

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No. 210 of 2024

Case of The Tata Power Company Ltd. (Distribution) for approval of Truing-up of Aggregate Revenue Requirement (ARR) for FY 2023-24, Provisional Truing-up of ARR for FY 2024-25, and Determination of ARR & Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30.

Coram

Sanjay Kumar, Chairperson
Anand M. Limaye, Member
Surendra J. Biyani, Member

Date: 28 March, 2025

ORDER

M/s The Tata Power Company Limited -Distribution Business (TPC-D), Bombay House, 24, Homi Modi Street, Fort, Mumbai, has filed its Petition for approval of Truing-up of Aggregate Revenue Requirement (ARR) for FY 2023-24, Provisional Truing-up of ARR for FY 2024-25, and ARR & Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30 (MYT Petition). The original Petition was filed on 30 November, 2024 and TPC-D submitted the revised Petition on 07 January, 2025.

The Petition has been filed in accordance with MERC (Multi Year Tariff) Regulations, 2019 (MYT Regulations, 2019), for Truing-up of ARR for FY 2023-24 and Provisional Truing-up of ARR for FY 2024-25 and ARR and Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30 in accordance with MERC (Multi Year Tariff) Regulations, 2014 (MYT Regulations, 2024).

The Commission, in exercise of the powers vested under Section 61, 62, 64 and 86 of Electricity Act (EA or Act), 2003 and under the MYT Regulations, 2019 and its Amendments and MYT Regulations, 2024, with all other powers enabling it in this behalf and after taking into consideration of submissions made by TPC-D, upon Public Consultation Process and after considering all other relevant material, has approved the Truing-up of ARR for FY 2023-24 and Provisional Truing-up of ARR for FY 2024-25 and ARR and Tariff for FY 2025-26 to FY 2029-30 in this Order.

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List of Abbreviations

A&G	Administrative and General
ABR	Average Billing Rate
ABT	Availability Based Tariff
ACoS	Average Cost of Supply
AEML-D	Adani Electricity Mumbai Limited-Distribution
AMR	Automatic Meter Reading
APM	Administered Price Mechanism
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal for Electricity
BEST	Brihanmumbai Electric Supply & Transport Undertaking
BPL	Below Poverty Line
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
CPD	Coincident Peak Demand
CPI	Consumer Price Index
CPP	Captive Power Plant
CSD	Consumer Security Deposit
CSR	Corporate Social Responsibility
CS	Cross-subsidy
CSS	Cross-subsidy Surcharge
CUF	Capacity Utilisation Factor
DEEP	Discovery of Efficient Electricity Price
DPC	Delayed Payment Charge
DPR	Detailed Project Report
DSM	Demand Side Management
DSS	Distribution Sub-station
EA, 2003	Electricity Act, 2003
EHT	Extra High Tension
FAC	Fuel Adjustment Charge

FBSM	Final Balancing and Settlement Mechanism
FBT	Fringe Benefit Tax
FY	Financial Year
GoM	Government of Maharashtra
GEC	Gross Energy Consumption
GFA	Gross Fixed Assets
GST	Goods and Services Tax
G, T & D	Generation, Transmission and Distribution
HO & SS	Head Office and Support Services
HP	Horse Power
HPCL	Hindustan Petroleum Corporation Limited
HT	High Tension
IoWC	Interest on Working Capital
InSTS	Intra-State Transmission System
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kW	kilo Watt
kWh	kilo Watt hour
LA	Licence Area
LT	Low Tension
LFI	Load Factor Incentive
LGBR	Load Generation Balance Report
MAT	Minimum Alternate Tax
MCGM	Municipal Corporation of Greater Mumbai
MCLR	Marginal Cost of Funds based Lending Rate
MERC/Commission	Maharashtra Electricity Regulatory Commission
MMRCL	Mumbai Metro Rail Corporation Ltd.
MOD	Merit Order Despatch
MSEDCL	Maharashtra State Electricity Distribution Company Ltd.
MSPGCL	Maharashtra State Power Generation Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
MSLDC/ SLDC	Maharashtra State Load Despatch Centre

MTR	Mid-Term Review
MU	Million Units
MVA	MegaVolt Ampere
MW	Mega Watt
MYT Regulations, 2011	MERC (Multi Year Tariff) Regulations, 2011
MYT Regulations, 2015	MERC (Multi Year Tariff) Regulations, 2015
MYT Regulations, 2019	MERC (Multi Year Tariff) Regulations, 2019
MYT Regulations, 2024	MERC (Multi Year Tariff) Regulations, 2024
NCPD	Non-coincident Peak Demand
NOC	No Objection Certificate
NTI	Non-Tariff Income
OA	Open Access
O&M	Operation and Maintenance
OLA	Outside Licence Area
PBT	Profit Before Tax
PF	Power Factor
PFI	Power Factor Incentive
PPA	Power Purchase Agreement
PSCC	Power System Control Centre (erstwhile LCC)
PWW	Public Water Works
R&M	Repair and Maintenance
RAC	Regulatory Asset Charges
RE	Renewable Energy
REC	Renewable Energy Certificate
RInfra	Reliance Infrastructure Limited
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RTC	Round the Clock
SBI	State Bank of India
SBI PLR	State Bank of India Prime Lending Rate
SLDC	State Load Despatch Centre
TOD	Time of Day

ToSE	Tax on Sale of Electricity
TPC	The Tata Power Company Limited
TPC-D	The Tata Power Company-Distribution Business
TPC-G	The Tata Power Company-Generation Business
TPC-T	The Tata Power Company-Transmission Business
TPREL	The Tata Power Renewable Energy Limited
TVS	Technical Validation Session
UI	Unscheduled Interchange
VCoS	Voltage wise Cost of Supply
WPI	Wholesale Price Index
WL	Wheeling Loss

1 BACKGROUND AND BRIEF HISTORY

1.1 BACKGROUND

- 1.1.1 The Tata Power Company (TPC) is an integrated Utility engaged in the business of Generation, Transmission and Distribution of electricity. The Distribution Business of TPC (TPC-D) has been granted a Distribution Licence by the Commission for the distribution and supply of electricity in and around Mumbai for 25 years from 15 August, 2014. On the basis of this Licence, which is valid up to 14 August, 2039, TPC-D is entitled to distribute and supply electricity to the public for all purposes in accordance with the provisions of the Act.

1.2 MYT REGULATIONS

- 1.2.1 The Commission has notified the MYT Regulations, 2019 on 1 August, 2019. These Regulations are applicable for the 4th MYT Control Period starting from FY 2020-21 to FY 2024-25. The Regulations were first amended vide notification dated 10 February, 2024 and second amendment vide notification dated 8 June, 2023.
- 1.2.2 The Commission notified the MYT Regulations, 2024 on 19 August, 2024. These Regulations are applicable for the 5th MYT Control Period starting from FY 2025-26 to FY 2029-30.

1.3 PETITION AND MAIN PRAYERS OF TPC-D

- 1.3.1 TPC-D filed its Petition on 30 November, 2024 for Truing-up of FY 2023-24, Provisional Truing-up of FY 2024-25 and ARR and Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30. The Commission sought replies on the data gaps raised on 09 December, 2024 and certain other information from TPC-D, replies to which were submitted by TPC-D on 20 December 2024, 25 December, 2024 and 27 December, 2024.
- 1.3.2 The Technical Validation Session (TVS) was held on 27 December 2024. The list of persons who attended the TVS is in **Appendix-1**. The Commission asked TPC-D to provide additional information and clarifications on the various issues raised during the TVS. TPC-D furnished its replies on 7 January, 2025 to data gaps and additional information sought by the Commission.
- 1.3.3 TPC-D filed the revised Petition on 8 January, 2025 incorporating replies to the queries raised in preliminary data gaps and clarifications on the issues raised during the discussion. The main prayers of TPC-D in its revised Petition are as below:

“

- *Admit the Petition as per the provisions of the MERC (MYT) Regulations 2019*

and MERC (MYT) Regulations, 2024 and consider the present Petition for further

proceedings before this Hon'ble Commission;

- *Approve the True-up of the Performance of FY 2023-24*
- *Approve the Incentive for achieving Renewable Purchase above the RPO Targets for FY 2022-23 and FY 2023-24*
- *Approve the Provisional True-up of the Performance of FY 2024-25*
- *Approve the ARR for the period FY 2025-26 to FY 2029-30*
- *Approve the tariff for FY 2025-26 to FY 2029-30*
- *Approve the Demand Side Management Expenditure as proposed under Table 5-48: Expenditure proposed for DSM and for meeting the DPFO*
- *Permit EV charging between 00 to 06 Hrs and from 09 Hrs to 16 Hrs at stations set up under the expenditure under the Scheme approved by the Hon'ble Commission.*
- *Permit single part tariff as proposed in Table 8-9 and Table 8-21*
- *Permit introduction of KVAH Billing for LT Categories other than LT IA Residential (BPL), LT IB-Residential, LT III (A)- Commercial upto 20 KW, LT III (A)- Industrial upto 20 KW and bill the Energy Charges, Wheeling Charges and CSS on "Rs/KVAH" from July 2025 onwards. For Other LT Categories, the Wheeling Charge, Energy Charges and CSS would be in Rs. /kWh.*
- *Permit reduction in Demand Charge for Load taken for producing Green Hydrogen*
- *Allow the choice of levy of Transmission Charge in "Rs/KW/Month" instead of Rs/Kwh as prevailing at present*
- *Reduction of Green Tariff from present rate of Rs 0.66 per Kwh to Rs 0.30 per Kwh*
- *Consider levy of Area Specific Charges due to Reinstatement Charges (RI) after the finalisation of MTR petition*
- *Condone any inadvertent omissions/errors/rounding off differences/shortcomings and permit Tata Power- D to add/change/modify/alter this filing and make further submissions as may be required at a future date.*
- *Permit to make further submissions, addition and alteration to this Petition as may be necessary from time to time.*
- *Pass such further and other orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case"*

1.4 ADMISSION OF THE PETITION AND PUBLIC CONSULTATION PROCESS

- 1.4.1 The Commission admitted the Petition on 14 January, 2025 and in accordance with Section 64 of the EA, 2003 directed TPC-D to publish its Petition in the prescribed abridged form and manner, to ensure adequate public participation and to reply expeditiously to the suggestions and objections received.
- 1.4.2 TPC-D published the Public Notice inviting suggestions and objections in the daily newspapers Financial Express and Indian Express (English) and Loksatta and Saamna (Marathi) on 18 January, 2025. The copies of the Petition and its Executive Summary were made available for inspection/purchase at TPC-D's offices. The Petition was made available on TPC-D's website (www.tatapower.com) free of cost in a downloadable format. Further, for creating awareness TPC-D has also communicated information regarding the MYT Tariff Petition via SMS and printed a message in the TPC-D's monthly bill. The Public Notice and Executive Summary of the Petition were also made available on the website of the Commission (www.merc.gov.in) in downloadable format. The Public Notice specified that the suggestions and objections, in English or Marathi, may be filed with proof of service on TPC-D, latest by 10 February, 2025.
- 1.4.3 The Commission received written suggestions and objections, as well as oral submissions on various issues at the e-Public Hearing held on Tuesday, 18 February, 2025. Written and oral submissions made during the Public Hearing, along with TPC-D's responses and the Commission's rulings have been summarised in Section 2 of this Order. The list of persons who attended the public hearing is at **Appendix-2**.
- 1.4.4 The Commission has ensured that the due process contemplated under the Law to ensure transparency and public participation was followed at every stage and adequate opportunity was given to all stakeholders to express their views.

1.5 ORGANISATION OF THE ORDER

This Order consists of the following Sections as outlined below:

- **Chapter 1** provides a brief history of the regulatory process undertaken by the Commission. A list of abbreviations with their expanded forms has been included.
- **Chapter 2** lists out the suggestions and objections received in writing as well as during the Public Hearing. These have been summarized issue-wise, followed

by the response of TPC-D and the rulings of the Commission.

- **Chapter 3** details the Truing-up of FY 2023-24
- **Chapter 4** details the Provisional Truing-up of FY 2024-25.
- **Chapter 5** details the approval of ARR for FY 2025-26 to FY 2029-30.
- **Chapter 6** details the Cumulative Revenue Gap/(Surplus), Tariff Philosophy and category-wise Tariffs for FY 2025-26 to FY 2029-30.
- **Chapter 7** details the Commission's rulings on the Schedule of Charges sought by TPC-D and applicability of the present Order.

2 SUGGESTIONS/OBJECTIONS, TPC-D'S RESPONSES AND COMMISSION'S RULINGS

The suggestions/objections received from Stakeholders and the Commission's views thereon have been summarized in the following paragraphs. It may be noted that all the suggestions given by the stakeholders have been considered, and the Commission has attempted to discuss all the suggestions as well as the Commission's decisions on each suggestion, however, in case any suggestion is not specifically discussed, it does not mean that the same has not been considered.

2.1 PAYMENT OF STANDBY CHARGES

- 2.1.1 MSEDCL has submitted the Standby arrangement with TPC-D to be continued and payment of TPC-D's share of Standby Charges to be done for the True-up years FY 2023-24 and FY 2024-25 and also for the projections of 5th Control Period while approving MYT of TPC-D.

TPC-D's Response

- 2.1.2 TPC-D has filed Case No 136 of 2024 for declaration that Standby arrangement between TPC-D and MSEDCL stood revoked/extinguished from 1 April, 2023. AEML-D, the other licensee in Mumbai has also filed similar Petition being Case No 1 of 2024 in respect Standby of discontinuance of Standby arrangement. The said matters are sub-judice before the Commission.
- 2.1.3 TPC-D submitted that such discontinuance has also been occasioned considering the fact that there was no requirement to continue with the costlier standby arrangement when alternate cheaper sources are available for procurement. Also, in light of significant changes in the power market since 2006, the Standby Arrangement is no longer necessary. TPC-D requested the Commission not consider any standby charges during the MYT Control Period

Commission's Ruling

- 2.1.4 TPC-D has filed Case No 136 of 2024 in respect of discontinuance of Standby arrangement with MSEDCL. AEML-D, the other licensee in Mumbai has also filed similar Petition being Case No 1 of 2024 in respect Standby arrangement. All Distribution Licensees in Mumbai are required to be heard in the matter. The Commission will decide the matter after hearing all the parties. The Commission in the present order has considered Standby Charges as submitted by TPC-D subject to outcome of Case No 136 of 2024 and Case No 1 of 2024 pending before the Commission.

