	-11.12	-1.54	1.87
Total Carrying Cost for FY	64.42	62.56	56.08	37.37	25.47	25.80
Cumulative Carrying cost till FY	64.42	126.98	183.06	220.43	245.89	271.69
Total Gap/(Surplus) including carrying cost	646.10	662.44	582.19	436.45	437.34	493.07

- 9.8 The Petitioner submitted that the cumulative revenue gap at existing tariff up to FY 2026-27 is estimated at Rs. 493.07 Cr., which is approximately 28% of the projected revenue at existing tariff.
- 9.9 The Petitioner submitted that sustaining operations with such a high revenue gap would create financial stress and increase the carrying cost burden on consumers in future tariff periods.
- 9.10 The Petitioner further submitted that, in compliance with the directions of the Hon'ble APTEL dated 29.08.2025 in OP No. 1 of 2025, issued pursuant to the Hon'ble Supreme Court judgment dated 06.08.2025, the regulatory gap is required to be liquidated within the stipulated timeframe.



9.11 Accordingly, the Petitioner has proposed a tariff increase of 12%, which is expected to reduce the revenue gap by approximately Rs. 216.09 Cr., and bring down the residual gap to about Rs. 80 Cr. by FY 2027-28, to be adjusted in subsequent tariff orders..

Commission's Analysis

9.12 The Commission has taken the Revenue Gap as Rs. 600.61 Cr. till Truing up for FY 2023-24 as approved in Tariff Order March 28, 2025.

9.13 Based on the approved value of Truing up for FY 2024-25 and APR for FY 2025-26 the cumulative Revenue Gap/(Surplus) approves by the Commission till FY 2025-26 is given below:

Table 190: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission

Particulars	FY 2024-25	FY 2025-26
Opening Gap/(Surplus)	600.61	356.11
Revenue Gap/(Surplus) during FY	-284.07	70.77
Rate of Carrying Cost (%)	12.50%	12.25%
Carrying Cost on Opening Revenue Gap/(Surplus)	75.08	43.62
Carrying Cost on Revenue Gap/(Surplus) during FY	-35.51	8.67
Closing Revenue Gap/(Surplus)	356.11	320.29

9.14 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2025-26 as shown below:

Table 191: Revenue Gap/(Surplus) (in Rs Cr.) as approved by the Commission

Particulars	FY 2026-27
ARR for FY 2025-26	1,729.84
Revenue from sale at existing Tariff	1,766.76
Revenue Gap/(Surplus) during FY 2025-26	(36.92)

9.15 Further, taking into account of Trued-up for FY 2024-25, APR for FY 2025-26 and above surplus for FY 2026-27, the Commission hereby approves the Cumulative Closing Revenue gap/(Surplus) for FY 2026-27 is given below:

Table 192: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission

Particulars	Approved
Opening Gap/(Surplus)	320.29
Revenue Gap/(Surplus) during FY	-36.92



Particulars	Approved
Rate of Carrying Cost (%)	12.25%
Carrying Cost on Opening Revenue Gap/(Surplus)	39.24
Carrying Cost on Revenue Gap/(Surplus) during FY	-4.52
Liquidation OP 1	120.82
Closing Revenue Gap/(Surplus)	438.90

- 9.16 The Commission has observed that Cumulative Revenue Gap till 2026-27 stands at Rs. 440.59 Cr.
- 9.17 Since the power purchase cost has increased significantly (reflected in the APR and MYT Petitions) as TSL has opted to procure power in scheduled mode in accordance with the provisions of the PPA executed between DVC and TSL and as approved by the Commission. Even in the event of a surplus, keeping in view the objective of ensuring tariff rationality during the MYT control period, the Commission considers it just and reasonable to revise the tariff appropriately, notwithstanding such surplus.
- 9.18 In order to mitigate the outstanding cumulative gap. the Commission is inclined to revise the tariff for FY 2026-27.
- 9.19 The revised Tariff Schedule approved by the Commission for FY 2026-27 is detailed in **Chapter 14** of this Order.



Chapter 10: OPEN ACCESS CHARGES

- 10.1 As per the provisions of Electricity Act 2003 the distribution licensees are mandated to provide the open access to consumers. Nationwide, the present tariff structure has cross subsidization mechanism whereby the tariff for some category of consumers are lower than cost of supply to them.
- 10.2 Open Access consumers are required to pay the cost of wheeling along-with cross subsidy surcharge and additional surcharge etc. as may be applicable depending upon the voltage level at which open access power is availed and the charges as may be approved by the Commission from time to time.
- 10.3 As per Section 2 (47) of the Electricity Act 2003 defines “Open Access”, while Section 42 of the said Act inter-alia mandates the Distribution Licensee to provide Open Access to eligible consumers, subject to payment of “Cross Subsidy Surcharge”, “Additional Surcharge” & other applicable charges.
- 10.4 Section 42 (2) of the Electricity Act 2003 provides following provisions wherein the powers have been given to State Commissions for specifying cross subsidy surcharge. The relevant part of the same is reproduced as under:

“The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:

Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:

Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:

Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission:

Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use:”

“to provide non-discriminatory open access to its transmission system for use by- (i) any licensee or generating company on payment of the transmission charges; or (ii) any consumer as and when such open access is provided by the State Commission under sub-section (2) of section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission:

Provided that such surcharge shall be utilised for the purpose of meeting the requirement of current level cross-subsidy:

Provided further that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission:



Provided also that the manner of payment and utilisation of the surcharge shall be specified by the State Commission.”

- 10.5 Further, Section 86 of electricity act 2003, deals with the functions of State Commission and its sub-section (1) (a) reads as follows:

"86. (1) The State Commission shall discharge the following functions, namely: (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;"

- 10.6 As per Clause 2.2 of the Tariff Regulations, 2025, the Commission shall determine wheeling tariff, cross-subsidy surcharge, additional surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“2.2

..... Provided further that where any category of consumer has been permitted open access under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Intra State Open Access) Regulations, 2016, as amended from time to time;"

- 10.7 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the OA charges includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge, and Additional Surcharge.
- 10.8 The Petitioner has submitted its proposal for the determination of Wheeling Charge, Cross Subsidy Surcharge and Additional Surcharge for FY 2026-27. The following Sections summarize the Petitioner’s submission and Commission’s analysis thereof:

Wheeling Charges

Petitioner’s Submission

- 10.9 The Petitioner has submitted that it has considered the allocation ratio for Wheeling and Retail Supply business in accordance with Clause 6.8 of the Tariff Regulations, 2025. Accordingly, the allocation for wire and supply business for each ARR component for FY 2026-27 is reproduced below:



Table 193: Segregation of ARR and Wheeling Charges as submitted by the Petitioner.

S. No.	Particulars	Retail ARR (%)	Wheeling ARR (%)	Revised Estimates of Retail ARR (Rs. Cr.)	Revised Estimates of Wheeling ARR (Rs. Cr.)
1	Power Purchase Cost	100%	0%	1,597.53	-
2	O&M Expenses			41.56	88.66
(a)	Employee Expenses	40%	60%	15.29	22.94
(b)	A&G Expenses	50%	50%	21.33	21.03
(c)	R&M Expenses	10%	90%	4.93	44.39
3	Depreciation	10%	90%	1.82	16.35
4	Interest on Long Term Loan	10%	90%	0.07	0.64
5	Interest on Working Capital Loan	90%	10%	11.22	1.25
6	Interest on Consumer Security Deposit	100%	0%	6.91	-
7	Return on Equity	10%	90%	3.37	30.31
8	Total Expenditure			1704.03	225.87
9	Less: Non-Tariff Income	90%	10%	2.68	0.30
10	Aggregate Revenue Requirement			1,659.79	136.90

Commission Analysis

10.10 The Commission has outline the '**clause 6.5 to Clause 6.8**' of the Distribution Tariff Regulations, 2025 for approval of segregation of ARR into Wheeling and Retail ARR as reproduced below:

"6.5 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business.