2.2 ELECTRIC VEHICLE (EV) CHARGING TARRIFF

- 2.2.1 Mr. Blasé D’Souza and Mr. N. Ponrathnam submitted that Fixed Charges for EV Charging Tariff should be made Nil and that there should be flat tariff rate of Rs 5/unit and also there should incentive of 2 Rs/unit under ToD tariff for LT Category for use in 10 PM to 6 AM.

TPC-D’s Response

- 2.2.2 As per guidelines dated 17 September, 2024 issued by MoP, GoI, tariff for EV charging stations would be single part tariff and equal to Average Cost of Supply.

Commission’s Ruling

- 2.2.3 The Commission has determined single part tariff near to Average Cost of Supply and removed fixed charges as per guidelines issued by MoP, GOI.
- 2.2.4 The detailed Tariff Philosophy adopted by the Commission for determining the tariff has been detailed in Section 6 of this Order.

2.3 TARIFF REDUCTION DUE TO HIGHER RE PURCHASE

- 2.3.1 Mr Blasé D’Souza and Eugenie Co-Op Housing Society Ltd submitted that due to reduction in RE tariff and by almost 50% in last 10 years, there should not be any increase in tariff and tariff for immediate 3 years must be capped at less than 40% from the current rate.

TPC-D’s Response

- 2.3.2 TPC-D submitted that though the contribution of RE power in its Power Purchase basket has increased significantly, there is a necessity of firm/conventional power in the portfolio of any distribution licensee for providing reliable and un-interrupted power supply. Hence, power purchase is a mix of Conventional / Non-conventional power purchase for any distribution utility.
- 2.3.3 Tata Power-D in its power purchase cost estimation has duly taken into consideration the increasing contribution of Renewable Energy(RE) component. Due to increase in contribution of RE, the estimated cost of power purchase rate has decreased from Rs 5.97/kWh to Rs 5.33/kWh during the MYT Control Period i.e., FY 2025-26 to FY 2029-30. The benefit has been passed to the electricity consumers in the tariff proposal.

Commission’s Ruling

- 2.3.4 The Commission has considered RE while approving the power purchase cost for the 5th Control Period and it is observed that there is reduction in Average Power

Purchase Cost (APPC) of TPC-D. Lower APPC has resulted in decrease in tariff for the 5th Control Period as compared to existing tariff for FY 2024-25.

- 2.3.5 The detailed Tariff Philosophy adopted by the Commission for determining the tariff has been detailed in Section 6 of this Order.

2.4 ADVANCE PAYMENT OPTION

- 2.4.1 Mr. Blasé D'Souza submitted that the condition having no default for previous 9 months in respect of advance payment option should be removed in the interest of consumer and licensees

TPC-D's Response

- 2.4.2 TPC-D has followed directions and guidelines provided by the Commission regarding advance payment option will comply with any changes if same are revised in future.

Commission's Ruling

- 2.4.3 The Commission has included the pre-condition of not allowing the Advance Payment option for defaulting consumer so as to bring discipline amongst defaulting consumer to take benefit of new initiative introduced by the Commission in the Tariff Order. However, considering the suggestion, the Commission is incline to remove such conditions of no default, as advance payment will not only provide low cost working capital to Distribution Licensee but also helps reducing instances of default by consumer. Hence, the Commission is modifying the condition of advance payment and any consumer (including defaulting consumer) can avail such option of advance payment.

2.5 VIRTUAL NET METERING

- 2.5.1 Eugenie Co-Op Housing Society Ltd and Mr Blasé D'Souza submitted that Virtual Net Metering (VNM) scheme should be extended to commercial users upto 20 kW connection.

TPC-D's Response

- 2.5.2 TPC-D has followed directions and guidelines provided by the Commission regarding Virtual Net Metering and will comply with any changes if same are revised in future.

Commission's Ruling

- 2.5.3 The Commission notes the submission. In its Statement of Reasons for Regulations allowing Virtual Net metering, the Commission has provided reasons for restricting

such facility only to residential consumers in multi-storied building. This aspect is not pertinent to the present Tariff proceedings, therefore the Commission has not dealt with this issue any further in this Order.

2.6 KVAH BILLING

- 2.6.1 Mr. N. Ponrathnam submitted that the tariff should be determined on kWh basis rather than kVAh basis. He added that the issue of Power Factor should not come into tariff. Also, Distribution Loss can negative if billing is in kVA.

TPC-D's Response

- 2.6.2 Commission has introduced the kVAh billing from the Control Period from 1 April, 2021 to 31 March, 2025, for HT Tariff Category with the objective of ensuring the automatic monetary benefit for maintaining Power Factor and to make Power Factor incentive/penalty redundant. Further it is submitted that distribution loss is being calculated on kWh units only.

Commission's Ruling

- 2.6.3 The Commission has clearly elaborated the rationale for adopting the kVAh based billing for selected categories to begin with, in the past Tariff Orders, and the same need not being repeated here.

2.7 ISSUANCE OF PUBLIC NOTICE

- 2.7.1 Mr. N. Ponrathnam submitted that the Public Notice should be circulated along with the bills or sent by email and electronic media at least in the next Public Hearing, as consumers who are most affected are unaware of the Public Hearings.

TPC-D's Response

- 2.7.2 In accordance with Regulation 14.6 of the MYT Regulations 2024, TPC-D published a public notice in two English and two Marathi newspapers. In addition, the Public Notice is uploaded on the website of Tata Power and website of the Commission. Further, as directed by the Commission, TPC-D has also communicated information regarding the MYT Tariff Petition via SMS and printed a message in the TPC-D's monthly bill.

Commission's Ruling

- 2.7.3 The publication of the Public Notice has been done in accordance with the provisions of the MYT Regulations, 2024. The Commission notes the submission of TPC-D that consumers were informed via SMS as well as message in the monthly bill.

2.8 EXECUTIVE SUMMARY

- 2.8.1 Mr Manoj Nirgudkar submitted that Executive Summary should be of smaller document of 2-3 pages instead of 32 pages for ease of reading.

TPC-D's Response

- 2.8.2 TPC-D submitted that purpose of the Executive Summary is to provide concise overview of the main Petition which comprises detailed submission along with Annexures. The Executive Summary is prepared to briefly address all sections of the Main Petition and limiting the same to 2-3 pages would not adequately cover all the sections and also not fulfil the intended purpose.

Commission's Ruling

- 2.8.3 The Commission notes the submission of TPC-D and agrees with the submission of TPC-D that Executive Summary should cover the gist of entire Petition for interest of Stakeholders. However, TPC-D may consider further improvising the same for future tariff Petitions for ease of reference for the Stakeholders.

2.9 DISCREPANCY IN DATA

- 2.9.1 Mr Manoj Nirgudkar highlighted the data discrepancy in Energy Balance Table and Distribution Loss computation for FY 2022-23.

TPC-D's Response

- 2.9.2 TPC-D submitted that there was no discrepancy in numbers, however notations used to show the formula were corrected to clearly indicate the computation in Energy Balance table. The computation of Distribution Loss is correct and that there is no discrepancy in the computation.

Commission's Ruling

- 2.9.3 The Commission has approved the Energy Balance and Distribution Loss in Section 3 of the Order for FY 2022-23.

2.10 TARIFF RELATED MATTERS AND TARIFF FOR CHANGEOVER CONSUMERS

- 2.10.1 Mr Ananth S., submitted that proposed tariff increase will place an undue financial burden on consumers. It also submitted that the Changeover consumers are paying 10% higher wheeling charges than actual consumption and that multiple charges are being levied on such consumers which are not applicable to direct consumers.
- 2.10.2 HPCL has primarily made submissions on increasing tariff in respect of Demand Charges, Energy Charges, Wheeling Charges, CSS, Load Factor Incentive and also

sought to compare the same with AEML and urged to have tariff aligned to actual cost structure ensuring fairness.

- 2.10.3 HPCL also submitted that the Commission shall formulate consumer category wise slab based “Green Power Tariff” framework.
- 2.10.4 Mr. Krishan Kumar Heda of JLL submitted that Green Power Tariff need to be reduced considerably.
- 2.10.5 Mr Mahavir Jain submitted that for service category TPC-D has proposed fixed charges, while MSEDCCL is having demand charges for consumers under service category having load above 20kW leading to discrimination among consumers.
- 2.10.6 Mumbai Metro Rail Corporation Ltd (MMRCL) submitted that uniformity in Energy charges likewise demand charges across TPC, AEML, and BEST for Metro & Monorail category.
- 2.10.7 MMRCL has also submitted that Metro should have lowest possible tariff across all Discoms, lower than Railways Traction Tariff, minimal and constant Demand Charges, no TOD charges and rebate for bulk consumption at EHV specially for Metro.
- 2.10.8 AEML-D has also raised issues in respect of monthly billing demand computation, load factor incentive calculation and waiver of demand charges to green hydrogen projects

TPC-D’s Response

- 2.10.9 TPC-D submitted that they have proposed tariff reduction in almost all categories. Further, the Changeover consumers are billed as per methodology approved by the Commission in its Order dated 15 October, 2009 in Case No 50 of 2009.
- 2.10.10 Billed units are more for Changeover consumers to the extent of Wheeling Losses approved by the Commission and additional charge of CSS approved for AEML-D is collected by TPC-D and remitted to AEML-D.
- 2.10.11 TPC-D submitted that wheeling charges are dependent on Wheeling ARR and sales mix and HT/LT GFA ratio. The said factors differentiate the Wheeling Charges. TPC-D has proposed increase in demand charges such that fixed cost recovery will be gradually increased from Demand Charges.
- 2.10.12 In respect of Green Tariff, TPC-D submitted that present mechanism of green energy purchase is very simple and easy to implement. proposed methodology of slab wise category wise green tariff will bring unnecessary complexity.

- 2.10.13 With regards to MMRCL's submission, TPC-D submitted that while absolute parity in tariffs across different licensees may not be feasible due to varying Average Cost of Supply, consumer mix and operational factors, it requested the Commission to strive for a reasonable alignment of category-wise tariffs across different licensees to the extent possible. Further, considering the importance of the Metro Railway and its presence across the Mumbai, the Commission may approve the uniform (or close to uniform) tariff structure for the EHT/HT Metro category across all distribution licensees in Mumbai including the LF considered for computing the tariff. This will help to maintain consistency, prevent undue cross-subsidization, and ensure a balanced approach for consumers and discoms alike.
- 2.10.14 TPC-D, in respect of tariff related suggestions by MMRCL, submitted that the tariff should be just for all categories keeping in mind the framework provided in the EA, 2003 and National Tariff Policy and should not unduly benefit one category at the cost of other categories. It further submitted that the fixed cost which includes i) O & M cost ii) Interest Cost iii) ROE iv) Tax v) Interest on working capital etc in addition to fixed cost of power purchase. It is desirable that the fixed cost should be recovered through Demand Charges while variable cost is recovered through Energy Charges. In view of the same such fixed charges should be recovered entirely through demand charges. Further, TPC-D has neither proposed any ToD Tariff for Metro nor any rebate for bulk consumption for any particular tariff category.

Commission's Ruling

- 2.10.15 The Changeover consumers using network of AEML-D and supply from TPC-D have to pay wheeling charges and CSS to AEML-D as per Order of the Commission as per the methodology approved in Case No 50 of 2009 and subsequently in Case No 182 of 2014.
- 2.10.16 The Commission has defined different components of electricity tariffs as per provision of EA, 2003, Tariff Regulations and to ensure fair cost recovery for utilities and to provide appropriate signals for consumption.
- 2.10.17 The Commission notes that MMRCL vide its letter dated 13 February 2025 has requested a uniform tariff structure across all distribution licensees, advocating for the lowest possible tariff for the Metro category with minimal demand charges, no ToD charges, and bulk consumption rebates. TPC-D, however, argued that absolute tariff parity is unfeasible due to cost variations but suggested a reasonable alignment to ensure consistency and prevent undue cross-subsidization.
- 2.10.18 The Commission is of the view that the tariff structures differ among licensees due to differences in cost structures, consumer mix, and operational efficiencies. Accordingly, while uniformity in tariffs may not be entirely achievable, the

Commission has considered the concerns raised and has adopted a tariff determination approach in accordance with the provisions of the Act and the MYT Regulations, to ensure fair cost recovery and appropriate consumption signals. Accordingly, the detailed Tariff Philosophy adopted by the Commission for determining the tariff has been detailed in Section 6 of this Order which covers the issues raised by the Stakeholders.

2.11 DETAILS IN MONTHLY ELECTRICITY BILLS

2.11.1 Mr. Mahavir Jain submitted that TPC-D to be issued directions to provide past 12 months billed unit, MD, PF and kVAH reading in the bill.

TPC-D's Response

2.11.2 The details shown on the electricity bill of TPC-D is in accordance with the Regulation 16.2.4 of MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 and 12 months details are provided in the bill. Also, TPC-D is already showing billed kVAh on 2nd page of the bill.

Commission's Ruling

2.11.3 The Commission notes the submission of TPC-D.

2.12 NET METERING FACILITY FOR REGENERATIVE BRAKING GENERATION

2.12.1 MMRCL submitted that regenerative braking system in a Metro Rail converts a train's kinetic energy into electricity during braking. MMRCL's Trains (Rolling stock) are having 75 % motorization and feature of regenerative electric braking will enable converting momentum into electrical energy during train braking and some of the regenerated energy is consumed by auxiliary application and remaining is fed back to 25kV ac Overhead Catenary System (OCS) which is to be consumed by nearby trains to reduce energy requirements for Train running. The regenerative Braking system adopted by MML-3 is resulting in 30% power regeneration and reutilization. Excess energy generated by regenerative braking after consumption by other trains and auxiliary load will be measured by 25kV & 110kV incomer meter at Receiving Substation (RSS) level.

2.12.2 A net metering program will track the electricity a user feeds back to the grid through regenerative braking and deduct it from the electricity drawn from the grid, resulting in a lower overall electricity bill.

TPC-D's Response

- 2.12.3 The Commission may take the appropriate decision and TPC-D will abide by the Order of the Commission in this regard. At present however, it is submitted that the concept of Net metering is available for Solar Installation and such arrangement has been presumably done to encourage solar plants on Roof Top.

Commission's Ruling

- 2.12.4 The Commission notes that Regenerative braking is a clean energy source that helps in reducing carbon footprint and aligns with Maharashtra's RE and sustainability goals. Metro trains generate electricity during braking, which can be fed back into the grid after internal consumption. Allowing netting off enables efficient utilization of regenerated power within the metro network. Further, regenerative braking aligns with existing energy policies promoting self-sufficiency and efficiency. Accordingly, the Commission allows netting off facility for excess energy generated by regenerative braking after consumption by other trains and auxiliary load and deduct the same from electricity drawn from TPC-D in the monthly bill. The Commission directs TPC-D to install appropriate meter at incomer meter for energy accounting to provide netting off facility. Such netting of electricity shall be done on monthly basis and in case of surplus after adjusting for energy drawl for the month, such surplus energy be purchased by the Discom at generic tariff approved for purchase of surplus energy from rooftop PV installation.

2.13 CEILING TARIFF FOR MUMBAI UTILITIES

- 2.13.1 Prayas (Energy Group) submitted that operational guidelines on ceiling tariffs in Mumbai as part of the MYT Tariff Order for the Control Period be issued by the Commission and appoint a working group/ committee to monitor progress and highlight implementation aspects which need to be addressed in a timely manner.

TPC-D's Response

- 2.13.2 TPC-D shares licence area with two different parallel licenses viz BEST and AEML -D. Accordingly, there will be two areas where the concept of ceiling tariff would be made applicable and hence it is necessary for TPC-D to file separate Petitions for each such parallel licence area. However, in the present proceedings, Tata Power - D has filed an ARR for the entire licensed area as such.
- 2.13.3 TPC-D further submitted that while the MYT Regulations 2024 allows for introduction of ceiling tariff, till the concept of ceiling tariff is completely clarified, the Parallel Distribution Licensees are being exposed to a risk. Further, it submitted that as expressed in the MYT Regulations, the tariff differential and other conditions are required to be ripe for introduction of ceiling tariff. Such tariff differential will be available only after the finalization of Tariff Order. The conditions considered by the Hon'ble Commission in the MYT Regulations, 2024 are as follows

“114.2 *The Commission may determine ‘Ceiling Tariff’ upon careful consideration of various factors including but not limited to following factors such as:*

- a. Difference between Average Cost of Supply for Retail Supply Business of such licensees is favourable for the introduction of the Ceiling Tariff*
- b. Introduction of Ceiling Tariff shall be beneficial in the long-term interest of retail consumers in the specified geographic area of supply*
- c. Any other condition as deemed necessary by the Commission upon undertaking consultation process”*

Commission’s Ruling

2.13.4 The Commission’s MYT Regulations, 2024 has indicated that “Ceiling Tariff” needs to be determined upon careful consideration of various factors as mentioned therein. At this point of time, the Commission is of the opinion that circumstances are not conducive for introduction of ceiling tariff in Mumbai.

2.14 GREEN ENERGY ATTRIBUTES

2.14.1 Mr Krishan Kumar Heda submitted that all green energy supplied to the green tariff consumers should be from the RE procured by Discom’s over and above RPO and all environmental attributes belong solely to the consumer.

2.14.2 He further submitted that there should not be double accounting of green attributes in terms of Renewable Energy Certificate (REC) and Green power Tariff scheme.

TPC-D’s Response

2.14.3 TPC-D is supplying Green Tariff based on the mechanism approved by the Hon’ble Commission and charges approved in its Tariff Order. Consumer by paying additional Rs 0.50/kWh can purchase a green energy from TPC-D whose environmental attributes belong solely to the green tariff consumer.

2.14.4 The certificate issued under green tariff mechanism and REC traded in the exchange are two separate mechanisms. In case consumers wants to purchase REC then they can buy directly from the exchange.

Commission’s Ruling

2.14.5 The Commission notes suggestions and reply by the TPC-D. The Commission notes that it introduced concept of Green Tariff vide its Order dated 7 December 2016 vide Case No. 134 of 2016 which allows consumers to opt for electricity generated from renewable energy sources by paying a additional tariff, effectively promoting the use of green energy. The Commission clarifies that green attributes of Green Tariff will remains with concerned consumer paying such Green Tariff and Distribution Licensee cannot count such energy towards its RPO.

2.15 SALES FOR 5TH CONTROL PERIOD

- 2.15.1 AEML-D submitted that TPC-D has inflated sales and projected very high growth rates in both LT and HT categories as an attempt to reduce per unit tariff of consumers.

TPC-D's Response

- 2.15.2 TPC-D submitted that the sales growth consists of inherent increase in self-consumption of consumers and additional new load requirement based on the input data from various consumer categories. The estimations are based on the organic growth rate for each category and after considering the new consumer addition. TPC-D further submitted projected sales are reasonable and realistic and same is demonstrated based on past growth rates.

Commission's Ruling

- 2.15.3 The Commission has projected the category-wise sales for FY 2025-26 and FY 2029-30 as elaborated in Section 5 of this Order.

2.16 POWER PURCHASE

- 2.16.1 AEML-D submitted that Power purchase rate for RE purchase should be considered at actual of H1 of FY 2024-25 instead of Rs 2.65/unit. It also submitted that power purchase cost inputs are crucial to the determination of ARR and tariff in competitive scenario, care must be taken to ensure uniformity in approving costs of such planned MTPP for both AEML-D and TPC-D, particularly when the nature (RTC) and tenure of power purchase is similar

TPC-D's Response

- 2.16.2 TPC-D has estimated the wind power procurement based on the LOI issued to various wind generators for FY 2024-25. TPC-D has already submitted all documentary evidence for all such power purchase along with the MYT Tariff Petition and its FAC submission. Further, TPC-D has recently (i.e., 6 February, 2025) also submitted the LoA to the Commission evidencing the rate of Rs 2.65/kWh for purchase of 265 MW for the period from 1 April, 2025 to 31 March, 2026 to the Hon'ble Commission.
- 2.16.3 TPC-D also submitted that at the time of submission of Tariff Petition the process of Medium term bid has not been concluded. Hence, TPC-D has considered rates based on the Short term purchase rates available for FY 2024-25. Now the Case – I bid for 200 MW is on the verge of completion and the outcome of the same will be finalized shortly. TPC-D will inform the Hon'ble Commission the outcome of the Case I bidding and file the petition for adoption of tariff

Commission's Ruling

- 2.16.4 The Commission has dealt with the issues of Power Purchase from RE and MTPP as elaborated in Section 5 of this Order.

2.17 WHEELING CHARGES

- 2.17.1 AEML-D submitted that wheeling charges by TPC-D for next Control period are not commensurate with the Wheeling ARR for next Control period. There is an under recovery, which means that wheeling charges would actually need to be higher to ensure full recovery.

TPC-D's Response

- 2.17.2 TPC-D submitted that it has computed the wheeling charges for EHT consumers also along with the wheeling charges for HT and LT consumers. However, at present wheeling charges are not applicable to EHT consumer and hence, wheeling cost allocated to EHT consumers is under recovered

Commission's Ruling

- 2.17.3 The detailed Tariff Philosophy adopted by the Commission for determining the tariff including Wheeling Charges has been detailed in Section 6 of this Order

2.18 CROSS SUBSIDY SURCHARGE (CSS)

- 2.18.1 AEML-D submitted that while cross subsidy percentage has been calculated with respect to Retail ACoS as per the provisions of MYT Regulations, 2024, CSS should be calculated as per the Tariff Policy formula. CSS calculated by using the method as per TPC-D will be different from the CSS calculated as per Tariff policy formula. AEML-D has also proposed tariffs and cross-subsidy with reference to Retail ACoS, in case the Commission decides to calculate CSS as per the methodology followed by TPC-D, the same should be applied in case of AEML-D also

TPC-D's Response

- 2.18.2 TPC-D has computed the CSS for consumer categories by considering only Supply Average Billing Rate instead of Average Cost of Supply (i.e., ABR with Wheeling) as per MYT Tariff Regulations, 2024

Commission's Ruling

- 2.18.3 The Commission has computed CSS as per formula given in Tariff Policy for FY 2025-26 and FY 2029-30 as elaborated in Section 6 of this Order.

3 TRUING-UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2023-24

TPC-D has stated that it has filed its Petition for final Truing-up of expenditure and revenue for FY 2023-24 based on actual and audited costs and revenue, vis-à-vis the amounts approved by the Commission in the Tariff Order dated 6 March, 2024 in Case No. 237 of 2023 (**MTR Order**).

In this Section, the Commission has analysed the elements of actual expenditure and revenue for FY 2023-24 and the deviations from the Tariff Order and has accordingly undertaken the Truing-up of expenses and revenue after prudence check in accordance with the MYT Regulations, 2019 and its amendments. Further, the ARR of FY 2023-24 for the Distribution Wire and Retail Supply Business has been presented in detail in this tariff Order.

The analysis underlying the Commission's approval of Truing-up for FY 2023-24 is set out below.

3.1 SALES

TPC-D's Submission

3.1.1 TPC-D submitted that the total Sales for FY 2023-24 was 5,676.69 MU which is only marginally lower (about 0.6%) than the approved sales. The actual category-wise sales for FY 2023-24 in comparison with the approved energy sales as per MTR Order is given in the Table below:

Table 3-1: Category-wise Sales for FY 2023-24 as submitted by TPC-D (MU)

Category	MTR Order			MYT Petition		
	Direct Consumers	Change-over Consumers	Total	Direct Consumers	Change-over Consumers	Total
HT Category						
EHT I: -Industry	778.96		778.96	780.75		780.75
HT I – Industry	1,033.16		1,033.16	1,035.66		1,035.66
EHT II: - Commercial	103.95		103.95	104.22		104.22
HT II – Commercial	384.87	0.24	385.11	388.57	0.26	388.83
HT III: HT-Group Housing Society	43.92		43.92	42.96		42.96
HT IV - Railways Metros & Monorails	122.13		122.13	128.57		128.57
HT IV - Railways (22/33 Kv)	101.23		101.23	98.33		98.33
EHT IV - Railways (Metro/Monorail)	20.90		20.90	30.24		30.24

Category	MTR Order			MYT Petition		
	Direct Consumers	Change-over Consumers	Total	Direct Consumers	Change-over Consumers	Total
22/33 KV			-			-
100 KV			-			-
HT V - Public Services	151.19		151.19	153.88		153.88
HT V (A): Public Service - Government Hospitals & Educational Institutions	18.84		18.84	19.53		19.53
HT VI(A) - Publ Serv Govt Hosp&Edu Inst			-			-
EHT V (B): Public Service - Others	58.95		58.95	59.26		59.26
HT V (B): Public Service - Others	73.41		73.41	75.08	1.52	76.59
HT VI: Electric Vehicle Charging Stations	16.63		16.63	16.49		16.49
Sub-total	2,634.81	0.24	2,635.05	2,651.10	1.77	2,652.87
LT Category						
LT I - Residential (BPL)	-	-	-	-	-	-
LT I - Residential	662.85	1,448.41	2,111.26	652.81	1,437.23	2,090.04
0-100	181.40	583.05	764.45	174.31	575.02	749.33
101-300	201.47	601.49	802.95	198.38	602.59	800.97
301-500	80.89	161.68	242.58	90.95	156.64	247.58
501 and above	199.09	102.19	301.29	189.17	102.98	292.15
LT II - Commercial	551.27	94.20	645.47	540.22	93.87	634.09
LT II(A) - Commercial upto 20 kW	113.79	71.26	185.04	112.87	71.21	184.08
LT II(B) - Commercial 20 to 50 kW	84.55	10.49	95.04	82.09	10.27	92.36
LT II(C) - Commercial > 50 kW	352.93	12.45	365.38	345.26	12.39	357.65
LT III (A) - Industrial upto 20 kW	23.09	13.39	36.49	22.16	13.33	35.50
LT III (B) - Industrial > 20 kW	226.13	4.78	230.90	221.37	4.79	226.16
LT IV- Public Services	32.99	3.87	36.86	32.18	3.64	35.82
LT IV (A) - Publ Serv Govt Hosp & Edu Inst	3.61	1.89	5.50	3.84	1.80	5.64
LT IV (B) - Public Services Others	29.39	1.98	31.36	28.34	1.85	30.19
LT VI: Electric Vehicle Charging Stations	4.01	0.05	4.06	4.96	0.09	5.05
Sub-total	1,500.34	1,564.70	3,065.04	1,473.70	1,552.96	3,026.66
15 day	3.37	5.87	9.25	(0.76)	(2.07)	(2.84)
Total	4,138.52	1,570.81	5,709.34	4,124.04	1,552.66	5,676.69

Commission's Analysis and Ruling

- 3.1.2 The Commission asked TPC-D whether the changeover sales have been reconciled with AEML-D. In reply, TPC-D submitted that the changeover sales have been reconciled with AEML-D till October, 2022 only and reconciliation was pending from November, 2022. The Commission has directed TPC-D and AEML-D to

expeditiously reconcile the changeover sales for the remaining periods, so that the Truing-up of sales could be done. However, till the issuance of this Order, the reconciliation was still pending. Thus, the Commission has approved the actual sales to own consumers and change-over sales for FY 2023-24, as submitted by TPC-D, as the same is based on revenue billed.