6.6 The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business shall be used to determine Retail Supply Tariff.



6.7 For such period until accounts are segregated, the Licensee shall prepare an Allocation Statement to apportion costs and revenues to respective business. The Allocation Statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the basis and methodology used for segregation, which should be consistent over the Control Period.

6.8 In case clear and reasoned methodology for allocation is not submitted by the Distribution Licensee, the Commission may consider the segregation as approved for the previous Control Period as specified below or may decide on the manner in which such allocation can be done;”

10.11 Further, in absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors accompanied with an explanation of the basis and methodology used for segregation as stipulated in provision of JSERC Distribution Tariff Regulation 2025.

10.12 Based on above discussion the Commission approves the segregation of ARR into Wheeling (wire) and Retail (supply) Business for FY 2026-27 is tabulated hereunder:

Table 194: Segregation of ARR and Wheeling Charges as approved by the Commission for FY 2026-27.

Particulars	Share of Wheeling Business (%)	Share of Retail Business (%)	Wheeling Business ARR (Rs. Cr.)	Retail Business ARR (Rs. Cr.)	ARR (Rs Cr.)
Power Purchase Cost	0%	100%	-	1,540.92	1,540.92
Net O&M Expenses			81.00	38.56	119.56
Employee Expenses	60%	40%	22.38	14.92	37.29
A&G Expenses	50%	50%	18.59	18.59	37.19
R&M Expenses	90%	10%	39.36	4.37	43.74
Petition Filing Charges & CGRF Expenses	50%	50%	0.67	0.67	1.34
Less: Sharing of Gain				-	
Interest on Loan	90%	10%	0.44	0.05	0.48
Interest on Working Capital	10%	90%	1.30	11.74	13.04
Financing Cost of DPS FY	10%	90%	-	-	-



Particulars	Share of Wheeling Business (%)	Share of Retail Business (%)	Wheeling Business ARR (Rs. Cr.)	Retail Business ARR (Rs. Cr.)	ARR (Rs Cr.)
Interest on Security Deposit	0%	100%	-	6.91	6.91
Depreciation	90%	10%	16.35	1.82	18.16
Return on Equity	90%	10%	30.31	3.37	33.68
Gross Aggregate Revenue Requirement			129.40	1,603.35	1,732.76
Less: Non-Tariff Income	10%	90%	0.30	2.68	2.98
Aggregate Revenue Requirement	11.52%	93.15%	129.10	1,600.67	1,729.78

10.13 In the absence of asset register, to estimate the ratio of fixed assets at various voltage levels, the Commission has considered the network details of the Petitioner as submitted along with the Petition. The 400 kV asset and common assets are distributed among the other voltage level assets based on the estimated sales for FY 2026-27.

Table 195: Segregation of ARR and Wheeling Charges for FY 2026-27 as approved by the Commission

Voltage Level	Asset Segregation	Asset Segregation (%)	Segregation of ARR	Sale (%)
415V / 220V	86.79	13.59%	17.55	10.85%
6.6kV	81.28	12.73%	16.43	12.63%
33kV	93.94	14.71%	18.99	52.92%
132kV	215.93	33.82%	43.66	23.61%
400kV	152.00	23.81%	30.73	0.00%
Common Asset	8.56	1.34%	1.73	0.00%
Total	638.49	100.00%	129.10	

10.14 Based on the above, the Voltage-wise Wheeling Charges for FY 2026-27 as approved by the Commission has been tabulated below:

Table 196: Cost stacking on the basis of energy sale as approved by the Commission.

Voltage level	Voltage-wise ARR Allocation	Cost stacking on the basis of energy sales				
		415v / 220v	6.6kV	33kV	132 kV	400 kV
415V/ 220V	17.55	17.55				



Voltage level	Voltage-wise ARR Allocation	Cost stacking on the basis of energy sales				
		415v / 220v	6.6kV	33kV	132 kV	400 kV
6.6kV	16.43	7.59	8.84			
33kV	18.99	2.70	3.14	13.16		
132kV	43.66	4.74	5.51	23.10	10.31	
400kV	30.73	3.33	3.88	16.26	7.26	0.00
Common Asset	1.73	0.19	0.22	0.92	0.41	0
Total	129.10	36.10	21.59	53.44	17.97	0.00

Table 197: Wheeling Tariff as approved by the Commission for FY 2026-27.

Voltage Level	ARR (Rs. Cr.)	Sales (MUs)	Wheeling Tariff (Rs./kWh)
LT	36.10	300.03	1.20
6.6kV	21.59	349.19	0.62
33kV	53.44	1463.56	0.37
132 kV	17.97	653.00	0.28
Total	129.10	2765.78	

Cross Subsidy Surcharge

Petitioner's Submission

10.15 The Petitioner has determined the Cross-Subsidy Surcharge as per the methodology outlined in National Tariff Policy 2016. Further, the Petitioner has submitted that the methodology keeps the interest of distribution companies as well as consumers in mind while determining a mathematical formula, thus ensuring the competition in electricity through open access is not constrained.

10.16 The Petitioner has submitted the cross subsidy surcharges as per the formula and methodology adopted by the Commission in previous tariff order, CSS for consumers connected to TSL is calculated on proposed tariffs as shown below:

Table 198: Cross Subsidy Surcharges as submitted by the Petitioner for FY 2026-27.

Consumer Categories	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-Power Purchase Cost (Rs/kWh)	L-System losses for applicable voltage (%)	D-Wheeling Charges (Rs/kWh)	R- per unit cost of carrying Regulatory assets	Cross Subsidy Surcharge (Rs/kWh)	Cross Subsidy Surcharge considering 20% limit (Rs/kWh)
Domestic	LT	5.58	5.47	11.00%	2.46	0.09	0.00	-
Commercial	LT	8.39	5.47	11.00%	2.46	0.09	0.37	0.37
Domestic - HT	HT	7.22	5.47	2.20%	1.73	0.09	0.00	-



Consumer Categories	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-Power Purchase Cost (Rs/kWh)	L-System losses for applicable voltage (%)	D-Wheeling Charges (Rs/kWh)	R- per unit cost of carrying Regulatory assets	Cross Subsidy Surcharge (Rs/kWh)	Cross Subsidy Surcharge considering 20% limit (Rs/kWh)
Industrial-HTIS	6.6 KV HT	7.91	5.47	2.20%	1.73	0.09	0.63	0.63
	33 KV HT	7.91	5.47	1.95%	1.09	0.09	1.26	1.26
	132 KV HT	7.91	5.47	0.70%	0.83	0.09	1.52	1.52
Street Light	LT	8.83	5.47	11.00%	2.46	0.09	0.00	-
Railway Traction Services	132kV HT	7.91	5.47	2.20%	0.83	0.09	1.52	1.52
Military Engineering Service	6.6 KV HT	9.67	5.47	2.20%	1.73	0.09	2.38	1.93
LTIS	LT	8.83	5.47	11%	2.46	0.09	0.80	0.80

Commission's Analysis

10.17 The Commission has outlined the '**clause 21.5**' of JSERC (Terms and Conditions for Intra-State Open Access) Regulations, 2016, and '**clause 10.62**' of JSERC Distribution Tariff Regulation 2025 while approving the Cross-Subsidy Surcharge (CSS) for approval of cross subsidy surcharge:

"The Cross-subsidy surcharge shall be determined by the Commission in accordance with the principles and formula stipulated in the National Tariff Policy and shall be leviable at the rate as determined by the Commission from time to time."

"10.62 The surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the following formula:

$$S = T - [C / (1 - (L / 100)) + D + R]$$

Where,

S is the surcharge;

T is the Tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;



L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level;

R is the per unit cost of carrying regulatory assets:

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.”