- 3.1.3 Further, in FY 2023-24, new changeover consumers added in HT VI - Public Services category during FY 2023-24 in December 2023 and Reverse Changeover of the same consumers occurred in April and May 2024.
- 3.1.4 The Commission notes that actual sales for FY 2023-24 is marginally lower by 0.6% than approved sales in MTR Order. As sales being uncontrollable parameter under MYT Regulations, 2019, the Commission allows actual sales as submitted by TPC-D. Accordingly, sales approved by the Commission after truing up for FY 2022-23 are summarised in the Table below:

Table 3-2: Direct Sales and Change-over Sales in FY 2023-24 approved by the Commission (MU)

Particulars	MTR Order	TPC-D	Approved
Direct sales	4,138.52	4,124.04	4,124.04
Change-over sales	1,570.81	1,552.66	1,552.66
Grand Total	5,709.34	5,676.69	5,676.69

3.2 OPEN ACCESS SALES

TPC-D's Submission

- 3.2.1 Open Access (OA) consumption submitted by TPC-D in its licence area for FY 2023-24 is as shown in the Table below:

Table 3-3: OA Consumption for FY 2023-24 as submitted by TPC-D (MU)

Particulars	MTR Order	TPC-D
EHV – Industry	0.00	0.00
HT I – Industry	177.11	207.92
HT II – Commercial	58.64	64.92
HT III - Group Housing Society	0.00	3.10
HT VI(B) - Public Services Others	1.62	1.85
LT III (B) - Industrial > 20 kW	0.00	3.51
Sub-total	237.37	281.30

Commission's Analysis and Ruling

- 3.2.2 In reply to the query raised by the Commission in respect of higher sales under Open Access, TPC-D submitted that as per Government of Maharashtra notification dated 30 June, 2022, the Electricity Duty has been exempted for first 10 years from COD

of the project for the power drawn on Captive RE open access. This is also evidenced by the rise in RE Captive consumption which has increased from 134 MU in FY 2022-23 to 165 MU. The consumers from HT Group Housing Society and LT Industrial having load more than 20 kW also have commenced availing power under Captive RE open access.

- 3.2.3 Accordingly, the Commission approves the actual OA consumption in TPC-D's Licence area for FY 2023-24 as submitted by TPC-D as shown in the Table below:

Table 3-4: OA Consumption for FY 2023-24 approved by the Commission (MU)

Particulars	MTR Order	TPC-D	Approved
HT I – Industry	177.11	207.92	207.92
HT II – Commercial	58.64	64.92	64.92
HT III - Group Housing Society	0.00	3.10	3.10
HT VI(B) - Public Services Others	1.62	1.85	1.85
LT III (B) - Industrial > 20 kW	0.00	3.51	3.51
Sub-total	237.37	281.30	281.30

3.3 DISTRIBUTION LOSSES AND ENERGY INPUT REQUIREMENT

TPC-D's Submission

- 3.3.1 The actual Distribution Loss of the Distribution Network of TPC-D considering total input energy at T<>D interface vs sale on TPC-D network excluding the sale at 110 kV was 1.24%, for FY 2023-24. TPC-D requested the Commission to approve the same accordingly against the approved loss of 1.02% as per MTR Order.
- 3.3.2 As per TPC-D, the actual Distribution Loss considering the total input energy at T <> D interface excluding the sale at 110 kV is higher than as approved in MTR Order on account of addition of new LT network and consumers in its license area.
- 3.3.3 The Transmission Losses have been considered as 3.27% based on the MSLDC's Grid Transmission Loss statements. The total requirement for FY 2023-24 works out to 5963.59 MU. However, based on the DSM bills received from MSLDC the energy requirement for TPC-D is 5918.22 MU. The reason for difference between two figures is on account of a) For Changeover consumers, we have considered the Scheduled Energy as against the Actual Energy while the sale to such Change over consumers is the actual sales and not the "Scheduled Sales" and b) Deviation Charges which are based on "Bill received basis" rather than actual deviation or the balancing figure. TPC-D has considered the same i.e., 5918.22 MU for RPO purchase and for power purchase requirement.
- 3.3.4 TPC-D has computed the requirement at the Intra State Transmission System (InSTS) level excluding the credit given to Open Access (OA) consumers.

3.3.5 The actual Energy Balance as submitted by TPC-D for FY 2023-24 is shown in the Table below:

Table 3-5: Summary of Energy Balance for FY 2023-24 as submitted by TPC-D (MU)

Particulars	Tariff Order	TPC-D
Tata Power D-Sales (Retail) with 15 days Adjustments	4138.52	4124.04
110 KV Billed Units	962.75	974.48
Bill Credit given to OA consumers	237.37	281.30
Solar Import metered Units		82.51
Solar Net billed units		78.77
AEML CHO Consumers on Tata Power Wire Consumption		3.47
Total Sale excluding 110 KV Sales	3413.14	3438.07
Distribution Losses	1.02%	1.24%
ABT meter readings @ T <> D Interface	4411.06	4455.87
110 KV Sales @ T<>D	962.75	974.48
ABT meter readings without 110 kV sales	3448.31	3481.39
OA Wind Credit @ T <>D Interface	239.81	285.09
Energy Requirement for Tata Power consumers at T<>D interface	3208.50	3196.30
Sales to Changeover consumers For FBSM Adjustment	1570.81	1597.80
Bill Credit given to OA consumers		0.00
Sales to Changeover consumers after adjusting for OA wind	1570.81	1597.80
Energy Sales at 110/132 kV level	962.75	974.48
Total Energy Requirement at T<>D	5742.06	5768.58
Transmission Loss	3.18%	3.27%
Total Energy Requirement at G<>T for Tata Power-D	5930.66	5963.59
Surplus Sale/(Purchase)	103.87	126.19
Total Energy Requirement at G<>T Interface	5826.79	6089.78
Total Energy Requirement at G<>T Interface as per energy balance settled by MSLDC		5918.22

Commission's Analysis and Ruling

3.3.6 The Commission has considered the actual intra-State Transmission Loss of 3.27% based on inputs from MSLDC.

3.3.7 In response to the query raised by the Commission in respect of difference in changeover sales considered in Sales table and for Energy Balance, TPC-D submitted that the changeover sales presented in Energy Sales table represent the actual billed sales whereas changeover sales considered for Energy Balance are determined by grossing up the metered sales with HT and LT losses in accordance with the methodology approved by the Hon'ble Commission.

3.3.8 The Commission notes the TPC-D's submission in respect of difference in sales at T<>D interface and has considered the energy drawn by TPC-D at T<>D interface

(5918.22 MU) based on energy drawl data provided by MSLDC.

- 3.3.9 The Distribution Loss computed by the Commission by considering the energy drawn by TPC-D at T<>D interface-based on the input from MSLDC works out to (2.10%) as against 1.24% submitted by TPC-D.
- 3.3.10 The Commission has sought reconciliation of the negative Distribution Loss based on the input from MSLDC. TPC-D submitted that MSLDC through its Mail dated 28 February, 2025 has confirmed the total energy drawn (“Provisional”) by Tata Power-D at T<>D interface for FY2023-24 as per the AMR data in DSM software. This energy drawl is on provisional basis as DSM final bills are yet to be finalized by MSLDC. Tata Power-D has already communicated to MSLDC the difference between the energy drawl as per Meter readings available at Tata Power-D and meter readings considered in the DSM bills and requested MSLDC to reconcile the difference. The Commission noted the submission made by TPC-D and directs TPC-D to submit the detailed justification for the negative Distribution Loss in the next Tariff Petition with reconciliation. Moreover, no computation of sharing of gains/losses has been done for TPC-D in line with past practice, given the low loss levels and lower level of sales on own wires of TPC-D. Thus, the Commission approves the negative Distribution Losses (2.10%) of TPC-D for FY 2023-24.
- 3.3.11 Accordingly, the Distribution Loss and Energy Balance approved by the Commission after Truing-up for FY 2023-24 are as given in the Table below:

Table 3-6: Energy Balance approved for FY 2023-24 (MU)

Particulars	MTR Order	TPC-D	Approved
Tata Power D-Sales (Retail) with 15 days Adjustments	4138.52	4124.04	4124.04
110 KV Billed Units	962.75	974.48	974.48
Bill Credit given to OA consumers	237.37	281.30	281.30
Solar Import metered Units		82.51	82.51
Solar Net billed units		78.77	78.77
AEML CHO Consumers on Tata Power Wire Consumption		3.47	3.47
Total Sale excluding 110 KV Sales	3413.14	3438.07	3438.07
Distribution Losses	1.02%	1.24%	-2.10%
ABT meter readings @ T <> D Interface	4411.06	4455.87	4341.78
110 KV Sales @ T<>D	962.75	974.48	974.48
ABT meter readings without 110 kV sales	3448.31	3481.39	3367.30
OA Wind Credit @ T <>D Interface	239.81	285.09	285.09
Energy Requirement for Tata Power consumers at T<>D interface	3208.50	3196.30	3082.21
Sales to Changeover consumers For FBSM Adjustment	1570.81	1597.80	1552.66

Particulars	MTR Order	TPC-D	Approved
Bill Credit given to OA consumers		0.00	0.00
Sales to Changeover consumers after adjusting for OA wind	1570.81	1597.80	1552.66
Energy Sales at 110/132 kV level	962.75	974.48	974.48
Total Energy Requirement at T<>D	5742.06	5768.58	5609.35
Transmission Loss	3.18%	3.27%	3.27%
Total Energy Requirement at G<>T for Tata Power-D	5930.66	5963.59	5798.97
Surplus Sale/(Purchase)	103.87	126.19	126.19
Total Energy Requirement at G<>T Interface	5826.79	6089.78	5672.78
Total Energy Requirement at G<>T Interface as per energy balance settled by MSLDC		5918.22	5918.22

3.4 POWER PURCHASE QUANTUM AND COST

TPC-D's Submission

3.4.1 TPC-D submitted that it has met its total energy requirement for FY 2023-24 from different sources, viz., TPC-G, Renewable Energy (RE) and short-term purchase including Power Exchanges.

3.4.2 The summary of the power purchase quantum and cost for FY 2023-24 is given in the Table below:

Table 3-7: Power Purchase Quantum and Cost for FY 2023-24 as submitted by TPC-D

Particulars	MTR Order			TPC-D		
	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Power Purchase from Tata Power-G	3168.38	1997.57	6.30	3188.62	2015.84	6.32
RE Purchase	1508.66	496.56	3.29	1429.17	503.78	3.52
Adjustment as per A/C's		0.00			-14.29	
Bilateral & UI Purchase	1252.76	604.21	4.82	1425.77	587.06	4.12
OLA Sale	-103.87	-84.08	9.19	-126.19	-92.57	7.34
MSLDC Charges	-	1.02	-		1.02	
Standby Charges	0.85	61.24	-	0.85	52.99	
Transmission Charges	-	277.00	-		335.26	
Total Power Purchase cost	5826.79	3353.52	5.76	5918.22	3389.08	5.73

A. Procurement from TPC-G***TPC-D's Submission***

3.4.3 TPC-D's main source of power purchase is the Generating Units of TPC-G. It has a Power Purchase Agreement (PPA) with TPC-G and its share in the respective Units of TPC-G is 48.83% in Thermal Units 5 & 7 and Hydro stations and 60% in Unit 8.

3.4.4 The break-up of the Unit-wise quantum and cost of power purchase from TPC-G in FY 2023-24 is shown in the Table below:

Table 3-8: Quantum and Cost of Power Purchase from TPC-G in FY 2023-24 as submitted by TPC-D

Unit	Quantum	Energy Charges		Fixed Charges	Total Charges	
	MU	Rs./kWh	Rs. Crore	Rs. Crore	Rs. Crore	Rs./kWh
Unit 5	1249.77	6.16	769.79	149.08	918.87	7.35
Unit 7	472.70	5.05	238.75	79.36	318.11	6.73
Unit 8	737.49	6.10	449.99	130.78	580.77	7.87
Bhira	453.32	0.98	44.30	32.93	77.22	1.70
Bhivpuri	145.92	1.77	25.76	20.08	45.84	3.14
Khopoli	129.40	2.82	36.52	31.10	67.62	5.23
Aux power credit			-0.87		-0.87	
Thermal Incentive					0.00	
Hydro Incentive				8.27	8.27	
Total	3,188.62	4.91	1564.24	451.60	2015.84	6.32

Commission's Analysis and Ruling

3.4.5 The Commission notes that power purchase cost from TPC-G is marginally higher than the cost approved in the last tariff order whereby the Fixed charges of TPC-G as claimed by TPC-D is in line with the charges as approved in the MTR Order of TPC-G for FY 2023-24 and actual energy charges has been claimed as per MTR Order of TPC-G and through FAC mechanism.

3.4.6 However, in reconciliation with the Power Purchase cost with TPC-G Petition filed in Case No. 189 of 2024, the Commission noted the marginal difference with the cost as submitted by TPC-D. The Commission has sought reconciliation from TPC-D for the generation and the power purchase cost with TPC-G whereby the submission of TPC-G also reflects the difference of Rs. 0.12 Crore and the same is adjusted in the Power Purchase cost from TPC-G. The submission made by TPC-D is outlined in the following table:

Table 3-9: Reconciliation of Power Purchase cost of TPC-G for FY 2023-24

Particulars	Unit	As per TPC-G - Unit 4, 7, 8 and Hydro	Tata Power-D	Diff
Tata Power-G	Mus	3188.62	3188.62	0.00
Energy Charge	Rs Cr	1564.11	1564.24	-0.12
Fixed Charges	Rs Cr	443.33	443.33	0.00
Incentive	Rs Cr	8.27	8.27	0.00
Total		2015.72	2015.84	-0.12

3.4.7 Hence, the Commission has approved the actual quantum and cost of power purchase from TPC-G as per audited accounts and reconciliation with TPC-G for FY 2023-24 as shown in the Table below:

Table 3-10: Power Purchase from TPC-G for FY 2023-24 as approved by the Commission

Source	MTR Order			TPC-D			Approved		
	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./ kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./ kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./ kWh)
TPC-G	3168.38	1997.57	6.30	3188.62	2015.84	6.32	3188.62	2015.72	6.32

B. Renewable Energy Purchase

TPC-D's Submission

3.4.8 Non-Solar: TPC-D has purchased 498.83 MU from non-solar sources which includes 1.84 MU towards deemed power purchase from open access consumers, 0.09 MU towards 2% banking charges in line with Distribution Open Access Regulations, 2019 and 0.89 MU towards unutilised banked energy. The source-wise details of the power purchase by TPC-D from non-solar RE sources totalling 498.83 MU is given in the Table below:

Table 3-11: Non-Solar Renewable Energy Purchase as submitted by TPC-D

Source	Quantum	Per Unit Rate	Total Cost
Non Solar Power Purchase	MUs	Rs./kWh	Rs. Crs
Visapur 6 MW	9.70	2.75	2.67
Visapur (GSW) 24 MW	29.50	5.81	17.14
Visapur (GSW) 8 MW	9.83	5.70	5.61
Agaswadi	101.39	4.56	46.23
RE Bilateral	182.02	5.12	93.28
LT Hybrid Wind	157.33	2.59	40.75
Biomass (RE Non-Solar)	6.23	6.95	4.33
Deemed purchase upto 10% of the actual total generation	1.84	2.12	0.39