10.18 The Commission has computed the weighted average purchase cost for CSS computation works out to Rs 4.89 per unit by considering the Power Purchase Cost of Rs. 1,428.20 Cr. and Power Purchase Quantum of 3,311.25 MU as approved by the Commission for FY 2025-26 earlier in ARR chapter of this Order.

10.19 Based on the above submission, discussion and provision stipulated in National Tariff Policy 2016, JSERC Distribution Tariff Regulation 2025 and amendments thereof the Commission approves the cross subsidy surcharges as shown below:

Table 199: Cross Subsidy Surcharges as approved by the Commission for FY 2025-26.

Category	Voltage Level	T-Tariff Payable ABR (Rs/kWh)	C-Power Purchase Cost (Rs/kWh)	L-System losses for applicable voltage (%)	D-Wheeling Charges (Rs/kWh)	R- per unit cost of carrying Regulatory assets	Cross Subsidy Surcharge (Rs/kWh)	Cross Subsidy Surcharge considering 20% limit (Rs/kWh)
Domestic	LT	3.38	5.27	11.00%	1.20	0.14	0.00	
Commercial	LT	8.31	5.27	11.00%	1.20	0.14	0.00	
Domestic - HT	HT	7.44	5.27	2.20%	0.62	0.14	1.41	1.41
Industrial-HTIS	6.6 KV HT	7.61	5.27	2.20%	1.20	0.14	0.99	0.99
	33 KV HT	7.61	5.27	1.95%	0.37	0.14	1.83	1.52
	132 KV HT	7.61	5.27	0.70%	0.37	0.14	1.83	1.52
Street Light	LT	7.21	5.27	11.00%	1.20	0.14	0.59	
Railway Traction Services,	132kV HT	9.58	5.27	2.20%	0.37	0.14	3.80	1.92
Military Engineering Service	6.6 KV HT	9.58	5.27	2.20%	0.62	0.14	3.55	0.00
LTIS	LT	7.55	5.27	11.00%	1.20	0.14	0.92	0.92

Additional Surcharges

Petitioner's Submission



10.20 The Petitioner has submitted that Section 8.5 of the Tariff Policy 2016 deals with applicability of Additional Surcharge to be paid by OA consumers, as reproduced below:

“8.5.4 The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges.”

10.21 The Petitioner submitted that it has contracted capacity from TATA Power and DVC. The variable Cost of TATA Power is lower than DVC and also TATA Power units are embedded in distribution network of TATA Steel. Therefore, in case a consumer opt for open access the capacity will get stranded in DVC source.

10.22 The Petitioner has contracted 290 MW capacity from DVC for consumers in licensed area. Petitioner is required to pay full capacity / fixed charges irrespective of the energy drawl. Therefore, in case of providing open access to consumers this capacity will get stranded till at least one year. As the review of this contract will only after 18 months starting December 2025. Accordingly, the additional surcharge for open access being derived based on following assumptions and data:

Table 200: Additional Surcharge for FY 2026-27 as submitted by the Petitioner

Particulars	Formula	Value
Fixed cost / capacity charge from all DVC units (in Rs. Cr.)	A	371
Total energy planned from DVC units (in MU)	B	1530
Per unit fixed cost (in Rs. Per unit)	$C=A*10/B$	2.42

10.23 Therefore, the additional surcharge is equal to per unit fixed cost of DVC units Rs. 2.42 per kWh

10.24 The additional surcharge will be payable by open access consumers till such time the stranded capacity is not being utilized by other consumers i.e. till such time the intake from DVC goes upto the planed level because of addition of other consumers.

10.25 The Petitioner has prayed for determination of Additional Surcharge on case-to-case basis and reserves its right to approach the Commission for



the same at appropriate time within the given provisions of applicable Regulations.

Commission Analysis

10.26 On Scrutinizing and analysing data, material, information on record, the Commission does not allow any Additional Surcharge and reserves its right to approach this Commission separately in this matter, if required.

Regulatory Surcharge for Open Access Consumers

Petitioner's Submission

10.27 The Petitioner has submitted that a Regulatory Asset Surcharge ought to be levied on OA consumers to protect the interest of other consumers who shall continue to take power from the Licensee.

10.28 The Petitioner has estimated a cumulative Gap of Rs. 493.07 Cr. at existing tariff by the end of FY 2026-27. With the proposed tariff a surplus of Rs. 197.73 Cr. is expected to be generated which will be used for liquidation of Regulatory Asset (Cumulative Revenue Gap). Therefore, Category wise Regulatory Asset surcharge has been proposed considering liquidation of Regulatory Assets of Rs. 197.73 Cr. during FY 2026-27. Category Wise Regulatory Asset Surcharge is given in Table below:

Table 201: Regulatory Asset Surcharge as Submitted by the Petitioner.

Consumer Categories	Energy Charges for FY 2026-27 (Rs. Cr.) at proposed tariff	% of Total	Regulatory Charge (Rs. Cr.) liquidation allocation for FY 2026-27	Sales MU	Regulatory Asset Surcharge (Rs/kWhr)	Regulatory Asset Surcharge / kVAH
Domestic	107.08	7%	12.87	198.51	0.65	
Commercial	61.79	4%	7.43	91.55	0.81	
Domestic - HT	45.60	3%	5.48	74.20	0.74	0.87
Industrial-HTIS	1421.53	86%	170.86	1882.02	0.91	1.07
Street Light	4.82	0.29%	0.58	6.60	0.88	
LTIS	0.33	0.02%	0.04	0.44	0.90	1.06
Military Engineering Service	0.57	0.03%	0.07	0.77	0.89	
Temporary	3.40	0.21%	0.41	3.35	1.22	
Total	1645.12		197.73	2257.43	0.88	

Commission Analysis

10.29 The Commission notes that there is a Revenue Gap to be recovered by the Petitioner. However, the Petitioner has not provided any details regarding the number of OA Consumers, financial impact and proposed



surcharge on OA consumers. Hence, the Commission at this juncture is not approving any Regulatory Surcharge. The Petitioner is at liberty to approach the Commission with the aforementioned details for determination of Regulatory Surcharge, if required.



Chapter 11: Proposal for Green Tariff for FY 2025-26

11.1 The Ministry of Power, Government of India has notified “the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. On 6th June 2022 (amended on 27th Jan 2023) to facilitate use of Renewable Energy by the consumers and further accelerate India’s RE program’s. SERC’s/JERC’s vide letter dated 10.10.2022 were informed to take appropriate action for determination of Green Tariff under Rule 4 (2) (c).

Petitioner Submission

11.2 The Petitioner submitted some of the Industrial/Commercial customers have approached Tata Steel Limited for supplying Green Energy. Further, there is increased awareness in certain class of consumers regarding reducing their Carbon footprints and are willing to pay a premium for “Green Energy”.

11.3 The Petitioner seeks approval for “Green Energy Tariff” for Supply of Renewable Energy (RE) to consumers for meeting their requirement of Green Energy. Based on approval of Green Energy tariff by Hon’ble Commission the Petitioner would explore Sources of Green Energy and would approach the Hon’ble Commission for consent to procure RE Power from such sources.

11.4 Petitioner would like to adopt the methodology adopted by Hon’ble Commission for determination of Green Energy tariff for TSL Power Distribution Licensee vide. TSL Tariff Order dated : 26th June 2024. The relevant extract of the said Tariff Order is given below:

“10.12 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-RE) sources.”

11.5 The Petitioner provided the computation of Green Energy Tariff for FY 2026-27, computed based on Weighted Average of Market Clearing Price (MCP) of RE sources in GDAM and variable cost of non- RE sources of power for FY 2023-24 & 2024-25, and is shown below:

Table 202: Computation of difference in per unit price

Particulars	Formula	FY 24	FY 25	Average
Weighted MCP of RE in GDAM (Rs./kWh)	A	5.24	4.01	4.63
Cost of Non-RE (Only Variable cost) (Rs./kWh)	B	3.23	3.21	3.22
Difference between RE & Non-RE (Only Variable cost) (Rs./kWh)	C =A-B	2.01	0.80	1.41

11.6 The Petitioner has submitted that it has not procured RE till date as Renewable Energy Purchase Obligation is not applicable for the Petitioner



as on date. Hence the Cost of RE (Rs/kWh) is considered same as Weighted Average of Market Clearing Price (MCP) of RE in Green Day Ahead Market.

- 11.7 The Petitioner has submitted that in Order to promote Green Energy, Petitioner would like to submit that Hon'ble Commission may approve Green Energy tariff by considering 70% of the difference between RE & Non-RE (Only Variable cost) i.e, 70% of Rs 1.41/kWh.
- 11.8 Based on methodology adopted by Hon'ble Commission as mentioned above, Green Energy Tariff comes out to be "Normal Tariff applicable for a consumer + Rs 0.98/ unit"
- 11.9 Petitioner would like to submit that Hon'ble Commission may approve Green Energy tariff based on the above submission.
- 11.10 As customers would also be requiring Green Energy certificate for their compliance purpose; Petitioner requests the Hon'ble Commission that Tata Steel Limited may also be authorized to provide green energy certificate to the consumers who avails Green energy at applicable Green Energy tariff.
- 11.11 Regulatory framework - Clauses which empowers the Hon'ble Commission to approve the Green Energy Tariff are as follows –
- 11.12 The Petitioner submits that Section 94 of the Electricity Act 2003 empowers the Hon'ble Commission to take up this request and pass order in this regard. Relevant part of section 94 of the Electricity Act 2003 is reproduced below.

“(1) The Appropriate Commission shall, for the purposes of any inquiry or proceedings under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 in respect of the following matters, namely: -

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) discovery and production of any document or other material object producible as evidence;

(c) receiving evidence on affidavits;

(d) requisitioning of any public record;

(e) issuing Commission for the examination of witnesses;

(f) reviewing its decisions, directions and orders;

(g) any other matter which may be prescribed.

(2) The Appropriate Commission shall have the powers to pass such interim order in any proceeding, hearing or matter before the Appropriate Commission, as that Commission may consider appropriate.



(3) The Appropriate Commission may authorize any person, as it deems fit, to represent the interest of the consumers in the proceedings before it.”

11.13 The Petitioner submits that Section 86 of the Electricity Act 2003 empowers the Hon'ble Commission to consider this request and pass order in this regard. Section 86 of the Electricity Act 2003 is reproduced below.

11.14 The Petitioner submits that Section 86 of the Electricity Act 2003 empowers the Hon'ble Commission to consider this request and pass order in this regard. Section 86 of the Electricity Act 2003 is reproduced below.

“Section 86. (Functions of State Commission): (1) The State Commission shall discharge the following functions, namely: -

(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 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 licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;

(e) promote co-generation 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; and

(k) discharge such other functions as may be assigned to it under this Act.”



11.15 The Petitioner submits that Section 4.2 C (iii) of JSERC (Green Energy Open Access) Regulations 2024, empowers the Hon'ble Commission to take decision regarding this petition filed. The same section is reproduced below-

“4.2. Any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods:

c. By requisition from distribution licensee:

iii. The tariff for the green energy shall be determined separately by the Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy surcharges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;”

11.16 The Petitioner submits that Section A 44 of Conduct of Business Regulations 2016, which empowers the Hon'ble Commission to take decision regarding this petition filed. The same section is reproduced below-

“A44: ISSUE OF ORDERS AND DIRECTIONS ON PROCEDURES

44.1 Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, issue orders and directions in regard to the implementation of the Regulations and procedure to be followed.”

11.17 The Petitioner submits that Section A 45 of Conduct of Business Regulations 2016, which empowers the Hon'ble Commission to take decision regarding this petition filed. The same section is reproduced below-

“A45: SAVING OF INHERENT POWER OF THE COMMISSION

45.1 Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice or to prevent the abuse of the process of the Commission.

45.2 Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act, a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded, in writing, deems it necessary or expedient for dealing with such a matter or class of matters.

45.3 Nothing in these Regulations shall, expressly or impliedly bar the Commission to deal with any matter or exercise any power under the Act for which no Regulation have been framed, and the Commission may deal with such matters, with powers and functions in a manner it thinks fit.

11.18 The Petitioner has requested to to approve the “Green Energy Tariff” as “Normal Tariff applicable for a customer + Rs. 0.98 per kWh as proposed above or as deem fit by the Hon'ble Commission.



Commission Analysis

- 11.19 In accordance with the Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote adoption of Renewable Energy (RE). Therefore, the Commission has introduced Green Energy Tariff in this Order as an optional/voluntary arrangement for the consumers who are willing to procure RE Power from DISCOMs for the purpose of reducing their carbon footprint and seeking certification to this effect.
- 11.20 Such Green Tariff would be in addition to regular tariff approved in this Tariff Order. The Commission observes that the concept of Green Tariff has been well appreciated by many stakeholders across the state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.
- 11.21 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-RE) sources.
- 11.22 Based on the above discussion the weighted average rate of renewable energy (RE) Power and the weighted average rate of energy charge (Variable Charge) of non-renewable (Non-RE) sources as tabulated hereunder:

Table 203: Analysis of cost from Renewable Energy as approved by the Commission.

Source	FY24	FY25	FY26	FY 27
	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh
Green Market (GTAM/GDAM) (A)	3.76	3.02	3.11	4.00

Table 204: Analysis of Variable cost of power purchase from conventional Non-RE Sources as approved by the Commission.

Source	FY24	FY25	FY26	FY27
	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh
TPCL, Jojobera Unit 2	2.95	2.90	2.98	2.94
TPCL, Jojobera Unit 3	2.92	2.88	2.62	2.75
DVC 132 kV	4.19	4.05	3.69	3.87
DVC-400 kV DSTPS Unit 1 & 2	3.82	3.31	3.31	3.31
DVC-400 kV MTPS Unit 7 & 8	3.49	3.20	3.20	3.20
STOA	4.17	5.56	6.04	5.80
Captive TSL	2.92	2.88	1.00	1.94
Weighted Average Rs/kWh (B)	3.32	3.14	3.03	3.09



Table 205: Different between RE & Non-RE (A-B) in Rs/kWh as approved by the Commission.

Source	FY 24	FY25	FY26	FY27 (Projected)	Average
	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh
Difference between RE & Non-RE Power (Variable Cost) (A-B) Rs/kWh	1.41	0.63	-0.01	0.03	0.51

- 11.23 Furthermore, the Commission decides to levy only 50% of charges determined above i.e. **(0.51*50%= Rs 0.26/kWh)** as Green Tariff to the Consumer opting for meeting its power requirement through RE Sources. Such Green Energy Tariff would be in addition to regular tariff approved in this Order.
- 11.24 All Consumer shall be eligible for opting Renewable Energy power on payment of Green Power Tariff.
- 11.25 The Consumer will have option to select the quantum of green power to be purchased in the step of 10% and going up to 100% of the consumption.
- 11.26 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- 11.27 The Distribution License shall issue Annual Certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE Sources.
- 11.28 The total tariff earned under “Green Energy Tariff” will be considered as a part of the revenue/tariff income of the Petitioner. Further, the Petitioner must file all details along with each ARR/Tariff filings with a list of consumers opting for it. Also, the Petitioner to ensure that the total consumption of these consumers must be met by renewable energy source.