Source	Quantum	Per Unit Rate	Total Cost
Non Solar Power Purchase	MUs	Rs./kWh	Rs. Crs
Total (A)	497.86	4.23	210.40
Unutilised OA banked energy (i)	0.89		0.00
Units of 2% Banking Charges (ii)	0.09		0.00
Total (B) = A+i+ii	498.83	4.22	210.40

- 3.4.9 **Solar:** TPC-D has purchased 932.79 MU from solar sources which includes 1.27 MU towards deemed power purchase from open access consumers, 0.70 MU towards 2% banking charges in line with Distribution Open Access Regulations, 2019, 0.16 MU towards unutilised banked energy and 15.02 MU towards Net Metering facility given to its Consumers. The source-wise details of the power purchase by TPC-D from solar RE sources totalling 932.79 MU is given in the Table below:

Table 3-12: Solar Renewable Energy Purchase as submitted by TPC-D (MU)

Source	Quantum	Per Unit Rate	Total Cost
Solar Power Purchase	MUs	Rs./kWh	Rs.Crs
Mulshi Solar	3.84	17.91	6.89
Solar Rooftop	0.03	18.41	0.05
Palaswadi Solar	42.25	8.98	37.94
LT Hybrid Solar	529.72	2.70	142.83
Chhayan Solar	347.87	2.98	103.67
RE Bilateral (Solar)	6.14	2.31	1.42
Deemed purchase upto 10% of the actual total generation	1.27	2.37	0.30
Net Metering Solar - Unadjusted Credit at end of Yr	0.76	3.63	0.27
Total (C)	931.88	3.15	293.37
Net Metering (iii)	15.02	0.00	0.00
Unutilised OA Banked energy (iv)	0.16	0.00	0.00
Units of 2% Banking Charges (v)	0.70	0.00	0.00
RE sold (Solar) (vi)*	-14.97		
Total (D) = C+iii+iv+v+vi	932.79	3.15	293.37

*-Revenue considered in Surplus sales.

- 3.4.10 The details of the total Power Purchase cost through Renewable Energy Sources by TPC-D during the year FY 2023-24 is given in the Table below:

Table 3-13: Total Cost of RE Purchase for FY 2023-24

Particular	MUS	Rs/kWh	Rs Cr
Non Solar energy Purchase	498.83	4.22	210.40
Solar Purchase	932.79	3.15	293.37
Total RE Purchase	1431.63	3.52	503.78

Commission's Analysis and Ruling

3.4.11 The Commission has analysed and verified the source-wise actual quantum of RE purchase, landed cost and other details of RE purchase by TPC-D for FY 2023-24. TPC-D has procured the renewable power through a competitive bidding process, the power exchange, and its own web portal at the approved rate. The actual purchase rate from various renewable energy sources remains the same as the rate approved by the Commission in previous orders. . However, due to variations in the actual quantum procured from different sources, the weighted average purchase rate for Solar and Non-Solar RE sources has changed.

3.4.12 The Commission notes that TPC-D has also considered energy from Banking Charges, unutilised banked energy, energy from Net Metering and sale of surplus RE power while computing RE purchase. The Commission has excluded the same from RE purchase. However, the said energy is considered for verification for RPO compliance.

3.4.13 In view of the above, the Commission has approved the Solar and Non-Solar RE purchase after Truing-up for FY 2023-24 as shown in the Table below:

Table 3-14: RE Purchase for FY 2023-24 as approved by the Commission (Rs. Crore)

Particulars	MTR Order			TPC-D			Approved		
	Quantum	Cost	Rate	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Non-Solar RE Purchase	577.01	206.29	3.58	497.86	210.40	4.22	497.86	210.40	4.23
Solar RE purchase	931.65	290.27	3.12	931.88	293.37	3.15	931.88	293.37	3.15
Total RE procurement	1,508.66	496.56	3.29	1,429.17*	503.78	3.52	1,429.74	503.78	3.52
RE Procurement for RPO Compliance	1,508.66	496.56	3.29	1,431.63	503.78	3.52	1,431.63	503.78	3.52

*Computation error by TPC-D in addition. The correct number is 1,429.74 MU

C. Renewable Purchase Obligation for FY 2023-24**TPC-D's Submission**

3.4.14 TPC-D stated that as per the RPO Regulations, 2019, every distribution licensee is required to meet certain percentage of its energy requirement for the year through renewable energy sources. Accordingly, TPC-D has considered 11.50% from non-

Solar sources and 10.50% from Solar sources for FY 2023-24. RE procurement during FY 2023-24 is summarised in the Table below:

Table 3-15: Renewable Purchase Obligation as submitted by TPC-D (MU)

Renewable Source	Total Energy Requirement at G<T	Hydro Power Purchased from Tata Power-G	Hydro Power Purchased through BPP	Energy Requirement @ InSTS to be considered for RPO	% Obligation for FY 2022-23	Obligation	Previous year (Surplus)/ Short fall	Total RE for RPO	Shortfall/ (Surplus)
	A	B	C	D=A-B-C	1	2 =1 * D	3	4	5 = 2+3-4
Non Solar (Other RE) – a					11.50%	587.64	0.00	498.83	88.81
Solar – b					10.50%	536.54	-56.51	932.79	-452.76
Total – a+b	5918.22	728.65	79.62	5109.94	22.00%	1124.19	-56.51	1431.63	-363.95

3.4.15 Further, TPC-D submitted that, it has successfully met its cumulative Solar RPO compliance, with a surplus of -452.76 MU. The Commission, in Tariff Order stated that there was no cumulative shortfall in Non-Solar RPO up to FY 2022-23. Consequently, the standalone shortfall in Non-Solar RPO is of 88.81 MU as of the end of FY 2023-24. TPC-D has sought adjustment of surplus solar energy to meet the shortfall of non-solar obligation as per Regulation 7.3 of MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019.

3.4.16 In view of above and also that the energy shortfall in Non-Solar Energy is less than 15%, TPC-D requested the Commission to allow to use surplus solar energy more than 15% to meet cumulative non solar RPO target such that there is no shortfall of Non-Solar RPO target.

3.4.17 Further, TPC-D submitted that the Commission has notified the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 on 23 February, 2024 in which the incentive of Rs. 0.25/kWh is allowed for RE procured above the minimum percentage specified in Regulation 7.1 up to the percentage notified by the Central Government to achieve total RPO target notified by the Central Government. In this regards, TPC-D has computed the RPO achievement in line with the RPO targets stipulated by the Central Government and consequently, the incentive for FY 2022-23 and FY 2023-24, are as shown in the Table below –

Table 3-16: Incentive for Tata Power-D for RPO Purchase during FY 2023-24

Particulars		FY 2022-23	FY 2023-24
Energy Input at G<T	a	5605.73	5918.22
Total RPO % stipulated by the Central Government	b	24.61%	27.08%
Obligation	c=a*b	1379.57	1602.65
Previous year (Surplus)/ Short fall	d	201.55	-644.85
Total Target	e=c+d	1581.12	957.80
Total RE for RPO including Hydro	f	2225.97	2239.90

Particulars		FY 2022-23	FY 2023-24
Shortfall/ (Surplus)	$g=e-f$	-644.85	-1282.10
Energy Input at G<>T excluding Hydro	h	4519.02	5109.94
Total RPO % as per MERC Regulation	i	19.500%	22.00%
Obligation	$j=h*i$	881.21	1124.19
Previous year (Surplus)/ Short fall	d	201.55	-56.51
Total Target	$k=j+d$	1082.76	1067.68
Total RE for RPO	l	1139.27	1431.63
Total Shortfall / (Surplus)	$m=k-l$	-56.51	-363.95
RE procured above the minimum percentage specified in Regulation 7.1 up to the percentage notified by the Central Government	$n=c-j$	498.36	478.47
Incentive @ Rs.0.25/kwh	$o=n*0.25/10$	12.46	11.96

3.4.18 TPC-D requests the Commission to approve the incentives of Rs. 12.46 Crore and Rs. 11.96 Crore for FY 2022-23 and FY 2023-24, respectively.

Commission's Analysis and Ruling

3.4.19 The Commission hereinabove, has approved the RE purchase from Solar and Non-Solar sources for FY 2023-24.

3.4.20 The Commission has verified RE purchase as submitted by TPC-D for FY 2023-24 and RPO Compliance for FY 2023-24 based on the energy input at G<>T interface by deducting the hydro purchase. Thus, considering the renewable power purchased during FY 2023-24, the Commission observes that there is cumulative shortfall of 88.81 MU for Non-solar and surplus of (452.76) MU for Solar power RPO compliance.

3.4.21 TPC-D in its submission has prayed for adjusting the surplus solar with the shortfall of non-solar RPO. The Commission notes that, as per Regulation 7.3 of of MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, Obligated Entity can use surplus Solar energy upto 15% of total RPO target to meet short fall in non-Solar RPO target and vice-versa. The relevant extract of the said Regulation is reproduced herein below:

*“7.3 Obligated Entity can use surplus Solar energy upto 15% of total RPO target to meet short fall in non-Solar RPO target and vice-versa ;
Provided that Obligated Entity by providing detailed justification may seek prior approval of the Commission for adjusting more than 15% surplus energy from one category against short fall in other RPO category.”*

3.4.22 The aforesaid Regulation allows adjustment of surplus solar energy to meet non-Solar RPO target and vice-versa to the extent of shortfall of 15% of total RPO target. The Commission notes that TPC-D has relied upon the said Regulation and sought

adjustment for 88.81 MU shortfall in non-Solar RPO from excess Solar. The Commission observes that the above shortfall is within the range as stipulated in the Regulations and allows the adjustment of excess solar energy to meet the non-Solar RPO for FY 2023-24 as per provisions of the RPO Regulations. Accordingly, after adjusting the excess solar energy towards non-Solar RPO, surplus solar energy is 363.95 MU.

3.4.23 The Commission has also verified the status of RPO Compliance by TPC-D for FY 2022-23 as shown in the Table below:

Table 3-17: RPO Compliance for FY 2023-24 as approved by the Commission (MU)

Particulars	MTR Order	FY 2023-24	
	FY 2023-24	TPC-D	Approved
Energy Input at G<T	5,826.79	5,918.22	5,918.22
Less: Energy Purchased from Hydro (TPC-D)	736.68	728.65	728.65
Less: Hydro Purchase through Bilateral Power Purchase (BPP)	79.51	79.62	79.62
InSTS Requirement less Hydro	5010.60	5109.94	5109.95
Non-Solar requirement	11.50%	11.50%	11.50%
Solar Requirement	10.50%	10.50%	10.50%
Total	22.00%	22.00%	22.00%
Non-Solar RPO during the year	576.22	587.64	587.64
Solar RPO during the year	526.11	536.54	536.54
RPO Requirement	1102.33	1124.19	1124.19
Previous Year Shortfall of Non-Solar	338.76	338.76	338.76
Previous Year Shortfall of Solar	-395.27	-395.27	-395.27
Previous Year Shortfall of Solar / Non-Solar	-56.51	-56.51	-56.51
Non-Solar RPO met during the year	577.01	498.83	498.83
Solar RPO met during the year	931.65	932.79	932.79
Total	1508.66	1431.63	1431.63
Renewable Shortfall / (Surplus) of Non-Solar	337.97	427.57	427.57
Renewable Shortfall / (Surplus) of Solar	(800.81)	(791.52)	(791.52)
Renewable Shortfall / (Surplus) for the year	(462.84)	(363.95)	(363.95)

3.4.24 The Commission has notified the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 on 23 February, 2024 in which the incentive of Rs. 0.25/kWh is allowed for RE procured above the minimum percentage specified in Regulation 7.1 up to the percentage notified by the Central Government to achieve total RPO target notified by the Central Government. The Commission notes that TPC-D has procured surplus power of 56.51 MU and 363.95 MU for FY 2022-23 and FY 2023-24 respectively after complying with the conditions specified in the RPO Regulations. However, the Commission has computed the RPO obligation of the State and incentive is calculated considering surplus power, post

meeting the RPO as per MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2024. Accordingly, the incentive for FY 2022-23 and FY 2023-24 approved by the Commission is as shown in Table below:

Table 3-18: Incentive for excess RE Purchase approved by the Commission

Particulars		FY 2022-23	FY 2023-24
Energy Input at G<>T	a	5605.73	5918.22
Total RPO % stipulated by the Central Government	b	24.61%	27.08%
Obligation	c=a*b	1379.57	1602.65
Previous year (Surplus) / Short fall	d	201.55	(644.85)
Total Target	e=c+d	1581.12	957.80
Total RE for RPO including Hydro	f	2225.97	2239.90
Shortfall / (Surplus)	g=e-f	(644.85)	(1,282.10)
Energy Input at G<>T excluding Hydro	h	4519.03	5109.95
Total RPO % as per MERC Regulation	i	19.50%	22.00%
Obligation as per MERC Regulation	j=h*i	881.21	1124.19
Previous year (Surplus) / Short fall	d	201.55	-56.51
Total Target	k=j+d	1082.76	1067.68
Total RE procured for RPO	l	1139.27	1431.63
Total Shortfall / (Surplus)	m=k-l	(56.51)	(363.95)
RE procured above the minimum percentage specified in Regulation 7.1 up to the percentage notified by the Central Government	n=l-j	258.0	307.44
Incentive @ Rs.0.25/kwh	o=n*0.25/10	6.45	7.69

D. Power Purchase from Bilateral Sources, Standby and Imbalance Pool

TPC-D's Submission

3.4.25 TPC-D has met the balance power requirement through bilateral power purchase and purchase under DSM. TPC-D has also procured power through the Standby arrangement with MSEDCL. TPC-D has procured bilateral power through the Discovery of Efficient Electricity Price (DEEP) Portal of the Ministry of Power (MoP) and through Power Exchanges and short-term power purchase linked to day ahead IEX rates.