Chapter 12: RETAIL TARIFF FOR FY 2026-27

Petitioner Submission

12.1 The Summary of Tariff proposed by the Petitioner is provided below:

Table 206: Summary of Tariff Proposed by the Petitioner for FY 2026-27

Consumer Category	Existing Tariff				Proposed Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
DOMESTIC SERVICE								
<i>DS-LT (0-100 Units)</i>	Rs./Conn/Month	34	Rs/kWh	3.10	Rs./Conn/Month	40	Rs/kWh	3.50
<i>DS-LT (Above 100 Units)</i>	Rs./Conn/Month	70	Rs/kWh	5.30	Rs./Conn/Month	80	Rs/kWh	5.95
<i>DS-HT</i>	Rs./kVA/Month	95	Rs/kVAh	5.25	Rs./kVA/Month	110	Rs/kVAh	5.90
<i>IRRIGATION & AGRICULTURE SERVICE (IAS)</i>	Rs./HP/Month	22	Rs/kWh	5.60	Rs./HP/Month	30	Rs/kWh	6.30
<i>COMMERCIAL SERVICES (CS)</i>	Rs./kW/Month	130	Rs/kWh	6.00	Rs./kW/Month	150	Rs/kWh	6.75
INDUSTRIAL SERVICES								
<i>Low Tension Industrial Service</i>	Rs./kVA/Month	150	Rs/kVAh	5.75	Rs./kVA/Month	170	Rs/kVAh	6.45
<i>High Tension Industrial Service</i>	Rs./kVA/Month	400	Rs/kVAh	6.30	Rs./kVA/Month	450	Rs/kVAh	7.10
INSTITUTIONAL SERVICE								
<i>Street Light</i>	Rs./kW/Month	134	Rs/kWh	6.50	Rs./kW/Month	160	Rs/kWh	7.30
<i>Railway Traction Services, Military Engineering Services and Other Distribution Licensees* (Excluding TSUISL)</i>	Rs./kVA/Month	400	Rs/kVAh	6.40	Rs./kVA/Month	450	Rs/kVAh	7.20
<i>Temporary Connection</i>	1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges		1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges	



Commission Analysis

12.2 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2026-27 is given below:

Table 207: Summary of Tariff Approved by the Commission for FY 2026-27

Consumer Category	Existing Tariff				Approved Tariff			
	Fixed Charges		Energy Charges		Fixed Charges		Energy Charges	
	Units	Rate	Units	Rate	Units	Rate	Units	Rate
DOMESTIC SERVICE								
<i>DS-LT (0-100 Units)</i>	Rs./Conn/Month	34	Rs/kWh	3.10	Rs./Conn/Month	40	Rs/kWh	3.30
<i>DS-LT (Above 100 Units)</i>	Rs./Conn/Month	70	Rs/kWh	5.30	Rs./Conn/Month	75	Rs/kWh	5.50
<i>DS-HT</i>	Rs./kVA/Month	95	Rs/kVAh	5.25	Rs./kVA/Month	110	Rs/kVAh	5.75
<i>IRRIGATION & AGRICULTURE SERVICE (IAS)</i>	Rs./HP/Month	22	Rs/kWh	5.60	Rs./HP/Month	22	Rs/kWh	5.60
<i>COMMERCIAL SERVICES (CS)</i>	Rs./kW/Month	130	Rs/kWh	6.00	Rs./kW/Month	150	Rs/kWh	6.50
INDUSTRIAL SERVICES								
<i>Low Tension Industrial Service</i>	Rs./kVA/Month	150	Rs/kVAh	5.75	Rs./kVA/Month	150	Rs/kVAh	6.00
<i>High Tension Industrial Service</i>	Rs./kVA/Month	400	Rs/kVAh	6.30	Rs./kVA/Month	450	Rs/kVAh	6.50
INSTITUTIONAL SERVICE								
<i>Street Light</i>	Rs./kW/Month	134	Rs/kWh	6.50	Rs./kW/Month	150	Rs/kWh	6.80
<i>Railway Traction Services, Military Engineering Services and Other Distribution Licensees* (Excluding TSUISL)</i>	Rs./kVA/Month	400	Rs/kVAh	6.40	Rs./kVA/Month	450	Rs/kVAh	6.60
<i>Temporary Connection</i>	1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges		1.5 times of the applicable fixed charges		1.5 times of the applicable energy charges	



Chapter 13: SCHEDULE OF CHARGES FOR FY 2026-27.

Petitioner Submission

12.1 The Petitioner has proposed no change in the Schedule for Miscellaneous Charges except Disconnection and Reconnection charges, and one new service is proposed for shutdown on customer request as shown below:

Table 208: Miscellaneous Charges as proposed by the Petitioner.

#	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
1	Application fee			
	LT categories	100	No change	Payable with demand note
	HT Connection	500	No Change	
2	Revision of Estimate on Consumer Request based on Revision in Original Application			
	LT Categories	100	No Change	Payable with demand note
	HT Connection	500	No Change	
3	Testing of consumers Installation ⁽¹⁾			
	LT Supply	100	No change	Payable with energy bill
	HT Supply	500	No Change	
4	Meter test when accuracy disputed by consumer ⁽²⁾			
	Single/ Three Phase	100	600	Payable with request for testing
	Trivector/Special Type Meter, HT, EHT Metering Equipment	1000	2000	
	Removing/Refixing of meter/ Changing of meter/meter equipment/fixing of sub meter on the request of the customer/fixing of sub meter/ Resealing of Meter when meter seals are found broken.			
5	Single / Three Phase	200	No Change	Payable with energy bill
	Trivector/Special type meter/ HT / EHT Meter/Metering equipment	1000	1500	
6	Fuse call- Replacement /RCBO Tripping Call- Replacement.			
	Consumer fuse/ RCBO attending	100	200	Payable with energy bill
7	Disconnection or Reconnection of services			



#	Purpose	Existing Charges	Proposed Charges	Manner in which payment will be realized
	LT Connection	200	500	Amount is to be paid on each instance of disconnection or reconnection separately. Payable with energy bill for disconnection or reconnection. Payable in advance along with the consumer request for disconnection related to payment default or subsequent reconnection after payment
	HT Connection	1500	2000	
8	Replacement of Burnt Meter/ MCCB/ RCBO/ Catenary/Switches or any other items	Cost of meter or other items related	No change	Payable with Energy Bill
9	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time		
10	Transformer Rent ⁽³⁾			
	Up to 200 kVA	5500/Month	No Change	Payable with energy bill
	201 kVA to 500 kVA	7500/Month	No Change	
11	Shutdown on Consumer Request –			
	LT Connection	NA	200	Payable with energy bill; Considering visit twice per shutdown request (Power disconnection & reconnection)
	LT Industrial	NA	1000	
	HT Industrial	NA	2000	
12	Security deployment during disconnection – resistance cases		5000 on each visit	Cost of deployment of security, vehicle and other expenses payable with energy bill

(1) First test & Inspection free of charge, but should any further test and inspection be necessitated by faults in the installation or by not compliance with the conditions of supply for each extra test or inspection.

(2) If the meter is found defective within the meaning of the Indian Electricity Rules 1956, no charge shall be levied. If it is proved to be correct within the permissible limits laid down in the Rules, the amount will be charged in the next energy bill.

(3) Applicable for 6-month duration from the date of taking the transformer on rent, thereafter monthly escalation of 10% would be applicable.

Commission Analysis



12.2 The Commission has analysed the various aspects of these charges and the Schedule of Miscellaneous Charges applicable to other Distribution Licensee in the State of Jharkhand. The Commission observes that the Schedule of Miscellaneous Charges are already specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. However, since the Commission had approved the Miscellaneous Charges in the Tariff Order dated September 29, 2023, the Commission has not approved any change in Miscellaneous Charges in this Order as reiterated in **Chapter 14** of this Order and any changes in the Charges shall be revised in the amendment of the Supply Code Regulations.



Chapter 14: TARIFF SCHEDULE

APPLICABLE FROM 01.04.2026

Consumer Tariff

Celling Tariff

The Tariffs approved below are Ceiling Tariffs and the Licensees are at the liberty to Supply at lower and more competitive rates based on the requirement of the Consumers. However, this reduced recovery shall be attributable to the Licensee and shall not be recoverable in the ARR.