3.4.26 The break-up of power purchase from bilateral sources, DSM, and Standby arrangement is given in the Table below:

Table 3-19: Power Purchase from other sources FY 2023-24 as submitted by TPC-D

Particulars	MTR Order			TPC-D		
	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Bilateral Power Purchase	1282.55	600.00	4.68	1319.49	577.38	4.38
Power Purchase through Imbalance Pool	-29.79	4.20	(1.41)	106.29	9.68	0.91
Standby Power Purchase	0.85	0.85	10.00	0.85	1.22	14.33
Total	1,253.61	605.06	4.83	1426.62	588.28	4.12

Commission's Analysis and Ruling

- 3.4.27 TPC-D has submitted the bills of month-wise short-term power purchase in FY 2023-24 as part of its Petition. It is observed that TPC-D has purchased the power through a mix of bilateral sources under the DEEP Portal and the Power Exchanges.
- 3.4.28 Further, as specified in this Order, there was a variation in the Power Purchase quantum considered by TPC-D in renewable energy resulting in a difference of 0.57 MU. Considering the energy requirement of TPC-D for FY 2023-24 remains same i.e. 5918.22 MU, the said quantum of 0.57 MU has been adjusted by the Commission in Bilateral Purchase quantum and approved the quantum of 1318.91 MU. However, TPC-D is directed to reconcile the Power Purchase quantum with the energy input at G<>T and T<>D interface with the SLDC certificate for FY 2023-24 and submit for approval to the Commission in the next MTR Petition.
- 3.4.29 Accordingly, the Commission observes that TPC-D has purchased actual quantum of 1426.05 MU of power at the weighted average rate of Rs. 4.12/kWh in FY 2023-24, as compared to the approved quantum of 1253.61 MU at the rate of Rs. 4.83/kWh.
- 3.4.30 The Commission, after prudence check, has accepted TPC-D's submissions and has accordingly approved the quantum and cost of power purchase from bilateral sources and Power Exchanges.
- 3.4.31 The Commission has also approved the actual quantum of power purchase by TPC-D from MSEDCL under the Standby arrangement during system exigencies for FY 2023-24. Also, with respect to the Standby cost against the power procured under standby arrangement charges, it includes the cost of Rs. 0.73 Crore towards power purchase in the current year and Rs. 0.49 Crore related to past year adjustment (i.e. April 2023- September 2023)
- 3.4.32 The Commission has approved the power purchase from Bilateral Sources, Imbalance Pool, and Standby arrangement for FY 2023-24, as shown in the Table below:

Table 3-20:Purchase from Short-term sources, DSM and Standby for FY 2023-24 as approved by the Commission.

Particulars	MTR Order			TPC-D			Approved		
	Quantum	Cost	Rate	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Bilateral Power Purchase	1282.55	600.00	4.68	1319.49	577.38	4.38	1318.91	577.38	4.38
Deviation Quantum	-29.79	4.20	(1.41)	106.29	9.68	0.91	106.29	9.68	0.91
Standby Power Purchase	0.85	0.85	10.00	0.85	1.22	8.59*	0.85	1.22	14.33
Total	1,253.61	605.06	4.83	1426.62	588.28	4.12	1426.05	588.28	4.12

*-TPC-D calculated the cost per unit considering the power procurement cost without any past year adjustment

E. Sale outside Licence Area

TPC-D's Submission

3.4.33 TPC-D submitted that revenue earned from sale to outside license area has been utilised to reduce the total cost of power purchase.

3.4.34 The month-wise sale outside Licence Area for FY 2023-24 as submitted by TPC-D is given in the Table below:

Table 3-21:Sale Outside Licence Area for FY 2023-24 as submitted by TPC-D

Month	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh
Apr-23	2.23	7.68	1.71
May-23	3.67	8.42	3.09
Jun-23	5.43	7.95	4.32
Jul-23	19.73	3.36	6.64
Aug-23	42.94	8.36	35.89
Sep-23	11.81	7.15	8.44
Oct-23	5.21	9.05	4.72
Nov-23	2.17	5.95	1.29
Dec-23	9.67	8.84	8.55
Jan-24	10.62	8.53	9.06
Feb-24	4.84	7.87	3.81
Mar-24	7.87	6.43	5.06
Total	126.19	7.34	92.57

Commission's Analysis and Ruling

3.4.35 The Commission notes that TPC-D has sold surplus power at Rs 7.34/kWh which is higher than the APPC and has benefitted the consumers.

3.4.36 Accordingly, the Commission approves sale to outside Licence Area in the Truing-up for FY 2023-24 as shown in the following Table:

Table 3-22: Sale to outside Licence Area for FY 2023-24 as approved by the Commission

Particulars	MTR Order			TPC-D			Approved		
	Quantum	Cost	Rate	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Sale to outside Licence Area	103.87	84.08	8.09	126.19	92.57	7.34	126.19	92.57	7.34

F. Stand-by Charges**TPC-D's Submission**

3.4.37 TPC-D has paid Rs. 51.77 Crore towards Stand-by Charges to MSEDCL for FY 2023-24.

Commission's Analysis and Ruling

3.4.38 The Commission notes that, in an Appeal No. 516 of 2023 and IA No. 844 of 2023 filed by AEML-D, the Hon'ble APTEL in its judgment dated 26 September, 2023 has granted stay to AEML-D in respect of payment of Standby Charges to MSEDCL. Further, Hon'ble APTEL has granted liberty to AEML-D to file Petition before the Commission in respect of payment of Standby Charges. Accordingly, AEML-D has filed the Case No 1 of 2024 pursuant to the said directions making all Distribution Licensees in Mumbai as parties to the Petition and the said Petition is presently pending before the Commission. In view of the pendency of the Petition, the Commission is provisionally approving the Standby Charges of Rs 51.77 Crore as paid by TPC-D up to October, 2023 subject to the outcome Case No 1 of 2024 pending before the Commission.

G. Transmission Charges and MSLDC Charges**TPC-D's Submission**

3.4.39 TPC-D has paid Transmission Charges of Rs. 278.46 Crore and Rs. 1.02 Crore towards MSLDC charges during FY 2023-24 as per Order in Case No. 225 of 2022 dated 31 March, 2023. Also, the Charges paid for General Network Access (GNA) by TPC-D in FY 2023-24 is Rs 56.80 Crore.

3.4.40 Further, as per Regulation 66 of MYT Regulations, 2019, a Transmission System User (TSU) is required to pay additional transmission charges when the recorded

demand is more than the Contracted Capacity. In FY 2023-24, Tata Power -D has paid additional Transmission Charges to the extent of Rs 1.46 Crore as shown in the Table below:

Table 3-23: Transmission Charges and MSLDC Charges for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	MTR Order	TPC-D
Transmission Charges	277.00	278.46
GNA Charges		56.80
MSLDC Charges	1.02	1.02
Total	278.02	336.28

Commission's Analysis and Ruling

3.4.41 The Commission observed that the GNA charges has been claimed in FY 2023-24 by TPC-D and accordingly has sought details for the same. TPC-D replied that in the present Regulatory Framework, TPC-D has been allotted a GNA for 375 MW and charges paid by TPC-D for Inter State Transmission Network is on the basis of this GNA allotted. At the same time, there is waiver by way of rebate for using the network for renewable power, as per the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, and its amendment.

3.4.42 The Commission has verified the invoices submitted by TPC-D charges. Accordingly, the Commission approves the Transmission Charges and MSLDC Charges based on the information available in the Audited Accounts and relevant Orders issued by the Commission. Accordingly, the actual Transmission (Interstate and Intrastate) Charges and MSLDC charges approved by the Commission for FY 2023-24 is as given in Table below:

Table 3-24: Transmission Charges and MSLDC Charges for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Transmission (State) Charges	277.00	278.46	278.46
GNA (Interstate Transmission) Charges		56.80	56.80
MSLDC Charges	1.02	1.02	1.02

H. Adjustment in Power Purchase Cost

TPC-D's Submission

3.4.43 TPC-D submitted that there is an adjustment Rs -14.29 Crores made in FY 2023-24 due to a) Inadvertently not considering some energy cost in FY 2023-24 but the

same has now been considered in FY 2024-25 amounting to Rs. Rs 16.01 Crores and b) Due to Difference between actual payment and provision made to the extent of Rs 1.81 Crores.

Commission's Analysis and Ruling

3.4.44 The Commission raised a query on the submission made by TPC-D and sought the detail clarification on the said adjustment in the power purchase cost. Accordingly, TPC-G has provided following clarification on the said adjustment:

A. Non Consideration of cost of Power Purchase from Renewable Energy:

TPC-D in FY 2023-24 had inadvertently missed out to book the cost of power purchase from following Renewable Sources in the Accounts to the tune of Rs 16.10 Crores.

Table 3-25: Cost of Power Not reflected in FY 2023-24 accounts (Rs. Crore)

Particular	Amount
Visapur 6 MW	1.53
Visapur 4 MW	2.27
Nivade	6.66
GST Hybrid	5.64
Total	16.10

The above missed out cost was rectified in FY 2024-25 and has now been booked in H1 of FY 2024-25 in accounts. However, in FAC submission, TPC-D has considered the same in the year FY 2023-24 based on actual purchase. TPC-D, in order to reconcile the Power Purchase cost with the Power Purchase cost as booked in the accounts, has reduced Rs 16.10 Crore from total power purchase cost of FY 2023-24 and added in the same in the power purchase cost of FY 2024-25.

B. Provision accounting

Further, TPC-D has passed an adjustment of Rs 1.81 Crore in FY 2023-24 which is a difference between actual payment towards actual power purchase payment and provision made to the extent of Rs 1.81 Crore.

Based on the above submission, the net adjustment of Rs. 14.29 Crore i.e., Rs (-) 16.10 Crore + Rs 1.81 Crore has been made in the power purchase cost.

The Commission noted the submission made by the TPC-D and direct to provide the similar reconciliation of the power purchase cost at the time of Truing up of FY 2024-25 highlighting the similar amount of adjustment.

I. Summary of Power Purchase Cost

3.4.45 The summary of the actual Power Purchase Cost for TPC-D for FY 2023-24 is given in the Table below:

Table 3-26: Summary of Power Purchase Cost for FY 2023-24 submitted by TPC-D

Source	MTR Order			Tata Power-D Actual		
	MU	Rs Cr	Rs/kWh	MU	Rs Cr	Rs/kWh
Power Purchase from Tata Power-G	3168.38	1997.57	6.30	3188.62	2015.84	6.32
RE Purchase	1508.66	496.56	3.29	1429.17	503.78	3.52
Adjustment as per A/C's		0.00			-14.29	
Bilateral & UI Purchase	1252.76	604.21	4.82	1425.77	587.06	4.12
OLA Sale	-103.87	-84.08	9.19	-126.19	-92.57	7.34
MSLDC Charges	-	1.02	-		1.02	
Standby Charges	0.85	61.24	-	0.85	52.99	
Transmission Charges	-	277.00	-		335.26	
Total Power Purchase cost	5826.79	3353.52	5.76	5918.22	3389.08	5.73

3.4.46 The total Power Purchase Cost for FY 2023-24 for Tata Power-D is Rs 3389.08 Crore against the approved cost of Rs. 3353.52 Crores in the Tata Power-D order in Case No. 237 of 2023. Tata Power-D considers the Revenue from outside licence area and UI power sale as reduction in the power purchase cost but in audited accounting statement the same is considered as a part of revenue.

Commission's Analysis and Ruling

3.4.47 Based on the above analysis, the summary of power purchase quantum and cost, including Stand-by Charges and Transmission Charges, approved by the Commission after Truing-up for FY 2023-24 is given in the following Table:

Table 3-27: Summary of Power Purchase for FY 2023-24 approved by the Commission

Source	MTR Order			Tata Power-D Actual			Approved in Order		
	MU	Rs Cr	Rs/kWh	MU	Rs Cr	Rs/kWh	MU	Rs Cr	Rs/kWh
Power Purchase from Tata Power-G	3168.38	1997.57	6.30	3188.62	2015.84	6.32	3188.62	2015.72	6.32
RE Purchase	1508.66	496.56	3.29	1429.17	503.78	3.52	1429.74	503.78	3.52
Adjustment as per A/C's		0.00			-14.29			-14.29	
Bilateral & UI Purchase	1252.76	604.21	4.82	1425.77	587.06	4.12	1425.20	587.06	4.12
OLA Sale	-103.87	-84.08	9.19	-126.19	-92.57	7.34	-126.19	-92.57	7.34
MSLDC Charges	-	1.02	-		1.02			1.02	

Source	MTR Order			Tata Power-D Actual			Approved in Order		
	MU	Rs Cr	Rs/kWh	MU	Rs Cr	Rs/kWh	MU	Rs Cr	Rs/kWh
Standby Charges	0.85	61.24	-	0.85	52.99		0.85	52.99	
Transmission Charges	-	277.00	-		335.26			335.26	
Total Power Purchase cost	5826.79	3353.52	5.76	5918.22	3389.08	5.73	5918.22	3388.95	5.73

3.5 OPERATION AND MAINTENANCE EXPENSES

TPC-D's Submission

3.5.1 TPC-D has submitted the actual O&M expenses for FY 2023-24 for Wire and Retail Supply business. TPC-D has clarified that the Brand Equity expenses have not been included in the actual O&M expenses in accordance with the decision of the Commission in this regard in the MYT Order. TPC-D has filed an appeal before Hon'ble APTEL on this issue and will approach the Commission based on the outcome of the appeal.

A. Actual O&M Expenses

3.5.2 The component-wise break-up of O&M Expenses for FY 2023-24 for the Wire Business and Supply Business is summarised in the Table below:

Table 3-28: Actual O&M Expenses for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	Tariff Order	TPC-D	Tariff Order	TPC-D
Employee Expenses		82.03		42.43
R&M Expenses		33.66		69.05
A&G Expenses		42.77		6.72
O&M Expenses	136.41	158.46	125.37	118.20

B. Normative O&M expenses

3.5.3 TPC-D submitted the normative O&M expenses for the Wire Business and Supply Business for FY 2023-24 in line with the MYT Regulations, 2019. TPC-D submitted that the MYT Regulations, 2019 specify that the escalation factor for O&M expenses for the Control Period shall be reduced by an efficiency factor of 1%, unless the increase in the number of consumers is at least 2% annually over the last 3 years.