Domestic Service- Rural and Urban

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc. including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church, Burial/Crematorium grounds, Rural Drinking Water Schemes and other recognised charitable institutions, where no rental/fees are charged for the energy needs and for its products and services.

Category of Services:

Domestic Service-Rural areas not covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Domestic Service -Urban: areas covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Service Character:

- (i) For Rural: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.
- (ii) For Urban: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volt

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LT-Rural/Urban (0-100) Units	Rs./Conn./month	40.00	Rs./kWh	3.30
LT-Rural/Urban (>100) Units	Rs./Conn./month	75.00	Rs./kWh	5.50

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order



Domestic Service- HT

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

Category of Services:

Domestic Service- HT: This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 6.6 kV, 11kV or 33kV voltage level. DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Service Character:

For HT: AC, 50 Cycles, at 6.6 kV, 11 kV or 33 kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
DS-HT	Rs./kVA/month	110.00	Rs./kVAh	5.75

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order



Irrigation & Agriculture Service (IAS)

Applicability:

This schedule shall apply to all consumers for use of electrical energy for Agriculture purposes including tube wells and processing of the agricultural produce, confined to Chaff-Cutter, Thresher, Cane crusher and Rice-Hauler, when operated by the agriculturist in the field or farm and does not include Rice mills, Flour mills, Oil mills, Dal mills.

Service Character:

AC 50 Cycles, Single Phase at 230 Volts/Three Phase at 400 Volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
IAS	Rs./HP/month	22.00	Rs./kWh	5.60

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Commercial Service:

Applicability:

This schedule shall apply to all consumers, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals (govt. or private), nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, workshops, central air-conditioning units, offices (govt. or private), commercial establishments, cinemas, X-ray plants, schools and colleges (govt. or private), boarding/ lodging houses, libraries (govt. or private), research institutes (govt. or private), railway stations, fuel-oil stations, service stations (including vehicle service stations), All India Radio / T.V. installations, printing presses, commercial trusts/societies, Museums, poultry farms, banks, theatres, common facilities in multi-storied commercial office/buildings, *Dharmshalas*, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose contracted demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

This schedule shall also be applicable to electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports, etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/leisure establishments whose Connected Load/Contracted Demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Category of Services:

Commercial Service-Rural: Areas not covered by area indicated for Commercial Service Urban.

Commercial Service-Urban: Areas covered by Nagar Nigam, Nagar Parishad, Nagar Panchayat.

Service Character:

Rural: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.
Urban: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Commercial- Rural/Urban	Rs./kW/month	150.00	Rs./kWh	6.50



Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding**

Billing/Contract Demand of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Low Tension Industrial Service:

Applicability:

Low Tension Industrial Service (LTIS): This schedule shall apply to all industrial / processing units or agro industrial processes having a contracted load less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Character:

Low Tension Industrial Service (LTIS): AC, 50 Cycles, Single Phase supply at 230 Volts or Three Phase Supply at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LTIS	Rs./kVA/month	150.00	Rs./kVAh	6.00

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



HT Service:

Applicability:

High Tension Service (HTS): All the consumers drawing power at voltage level at 6.6 kV and above except Domestic-HT and HT- Institutional Consumers.

Service Character:

High Tension Service (HTS): 50 Cycles, Three Phase at 6.6 kV/ 11 kV/33 kV/132 kV/220 kV/400 kV.

Tariff

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTS	Rs./kVA/month	450.00	Rs./kVAh	6.50

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Street Light:

This tariff schedule shall apply for use of Street Lighting system.

Applicability:

Street Light Service (SS): This tariff schedule shall apply for use of Street Lighting system, including single system in corporation, municipality, Notified Area Committee, panchayats, etc., and also in areas not covered by municipalities and Notified Area Committee provided the number of lamps served from a point of supply is not less than 5

Service Character:

Street Light Service (SS): AC, 50 cycles, Single phase at 230 Volts or Three phase at 400 Volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Street Light	Rs./kW/month	150.00	Rs./kWh	6.80

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order



HT Institutional Service:

This tariff schedule shall apply for use of Railway Traction, Military Engineering Services and Other Distribution Licensees.

Applicability:

Railway Traction (RTS) and Military Engineering Services (MES): This tariff schedule shall apply for use of railway traction and Military Engineering Services (MES) for a mixed load in defence cantonment and related area.

Other Distribution Licensees: This tariff schedule shall apply to other distribution licensees procuring power from the Licensee (except JUSCO, which shall continue to procure power as per the prevailing arrangement) for the sole purpose of supplying it to its consumers. It is clarified that such tariff shall not be applicable for the quantum of power utilised in industrial units owned by it or its parent or affiliate company.

Service Character:

Railway Traction Service (RTS): AC, 50 cycles, Single phase at 25 kV/132 kV.

Military Engineering Services (MES): AC, 50 cycles, three phase at 6.6 kV and above

Other Distribution Licensees: AC, 50 cycles, three phase at 6.6 kV and above.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HT Institutional Service	Rs./kVA/month	450.00	Rs./kVAh	6.60

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/Contract Demand** will be as per Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.



Rebate for Prompt Payment: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in **Chapter** on Terms & Conditions of Supply as provided in **Chapter 15** of this Tariff Order.

RPO Compliance: RPO Compliance for Sale to Other Licensees, RTS and MES shall be made by the first Licensee which sells the power viz., in case TSL buys power from DVC (in consumer mode) then the onus to comply with RPO will be with DVC only.



Temporary Connection:

Applicability:

The Temporary tariff shall be applicable as per the following conditions:

(a) Temporary tariff shall be equivalent to 1.5 times of the applicable fixed and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.

(b) Temporary connections may be given with normal meters with security deposit as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

(c) Temporary connections may also be given with prepaid meters with minimum prepaid balance equivalent to 45 days of sale of power, which shall be based on the assessment formula as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

Tariff:

Category	Fixed Charge	Energy Charge
	Rate	Rate
Temporary Connection (all Units)	1.5 times of the applicable fixed charges	1.5 times of the applicable energy charge



Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV project

The Commission had notified the JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) Regulations, 2015, on November 10, 2015 and further notified its 1st amendment as JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) (1st Amendment) Regulations, 2019. The Tariff for sale of surplus power by Gross/Net metering of Rooftop Solar PV for such eligible consumers of the Petitioner shall be issued separately by the Commission and till the time such order is issued; the existing rate shall continue to be valid.

Table 209: Miscellaneous Charges as approved by the Commission (in Rs.)

No	Purpose	Scale of Charges	Payment Realisation
1	Application fee		
	LT categories	100	Payable with Energy Bill
	HT Connection	500	
2	Revision of Estimate on Consumer Request based on Revision in Original Application		
	LT Categories	100	Payable with energy bill
	HT Connection	500	
3	Testing of consumers Installation ⁽¹⁾		
	LT Supply	100	Payable with energy bill
	HT Supply	500	
4	Meter test when accuracy disputed by consumer ⁽²⁾		
	Single/ Three Phase	100	Payable with energy bill
	Trivector/Special Type Meter, HT, EHT Metering Equipment	1000	
5	Removing/Re-fixing of meter/ Changing of meter/ meter equipment/fixing of sub meter on the request of the customer/fixing of sub meter/ Resealing of Meter when meter seals are found broken.		
	Single / Three Phase	200	Payable with energy bill
	Trivector/Special type meter/ HT / EHT Meter/Metering equipment	1000	



No	Purpose	Scale of Charges	Payment Realisation
6	Replacement of meter card, if lost or damaged by Consumer	100	Payable with Energy Bill
7	Fuse call- Replacement /RCBO Tripping Call- Replacement.		
	Consumer fuse/ RCBO attending	100	Payable with energy bill
8	Disconnection / Reconnection		
	LT Connection	200	Payable in advance along with the consumer request. In case, the same consumer is reconnected or disconnected within 12 months, 50% will be charges extra.
	HT Connection	1500	
9	Replacement of Burnt Meter/ MCCB/ RCBO/ Catenary/Switches or any other items	Cost of meter or other items replaced	Payable with Energy Bill
10	Security Deposit	As per JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time	
11	Transformer Rent ⁽³⁾		
	Up to 200 kVA	5500/Month	Payable with energy bill
	Above 200 kVA	7500/Month	
12	Shutdown on Consumer Request -		
	LT Connection	NA	-
	LT Industrial	NA	-
	HT Industrial	NA	-

- (1) First test & Inspection free of charge, but should any further test and inspection be necessitated by faults in the installation or by not compliance with the conditions of supply for each extra test or inspection.
- (2) If the meter is found defective within the meaning of the Indian Electricity Rules 1956, no charge shall be levied. If it is proved to be correct within the permissible limits laid down in the Rules, the amount will be charged in the next energy bill.
- (3) Applicable for 6-month duration from the date of taking the transformer on rent, thereafter monthly escalation of 10% would be applicable.



Chapter 15: TERMS AND CONDITION OF SUPPLY

Clause I: Penalty for exceeding Billing/Contract Demand

In case the Recorded/Actual Demand exceeds 110% of the Contract Demand, the consumer shall pay penal charges. The penal charges would be charged as follows: if the Recorded Demand exceeds 110% of Contract Demand, then the Demand Charge up to Contract Demand will be charged as per the normal Tariff rate. The remaining Recorded Demand over and above the Contract Demand will be charged at 1.5 times the normal Tariff rate.

In case the Recorded Demand is higher than the Contract Demand by the quantum and for the duration as specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, the Contract Demand shall be revised as per the procedure specified therein.

Clause II: Jharkhand Electricity Duty

The charges in this tariff schedule do not include charges on account of State Electricity Duty/Surcharge to the consumers under the State Electricity Duty Act and the rules framed there under as amended from time to time and any other Statutory levy, which may take effect from time to time.

Clause III: Delayed Payment Surcharge

The Delayed Payment Surcharge shall be applicable as specified in Clauses 10.75 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, as amended from time to time. In case, the Licensee defaults in generating and delivering bills on monthly basis, Delayed Payment Surcharge will not be charged for the period of default by Licensee.

Clause IV: Voltage Rebate

Voltage Rebate* will be applicable on Energy Charge as per the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
HTS/HT Institutional -33 kV	3.00%
HTS.HT Institutional-132 kV	4.00%

**The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.*

Clause V: Load Factor Rebate



The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any 'X' % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 15%.

The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause VI: Installation of Shunt Capacitors

Connections with inductive load/motors as specified in Clauses 8.2.34 and 8.2.35 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, shall be installed with Shunt Capacitors to meet the Power Factor requirements. For existing consumer, the Petitioner should first serve one month's notice to all such consumers who do not have or have defective shunt capacitors. In case the consumers do not get the capacitor installed/replaced within the notice period, the consumer shall be levied a surcharge at 5% on the total billed amount charge (metered or flat), till they have installed the required capacitors.

Clause VII: ToD Tariff

TOD tariff shall be applicable as an option to HTS and HT Institutional Consumers as follows:

- **Off Peak Hours: 10:00 PM to 06:00 AM:** 85% of normal rate of energy charge
- **Normal Hours: 10:00 AM to 06:00 PM:** 100% of normal rate of energy charge
- **Peak Hours: 06:00 AM to 10:00 AM and 06:00 PM to 10:00 PM:** 120% of normal rate of energy charge

Clause VIII: Prompt Payment Rebate

The due date for making payment of energy bills or other charges shall be as specified in Clause 10.1.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended, which is presently minimum 15 days after issue date of bill for LT Domestic, Commercial and Agriculture category and minimum 21 days after issue date of bill for other categories.

Prompt Payment Rebate shall be allowed for payment of bills by the Consumers in accordance with Clause 10.76 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. Forpayment of Energy Bills by the consumer within 5 days of presentation of bill (i.e. bill date), a rebate of 2% shall be applicable.



Note: In case of computation of five (5) days, the number of days shall be counted consecutively without considering any holiday. However, in case the last day or 5th day is official holiday, the 5th day for the purpose of Rebate shall be construed as the immediate succeeding working day (as per the official State Government's calendar, where the Office of the Authorized Signatory or Representative of the Beneficiary, for the purpose of receipt or acknowledgement of Bill is situated).

Clause IX: Rebate for Prepaid Metering

The Commission has introduced rebate to prepaid meters at 3% of the Energy Charges for the respective Consumer Category. For such consumers, the Petitioner shall refund the entire Security Deposit within one month from the date of installation of such prepaid meters.

Clause X: Rebate for Delayed Billing

The Commission has introduced rebate in case of delayed billing to consumers to promote prompt billing by the Licensees. In case the bill is not received for two continuous billing cycles, a rebate at the rate of 1.00% on the bill amount per month for delay beyond two months or part thereof shall be applicable subject to a ceiling of 3%. The Utility shall not be eligible to claim such Rebate as a part of ARR. The same shall be treated as a Compensation for the consumers out of the RoE of the Licensee. This clause shall be applicable for all consumers.

Clause XI: Rebate for Online Payment

As per the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 clause 10.88, Any other Rebate or Surcharge applicable to the consumers, including but not limited to Voltage Rebate/Surcharge, Power Factor Rebate/Surcharge, etc., shall be applicable as specified in the Multi Year Tariff (MYT)/ Annual Tariff Orders issued by the Commission under the provisions of the Jharkhand State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2015, as amended by the First Amendment Regulations, 2018, and the Second Amendment Regulations, 2024, or as may be further or re-enacted from time to time.

Clause XII: Electricity Supply Code

The Jharkhand State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2015, as amended from time to time will be followed wherever applicable.

Clause XIII: Other Terms and Conditions

Reduction in Fixed Charges

Recovery of Complete Fixed/Demand Charges from consumers shall be based on the availability of hours of supply recorded by meters installed in the consumer's premises. TSL to include the same in the consumer's bill and recover



the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23 hours per day for HT Consumers.

Provided that the planned outages/Rostering in the network that are uploaded on its website seven days in advance with a copy to the Commission and intimation to the respective consumers shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than stipulated hours of supply shall not be claimed as a part of the ARR. Any reduction in the Fixed/Demand Charges shall be considered as a compensation to be paid to the Consumer by the Licensee.

The Commission directs the Petitioner to submit a report on implementation of the above, within 30 days of issuance of this Order and implement the same from the subsequent billing cycle following the issuance of this Order.

Point of Supply

The Power supply shall normally be provided at a single point for the entire premises. In certain categories like coal mines power may be supplied at more than one point on request of consumer subject to technical feasibility. But in such cases metering and billing shall be done separately for each point.

Dishonoured Cheques

In terms of Clause 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, in the event of dishonoured cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is higher. In addition to the same, the Delayed Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delayed Payment Surcharge.

Stopped/Defective Meters

In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued as per Clause 10.3.1 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time.

In case of meter being out of order from the period before which no pattern of consumption is available, the provisional average bill shall be issued on the basis of Sanctioned Load/Contract Load on following load factor applicable to respective categories:

Consumer Category	Load Factor
Domestic	0.15
Non-Domestic	0.20
LTIS	0.20
DS-HT	0.15



Consumer Category	Load Factor
HT Consumer-<132kV	0.30
HT Consumer- >132kV	0.50

Sale of Energy

No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Release of New Connections

No new connections shall be provided without appropriate meter.

Fuel & Power Purchase Cost Adjustment (FPPCA)

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 and as amended by the Commission from time to time.