3.5.4 TPC-D submitted the annual increase in the number of consumers connected to the Wire Business of TPC-D for FY 2023-24 as shown in the Table below:

Table 3-29: Increase in number of consumers on Distribution Wires Business of TPC-D

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Increase in No. of Consumers	Efficiency Factor
No. of Consumers	152884	163203	179291	207057		
% Increase		6.75%	9.86%	15.49%	10.64%	0.00%

3.5.5 TPC-D submitted the annual increase in the number of consumers in the Retail Supply Business of TPC-D for FY 2023-24 as shown in the Table below:

Table 3-30: Increase in number of consumers in Retail Supply Business of TPC-D

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2021-22	Increase in No. of Consumers	Efficiency Factor
No. of Consumers	719998	729328	742098	742098		
% Increase		1.30%	1.75%	2.67%	1.91%	0.05%

3.5.6 Considering the efficiency factors as determined above, the effective escalation factor for the Wire Business and Supply Business considered by TPC-D are of 5.54% and 5.50% respectively.

3.5.7 Accordingly, TPC-D submitted the normative O&M expenses for the Wire Business and Supply Business for FY 2023-24 in line with the MYT Regulations, 2019, as shown in the following Table:

Table 3-31: Normative O&M Expenses for FY 2023-24 as submitted by TPC-D

Particulars	UOM	Wire	Retail
Approved O&M Expenses for FY 2023-24	Rs. Crore	136.41	125.37
Normative O&M Expenses for FY 2022-23 as approved in Tariff Order	Rs. Crore	128.86	118.51
Inflation Index for FY 2023-24	%	5.54%	5.50%
Normative O&M for FY 2023-24	Rs. Crore	136.00	124.97

Commission's Analysis and Ruling

3.5.8 For the purpose of Truing up, the Commission has approved the O&M expenses for FY 2023-24 on normative basis as per the provisions of the MYT Regulations, 2019. Further, the Commission has considered the actual O&M Expenses for sharing of efficiency gains and losses as per Regulation 11 of the MYT Regulations, 2019.

3.5.9 The Commission has computed the normative O&M Expenses for FY 2023-24 as elaborated below.

A. Base O&M Expenses

3.5.10 The Commission has considered the normative O&M expenses for FY 2022-23 as the Base O&M expenses for approving the normative O&M expenses for FY 2023-24.

3.5.11 Regulation 75.2 of the MYT Regulations, 2019 specifies as under regarding the base O&M expenses for the Wires Business (and similarly Regulation 84.2 of the MYT Regulations, 2019 for the Supply Business):

*“75.2 The Operation and Maintenance expenses shall be derived on the basis of the **average of the Trued-up Operation and Maintenance expenses** after adding/deducting the share of efficiency gains/losses, **for the three Years ending March 31, 2019**, excluding abnormal Operation and Maintenance expenses, if any, subject to prudence check by the Commission:*

*Provided that the average of such Operation and Maintenance expenses shall be considered as Operation and Maintenance expenses for the Year ended March 31, 2018, and **shall be escalated at the respective escalation rate for FY 2018-19 and FY 2019-20, to arrive at the Operation and Maintenance expenses for the base year ending March 31, 2020:***

Provided further that the escalation rate for FY 2018-19 and FY 2019-20 shall be computed by considering 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years as per the Office of Economic Advisor of Government of India and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers (all-India) of the respective past five financial years as per the Labour Bureau, Government of India:

Provided also that at the time of true-up for each Year of this Control Period, the Operation and Maintenance expenses shall be derived on the basis of the Final Trued-up Operation and Maintenance expenses after adding/deducting the sharing of efficiency gains/losses, for the base year ending March 31, 2020, excluding abnormal expenses, if any, subject to prudence check by the Commission, and shall be considered as the Base Year Operation and Maintenance expense” (emphasis added)

3.5.12 Accordingly, the Commission has considered the Base O&M expenses for FY 2022-23 for the purpose of allowing the normative O&M expenses for FY 2023-24 in accordance with Regulations 75.2 and 84.2 of the MYT Regulations, 2019 for the Wires Business and Supply Business, respectively.

B. Escalation Factor

3.5.13 In accordance with Regulations 72.3 and 81.3 of the MYT Regulations (First Amendment), 2017, the Escalation Factor for O&M Expenses for FY 2019-20 has been computed considering 30% and 70% weightage for average yearly inflation derived based on the monthly WPI and CPI, respectively, in the previous five years reduced by the Efficiency Factor.

3.5.14 The Commission has analysed the WPI and CPI data for the previous five years. By applying 30% and 70% weightage to average yearly inflation derived based on the monthly WPI and CPI from FY 2019-20 to FY 2023-24, the Escalation Factor for FY 2023-24 works out to 5.53% as per details given below:

Table 3-32: Calculation of Escalation Factor approved by Commission

CPI	Average Index	Annual Inflation (%)	5 yr Average Inflation (%)	Weightage (%)	Escalation Factor (%)
FY 2019-20	323	7.53%	5.78%	70%	5.53%
FY 2020-21	339	5.02%			
FY 2021-22	356	5.13%			
FY 2022-23	378	6.05%			
FY 2023-24	397	5.19%			
WPI	Average Index	Annual Inflation (%)	5 yr Average Inflation (%)	Weightage (%)	
FY 2019-20	121.8	1.68%	4.93%	30%	
FY 2020-21	123.4	1.29%			
FY 2021-22	139.4	13.00%			
FY 2022-23	152.5	9.41%			
FY 2023-24	151.4	-0.73%			

3.5.15 As the actual growth in the number of consumers of the Wires Business is greater than 2% for FY 2023-24, the Efficiency Factor has been considered as 'zero'. Further, the Commission notes that actual growth in the number of consumers of the Supply Business is 1.91%. Accordingly, the Commission has considered the Efficiency factor of 0.05% on pro-rata basis as per provisions of MYT Regulations, 2019. Hence, the Commission has considered the effective escalation factor of 5.53% and 5.48% for Wires Business and Supply Business respectively, for allowing the normative O&M expenses for TPC-D.

C. Normative O&M Expenses

3.5.16 Accordingly, the Commission has approved the normative O&M Expenses in the Truing-up for FY 2023-24 as shown in the following Table:

Table 3-33: Approved Normative O&M Expenses for FY 2023-24

Particulars	UOM	Wire	Retail
Approved O&M Expenses for FY 2023-24	Rs. Crore	136.41	125.37
Normative O&M Expenses for FY 2022-23 as approved in MTR Order	Rs. Crore	128.86	118.47
Inflation Index for FY 2023-24	%	5.53%	5.48%
Normative O&M for FY 2023-24	Rs. Crore	135.98	124.96

3.5.17 As the O&M Expenses are controllable in nature, sharing of the Efficiency gain/ Losses has been done in accordance with the MYT Regulations, 2019. Actual O&M Expenses has been compared with normative O&M expenses for undertaking sharing of gains/losses.

D. Actual O&M expenses for FY 2023-24

3.5.18 The Commission has verified the actual O&M expenses submitted by TPC-D for FY 2023-24 in line with the audited accounts for the respective year and reconciliation statement of regulated businesses submitted by TPC-D.

i). Employee Expenses

3.5.19 The Commission observed that there is increase in employee cost by 6% on Y-o-Y basis in spite of decrease in number of employees. TPC-D, in reply to the query raised by the Commission submitted that there is marginal decrease in employees from 410 to 402 and average salary increase of 8% was given to employees in FY 2023-24.

3.5.20 The Commission further sought clarification from TPC-D that proportion of employee expenses for Wires Business has increased in FY 2023-24 as compared to FY 2022-23. TPC-D submitted that the difference is on account of change in allocation methodology of HOSS staff cost. Earlier HOSS staff cost allocation between wire and supply was done based on revenue of each business, whereas now as per revised methodology of HoSS allocation in line with the direction by the Commission, staff cost has been allocated based on number of employees in wire and supply business. However, on overall basis the staff cost increase is 6% which is reasonable. The Commission notes the submission of TPC-D in this regard.

3.5.21 With regards to the HoSS allocation related to actual Employee Expenses claimed during FY 2023-24, TPC-D in response to the data gaps has submitted revised allocation of the HoSS allocation towards O&M expenses duly certified by the Auditor wherein HoSS expenses have increased by Rs. 0.27 Crore during FY 2023-24. In addition, TPC-D further adjusted the 'Restated Employee Expenditure due to allocation of Senior Management Cost to Mundra', where TPC-D has proposed the

reduction of Rs. 0.48 Crore in the actual Employee Expenses. The Commission has considered the said submission while approving the actual Employee Expenses for FY 2023-24. However, TPC-D has not provided the allocation of the said reduction of Rs. 0.48 Crore in Wire and Supply business and hence the Commission has considered the normative allocation ratio of 65:35 into Wire and Supply business.

- 3.5.22 Based on the submission made by TPC-D, the Commission has considered the actual employee expenses of Rs 124.25 Crore for Truing-up for FY 2023-24 whereby Rs. 81.89 Crore is allocated to Wire business and Rs. 42.36 Crore is allocated to Supply business.

ii). A&G Expenses

- 3.5.23 The Commission observed that there is increase of 15% under various heads in A&G Cost and accordingly has sought justification from TPC-D for the same. TPC-D submitted that there is increase in insurance related costs due to increase in STFI rates as well as increase in asset base. It also submitted that there has been increase in Professional, Technical Fee on Other expenses due to short term engagement of few experienced people to fill the gap caused by superannuation of experienced employees and increase in annual Distribution Licence fees, other certification fees.
- 3.5.24 With regards to the HoSS allocation under actual A&G Expenses claimed during FY 2023-24, TPC in response to the data gaps has submitted revised allocation of the HOSS allocation towards O&M expenses duly certified by the Auditor wherein HoSS expenses have been reduced by Rs. 1.51 Crore during FY 2023-24.
- 3.5.25 Based on the submission made by TPC-D, the Commission has considered the actual A&G expenses of Rs 101.20 Crore for Truing-up for FY 2023-24 whereby Rs. 33.03Crore is allocated to Wire business and Rs. 68.16 Crore is allocated to Supply business.

iii). Repair & Maintenance Expenses

- 3.5.26 After analysing the Non-DPR schemes, the Commission has found that some of Non-DPR Schemes are of O&M in nature. The Commission after analysing the Non-DPR Schemes, has concluded that these Schemes should not be undertaken under Non-DPR Schemes as the nature of work is of R&M. The Commission has thus included some Non-DPR schemes claimed by TPC-DT under the O&M expenses as these Schemes are clearly R&M in nature. The Non-DPR schemes classified under R&M are as given below:

Table 3-34: Details of Non-DPR scheme classified as R&M Expenses (Rs. Crore)

Sr. No	Project Title	Amount
1.	Replacement of old cable at Mafatlal	0.058

2.	Weak cable replacement near Parel RSS, C	0.505
3.	Battery replacement at Raheja Exotica &	0.029
4.	Replacement of old switchgear at NABARD	0.001
5.	Renovation work undertaken in HoSS	0.062
	Non-DPR scheme considered as R&M – Wire Business	0.655
6.	Enhancement in AMR System for Dual Source	0.046
7.	Renovation work undertaken in HoSS	0.005
8.	Non-DPR scheme considered as R&M – Supply Business	0.051
9.	Total Non-DPR Scheme considered as R&M	0.706

3.5.27 The Commission has considered some Non-DPR Schemes of Rs 0.71 Crore claimed by TPC-D under O&M expenses over and above normative O&M expenses, as these Schemes were not part of the O&M expenditure based on which the O&M norms have been derived.

3.5.28 With regards to the HoSS allocation under actual R&M Expenses claimed during FY 2023-24, TPC in response to the data gaps has submitted revised allocation of the HoSS allocation towards O&M expenses duly certified by the Auditor wherein HoSS expenses have been varied by Rs. 0.25 Crore during FY 2023-24.

3.5.29 Based on the submission made by TPC-D, the Commission has considered the actual R&M expenses of Rs 49.78 Crore for Truing-up for FY 2023-24. The Non-DPR schemes of Rs 0.71 Crore have been considered under O&M expenses over and above the actual expenditure of Rs 49.78 Crore considered for sharing of gains/losses.

3.5.30 Accordingly, the Commission has considered the actual O&M Expenses, including Employee Expenses, A&G Expenses and R&M Expenses for FY 2023-24 after prudence check.

E. Brand Equity Expenditure

3.5.31 TPC-D has not included the Brand Equity expenses in the A&G expenses for FY 2023-24, in accordance with the Commission's decision in this regard in the MYT Order.

3.5.32 In view of the above, the Commission approves the actual O&M Expenses for TPC-D, for the purpose of Truing-up for FY 2023-24 as shown in the following Tables:

Table 3-35: Actual O&M Expenses for FY 2023-24 as approved by the Commission (Rs.

Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Employee Expenses		82.03	81.89		42.43	42.36
R&M Expenses		42.77	43.03		6.72	6.74
A&G Expenses		33.66	33.03		69.05	68.16
Additional R&M Expenses from Non-DPR			0.66			0.05
O&M Expenses	136.41	158.46	158.61	125.37	118.2	117.32

3.5.33 The Commission notes that R&M Expenses incurred by TPC-D is less than 20% of the total O&M Expenses. The Provision of MYT Regulations 2019, clearly state that if R&M Expenses are below 20%, then such saving in R&M expenses shall not be off-set against other head of O&M expenses. Thus, the Commission has recomputed the approved O&M expenses as specified in the MYT Regulations, 2019 by reworking the actual O&M expenses considering 20% R&M expenses. Based on such revised O&M Expenses, the Commission has also undertaken sharing of efficiency losses / gains.

3.5.34 The sharing of efficiency gains and losses for O&M Expenses for FY 2023-24 between the normative and actual O&M expenses have been detailed in the subsequent paragraphs of this Section

3.6 CAPITALISATION

TPC-D's Submission

3.6.1 TPC-D has submitted the approved capitalisation in Tariff Order vis-a vis the actual capitalisation incurred during FY 2023-24 for Distribution Wire Business and Retail Supply Business. TPC-D has maintained DPR to Non-DPR ratio as per the applicable MYT Regulations.

3.6.2 The ratio of Non-DPR to DPR for the Distribution Wire Business works out to 17% and 11% for Retail Supply Business which is well within the ceiling limit of 20% ratio of Non-DPR to DPR.