Chapter 16: DIRECTIVES

16.1 The Commission directs the Petitioner to comply with the following directives.

Erection of Street Lights

16.2 The Commission directs the Petitioner to submit the approval of Capital Expenditure Plan, including the spill over schemes, duly approved by CEC/Board Investment to the Commission, before carrying out actual operations at the ground.

16.3 Further, the Petitioner is directed to submit revised Capital Expenditure Plan duly approved by CEC/Board to the Commission in next tariff filling petition.

Contact Details of Consumer Grievance Redressal Forum (CGRF):

16.4 The Commission directs the Petitioner to include the contact details of Consumer Grievance Redressal Forum (CGRF) in every bill issued to its consumers after the issuance of this order.

16.5 The Petitioner to bring to notice to the consumers the CGRF forum for redressal of grievances and conduct monthly camps with Chairperson and members of CGRF and submit the report of the same with the Commission.

16.6 The relevant clause of Jharkhand State Electricity Regulatory Commission (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers, Electricity Ombudsman and Consumer Advocacy) Regulations, 2020 are reproduced as follows:

“6. Duty of the Distribution licensee:-

(1) Every Distribution licensee shall notify and bring to the notice of the consumers by whatsoever means deemed fit including publication in the newspapers/ website etc, the details of the Forum for Redressal of Grievances of the Consumers.”

(4) The bills issued by the Distribution licensee to the consumers for the electricity supplied, shall contain the address and telephone numbers of the Forum for redressal of grievances of the consumers. The statement ‘consumers whose grievance is not resolved by the Distribution licensee can approach the Forum’ shall also be printed on such bills.”

Simplify bills:

16.7 The Petitioner to simplify the bills issued to its consumers detailing the various charges being paid by the consumers in line with JSERC (Electricity Supply Code) (Second Amendment) Regulations, 2024 quoted as follows:



“3. Insertion of sub-clause (g) and (h) under clause 10.1.1 under Chapter A10 Billing

(g) Easy to understand bills.

(h) Bills should also be issued in local language along with English.”

16.8 The Petitioner to attach a one comparative copy (before / after) of first bill issued after the issuance of this order along with next tariff petition as compliance of this directive outlining the changes and their importance.

Safety of Citizen:

16.9 The Commission directs the Petitioner to install adequate lighting and protection around its infrastructure for safety of the citizen.

The directives issued by the Commission in this Tariff Order for compliance by the Petitioner shall be monitored by the Consumer Grievance Redressal Forum (CGRF).

Virtual Hearing in CGRF:

16.10 TSL shall make necessary arrangements for virtual hearings in the Consumer Grievance Redressal Forum (CGRF) for the benefit of consumers and shall submit a compliance report within three months from the date of issuance of this Order.

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 17: List of Participant

Table 210: List of participant who attend Public Hearing and submitted their Suggestions/Comments

Sr. No.	Name	Address/Organization
1.	Ritesh Gupta	TSUISL
2.	Shubhendu Kumar Mohanta	TSUISL
3.	Chittaranjan Paul	TSUISL
4.	Prachi Jha	TSUISL
5.	S. Anand Rao	Retired Fouja Bag on Bordih
6.	B. K. Singh	Retired Fouja Bag on Bordih
7.	Suman Devri	TSUISL
8.	Sanjay Gautam	TSUISL
9.	Tanmay Chatterjee	Deloitte
10.	Santanu Saha	Deloitte
11.	Punam Devi	Situ Kanubarti
12.	Jawahar Lal Sharma	Sonari
13.	Paresh Kumar Mukh	Bhakubasa Mukh Basti
14.	Niru Mittal	Kadma
15.	Shaheev Nikhat	Radio Jadah
16.	Zeba	Jamshedpur
17.	N. Bacaji	Baridih
18.	Sumit Kumar Verma	TSUISL
19.	Tirtha Roy Chowdhury	TSUISL
20.	Rohit Kumar Rajak	TSUISL
21.	Mukesh Jha	TSUISL
22.	Shashi Lal	TSUISL
23.	Suman Mandal	TSUISL
24.	Kush Kumar	Tata Steel
25.	Arinda Majelis	Kadma
26.	Panjak Kumar Tiwari	Kadma
27.	Pratik Kumar	Hindustan Press
28.	Rajendra Singh	Nolo Basti
29.	Kamroom Nisha	Phakri Muslim Basti
30.	Jasmilha Khatoon	Phakri Muslim Basti



Sr. No.	Name	Address/Organization
31.	Sushen Chhutar	Baldev Basti
32.	Bijendra Kumar	Dainik Bhaskar
33.	Suman Kumar Jha	Sonari
34.	Gaurav Gupta	TSL
35.	Manmohan Lal	Baridih
36.	Nitin Muklei	Baridih
37.	Surajit Dey	Kadma
38.	Shoeb Ahmad	TSL
39.	Charan Das	TSL
40.	Jai Pushpit Pallar	TSUISL
41.	Lalit Dubey	Dainik Bhaskar
42.	Ashok Kumar Bihani	Ashiana Garden
43.	Gauri Shauleai Du	TSUISL
44.	Pintu Kumar Rana	TSUISL
45.	Bijan Ram	Sonari
46.	Ayan Acharya	TSUISL
47.	Chiku Kumar	TSUISL
48.	Shyam Kumar Thapa	Basuriatu
49.	S R Sinha	Baridih
50.	Raju Singh	Golmuri
51.	Lucky Singh	Golmuri
52.	Md. Saud Alam	Bistupur
53.	Md. S. M. Edrisi	Jawahar Market
54.	Rajesh Kumar	Sonari
55.	Pravin	TSUISL
56.	Samiksha Rai	TSUISL
57.	Nirmal Prasad	Dainik Jagran
58.	Kalyammoy Mukherjee	TSUISL
59.	Dinesh Kumar	Bagun Hatu
60.	Surya Shakti Sinha	TSUISL
61.	Somenath Mitra	TSUISL
62.	Harpreet Karn	TSL



Sr. No.	Name	Address/Organization
63.	Anpita Maity	TSL
64.	Neeru Saggu	TSL
65.	Vijay Prakash Singh	TSUISL
66.	Kumdan Kanth	TSUISL
67.	Sima Roy	Sindhu Kanhu Basti
68.	Laxmi Hembrum	Sindhu Kanhu Basti
69.	Neha Devi	Sindhu Kanhu Basti
70.	Manju Manjhi	Sindhu Kanhu Basti
71.	Kiran Kumar	Sitaramdera
72.	Kalavati Devi	Anand Nagar Namda Basti, Golmuri
73.	S. C. Jha	Secretary, CGRF, TSL
74.	Alok Kumar Dubey	Chairperson, CGRF, TSL
75.	Sharad Kumar	Member, CGRF, TSL
76.	Mohan Agrawal	TSL
77.	A. K. Tripathy	TSUISL
78.	D Rajesh	Timken
79.	Ashok Nishad	Chutu kanu Basti
80.	Md. Iqbal	Chutu kanu Basti
81.	Mahendra Singh	Chutu kanu Basti
82.	S. S. Chawla	Golmuri
83.	K. Manjumasha	TSUISL
84.	A N Choudhary	TSUISL
85.	Sunil Kumar Singh	TSUISL
86.	Varun Kumar	TSUISL
87.	N. Leena	TSUISL
88.	Anita Kumari	Baradwari
89.	Rinki Mukhi	Dhatkidih
90.	P. K. Dhawan	Golmuri
91.	B. M. Das	Sitaramdhera
92.	Shashi Acharya	Kadma
93.	Rinku Singh	Sonari
94.	Ashok Pandey	Sindhu Kanhu Basti



Sr. No.	Name	Address/Organization
95.	Chandan Bhadra	Sindhu Kanhu Basti
96.	Vibha Srivastava	Kadma
97.	U K Mitra	Kadma
98.	Subhasliss Ghosh	Kadma