3.6.3 The comparison of approved and actual capitalisation for FY 2023-24 is presented in the Table below:

Table 3-36: Capitalisation for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Non-DPR Schemes	152.48	24.75	33.50	2.58
DPR Schemes	17.91	146.08	3.50	23.98
Non-DPR/DPR Ratio	11.75%	17%	10.45%	11%
Total	170.39	170.83	37.00	26.56

3.6.4 Further. TPC-D submitted that, as per the Regulation 111.2 of the MYT Regulations, 2024, the Commission may determine additional or reduced area specific charges to reflect instances of high reinstatement charges. For the purpose of estimating the area specific charges on account of Re-instatement, TPC-D for FY 2023-24 has worked out the share of Re-instatement Charges in the total capitalisation. The same has been presented in table below:

Table 3-37: Share of Reinstatement Charges in Capitalisation as submitted by TPC-D (Rs. Crore)

Area	Capitalization FY 24	RI Charges	RI Charges recoverable	Direct Sale	Impact
	a	b	c=b*50%	d	e=c/d*10
	Rs. Crore	Rs. Crore	Rs. Crore	MU	Rs. /kWh
City	65.63	21.79	10.90	428.23	0.25
Suburb	99.33	23.62	11.81	3695.81	0.03
Grand Total	164.96	45.42	22.71	4124.04	

3.6.5 It is further submitted that the data above has been based on the capitalisation of one year. In order to determine such charges (i.e. area specific charges), TPC-D requested the Commission to consider more data which is relevant for the period FY 2025-26 to FY 2029-30 and hence the Commission may determine such charges during the proceedings of MTR which is due for submission in November, 2027.

Commission's Analysis and Ruling

3.6.6 The additional Capitalisation claimed by TPC-D falls under the two categories namely (i) Works approved by the Commission by way of in-principle approval of DPR and (ii) Non-DPR Works.

3.6.7 The Commission has verified the cost benefit analysis reports submitted by TPC-D for various DPR schemes as well as GFA audited certificate submitted along with the Petition. The Commission has examined the actual additional Capitalisation claimed by APL on the basis of Project Completion Reports submitted for FY 2023-24.

3.6.8 The details of DPR Scheme capitalisation approved by the Commission is as given below:

Table 3-38: DPR Scheme wise Capitalisation for FY 2023-24 (Rs. Crore)

DPR	MERC Approval	Approved value	Cumulative FY 2022-23	Capitalisation (Incl. IDC)	Approved
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for Providing fire protection system for Distribution Substation (DSS)	MERC/CAPEX/2017-18/4381 dt 17.10.2017	15.42	8.85	0.82	0.82
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for Replacement of fault prone underground cable section in Mumbai area	MERC/CAPEX/2017-18/4834 dt 06.12.2017	72.75	27.14	1.48	1.48
Distribution Activities in Mumbai City License Area for FY-16 & FY-17	MERC/CAPEX/FY2 016-17/0212	218.74	165.90	2.09	2.09
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for FY2018,2019,2020	MERC/CAPEX/2018-19/015 dt. 15.01.2019	350.70	303.63	5.66	5.66
DPR for Installation of DSS at Carnac Receiving station	MERC/CAPEX/2019-20/1217 dt. 23.12.2019	37.95	21.36	3.49	3.49
DPR for improvement of Reliability of Mumbai LA	MERC/CAPEX/2019-20/079 dt. 28.01.2020	37.38	10.90	4.70	4.70
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai suburban License Area for FY 20-21"	MERC/CAPEX/2020-21/Sub dtd. 19.10.2020	42.53	39.12	0.25	0.25
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai suburban License Area for FY 21-22"	MERC/CAPEX/2021-22/497 dated 10.11.2021	55.86	34.60	3.06	3.06
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai City License Area for FY 20-21"	MERC/CAPEX/2020-21/City dtd. 19.10.2020	27.40	1.23	10.15	10.15
Distribution Activities in Mumbai City License Area from FY 2021-22 to FY 2025-26	MERC/CAPEX/2021-22/506 dtd. 16.11.2021	130.24	10.93	38.88	38.88
Distribution Activities in Mumbai Suburban Area from FY 2020-21 to FY 2024-25	MERC/CAPEX/2021-22/573 dt. 30.12.2021	316.15	92.05	66.15	66.15
DPR of TPC-D for Installation of DSS at Antop Hill DSS and its associated Network Development in Ward A	MERC/CAPEX/2022-23/0367	29.78	0.00	9.36	9.36
Total Amount – Wire Business				146.08	146.08
In Principle clearance of TPC-D's scheme for advance Metering Infrastructure.	MERC/CAP/DPR/20122013/00654 DATED 21.06.12	33.36	23.81	0.03	0.00
Meter Procurement of Tata Power - D across Mumbai Area For FY 21 to FY25	MERC/CAPEX/2020-21/18092020	14.79	7.70	1.16	1.16
Procurement & Installation of smart meter as per proposed DPR	MERC/CAPEX/2019-20/106	59.75	56.91	2.61	2.61
DPR for Installation of Smart Meters	MERC/CAPEX/2022-23/0467	21.70	0.00	20.01	20.01
Procurement of Smart Meters (New Approved DPR)	MERC/CAPEX/FY2 023-24/0289	371.15	0.00	0.17	0.17
Total Amount – Supply Business				23.98	23.95
Total Amount – Distribution Business				170.06	170.03

- 3.6.9 The Commission observed that the amount capitalised in FY 2023-24 and as submitted by TPC-D are within the approval limit. However, with respect to the Scheme related advance metering of the infrastructure, the Commission notes that the Scheme was approved in 21 June, 2012 and was expected to be completed in FY 2014-15. TPC-D has not justified the reasons for delay in the completion of the scheme and therefore the Commission disallows the capitalisation of Rs 0.03 Crores in supply business.
- 3.6.10 Further, the Commission also observes that certain scheme approved from FY 2016-17 to FY 2019-20 are still ongoing and has been delayed to a larger extent though the cost overrun is not yet incurred and claimed by TPC-D. However, the Commission feels that such scheme cannot be ongoing for long time and either has to be completed or has to approach to the Commission for revised approval. Accordingly, the Commission directs TPC-D to complete all such delayed schemes approved between FY 2016-17 to FY 2019-20 by the end of FY 2025-26 and submit its project completion report at the time of filing MTR Petition. No capitalisation of such schemes would be allowed post the completion of FY 2025-26. Further, TPC-D may also close the said scheme and seek for revised approach from the Commission.
- 3.6.11 With respect to Non-DPR scheme, the Commission, as mentioned hereinabove has observed that some of the Non-DPR are of O&M in nature. Accordingly, the said schemes of Rs 0.71 Crore are reduced from Non-DPR schemes submitted by TPC-D, the details of which are provided in Table 3-34 of this Order. Accordingly, the Commission has approved the balance capitalisation of Non-DPR schemes of Rs 26.62 Crore for Truing-up of FY 2023-24, the details of which are outlined in the following table:

Table 3-39: Details of Non-DPR Scheme approved for FY 2023-24 (Rs. Crore)

Project Title	Amount
Proc of Health & Safety Equipment	0.11
Replace 33kv & 22 Kv Voltas Bkr	0.02
Test Inst CATUltr det Mob IR sen	0.12
Procurement of Condition Monitoring Equi	0.35
Provision of LT Tie cables between CSS -	0.25
22KV Trombay -Chembur Interconnection	0.10
Procurement of office equipment	0.27
Saki-Kurla 33 kV Interconnection	2.10
Relocation of Marwah Center CSS	0.16
Underground CSS_Parel	0.88
LT Network Strengthen at Mira Ind Estate	0.27
Additional 22 KV Feeder in 22 KV BDB-2 C	0.02
Interconnection between Suncity and Parle	0.11

Project Title	Amount
Replacement of failed TRF 750 KVA at Rah	0.29
Installation of FRTU	0.65
Purchase of Vehicles, for TPCL officers	1.67
Procurement of office equipment	0.23
Removal of 11kV Versova DSS F5-F6 back 2	0.29
Extension of Mezzanine Floor at ESIC DSS	0.59
Relocation of Feeder Pillar at Marwah Ro	0.15
Procurement of Equipment to improve qual	0.18
GIS Hardware & System Upgrade	3.88
11kV Interconnection of Vrindavan & Chem	0.38
Relocation of Feeder Pillar job at Marwa	0.02
LT Tie between IKP and Juhu natraj CSS V	0.04
HT Cable shifting, Karriuppa Bridge	1.42
Shifting of 22KV feeders from AIS to GIS c	0.16
22KV OH to U.G conversion-MCGM Maternity	3.09
Bypassing 22kV H frames at HPCL 1 & HPCL	0.08
Maint Office Set up at Mahalxmi 220KV GI	0.38
Replacement of failed TRF 750 KVA at GOP	0.01
D.0781427- Procurement of Health and safety equipment	0.03
CAPEX under HoSS	5.80
Total of Non DPR Scheme – Wire Business	24.10
Infrastructure at CRC	0.02
Procurement of office equipment	0.11
Common Mobile App for TPC Mumbai DISCOM	0.74
Office & Testing Equipment for MMG	0.03
Purchase of Vehicles, for Dist officers	0.38
RCM - New Laptop & Desktop Procurement	0.05
New Laptop/Desktop Procurement MMG	0.10
Procurement of Testing Equipment for MMG	0.37
CRC - New Laptop/Desktop & Equipment Pro	0.24
CAPEX under HoSS	0.48
Total of Non DPR Scheme – Supply Business	2.53
Total of Non DPR Scheme – Distribution Business	26.62

3.6.12 Further, the Commission also observed that the ratio of Non-DPR to DPR for the Distribution Wire Business works out to 16% and 11% for Retail Supply Business which is well within the ceiling limit of 20% ratio of Non-DPR to DPR.

3.6.13 Based on the above observation, the capitalisation allowed by the Commission for the Wires Business and Supply Business for FY 2023-24 is shown in the Table below:

Table 3-40: Capitalisation for FY 2023-24 approved by Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Capitalisation – Wire	170.39	170.83	170.14
Capitalisation – Retail	37.00	26.56	26.51
Total Capitalisation	207.39	197.39	196.65

3.7 DEPRECIATION

TPC-D's Submission

- 3.7.1 TPC-D has computed the Depreciation for FY 2023-24 at the rates specified in the MYT Regulations, 2019 as shown in the Table below:

Table 3-41: Depreciation for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Opening GFA	3065.63	3065.63	251.06	251.06
Addition	170.39	170.83	37.00	26.56
Retirement		(6.29)		(10.27)
Closing	3236.02	3230.17	288.06	267.35
Depreciation	146.53	142.84	21.76	19.51
Avg. Depreciation Rate	4.65%	4.54%	8.07%	7.53%

- 3.7.2 TPC-D submitted that the rate of depreciation computed for FY 2023-24 is lower as compared to rate of Depreciation approved by the Commission in the Tariff Order.

Commission's Analysis and Ruling

- 3.7.3 For computation of Depreciation for FY 2023-24, the Commission has considered the closing balance of GFA for Wires Business and Supply Business as approved in the final Truing-up of FY 2022-23 in the MTR Order, as opening balance of GFA for FY 2023-24. Capitalisation approved for FY 2023-24 in this Order, has been added to above opening GFA to arrive at closing GFA of FY 2023-24.
- 3.7.4 With respect to the Depreciation amount, it was observed that for certain block of assets, the accumulated depreciation is higher than 90% of the Gross Fixed Asset Value, however, as per Regulations 28.1 (c) of MYT Regulations 2019, it is clearly stated that depreciation shall be allowed upto a maximum of ninety per cent of the allowable capital cost of the asset. Accordingly, while calculating the depreciation amount, the Commission has restricted the depreciation amount to the extent of 90% of GFA.
- 3.7.5 Accordingly, the Commission has worked out Depreciation for Wires and Supply Business for FY 2023-24, as shown in the Table below:

Table 3-42: Depreciation for Wire Business and Supply Business for FY 2023-24

approved by Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening GFA	3065.63	3065.63	3,065.63	251.06	251.06	251.06
Addition	170.39	170.83	170.14	37.00	26.56	26.51
Retirement		(6.29)	-6.29		(10.27)	-10.27
Closing	3236.02	3230.17	3,229.49	288.06	267.35	267.30
Depreciation	146.53	142.84	140.64	21.76	19.51	19.66
Avg. Depreciation Rate	4.65%	4.54%	4.47%	8.07%	7.53%	7.59%

3.8 INTEREST ON LONG-TERM LOAN AND OTHER FINANCE CHARGES*TPC-D's Submission*

3.8.1 TPC-D submitted that TPC sources long-term loans at a Company level together for its Generation, Transmission and Distribution Businesses to have negotiation advantage to avail better terms and conditions. As per the first proviso to the Regulation 30.5 of MYT Regulations, 2019 and considering the actual loan draws, interest rates and the interest paid, the weighted average interest rate for FY 2023-24 works out to 9.02%.

3.8.2 TPC-D has claimed Other Finance Charges of Rs. 0.10 Crore for the Wire Business for FY 2023-24 on account of Finance Charges.

3.8.3 Based on the actual loan drawal, opening balance of loan equal to the closing balance of loan, weighted average interest rate, and considering loan repayment equal to depreciation, the computation of the Interest expenses for Wire Business and Supply Business of TPC-D for FY 2022-23 have been presented in the Table below.

Table 3-43: Interest on Loan for FY 2023-24 as submitted by TPC-D

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Opening Balance of Loan	821.90	821.90	56.96	56.96
Less: Reduction of Normative Loan due to retirement or replacement of assets		0.13		0.22
Drawals during the year	119.27	119.58	25.90	18.59
Loan Repayment during the year	146.53	142.84	21.76	19.51
Closing Balance of Loan	794.64	798.51	61.10	55.82
Interest Rate	7.91%	9.02%	7.91%	9.02%
Interest Expenses	63.93	73.06	4.67	5.08
Finance Charges		0.06		0.04
Total Interest & Finance Charges		73.12		5.12

Commission's Analysis and Ruling

3.8.4 For Truing up, the Commission has computed the interest on loan in accordance with Regulation 30 of the MYT Regulations, 2019. The Commission has considered the closing balance of Loan for Wires Business and Supply Business as approved in the final Truing-up of FY 2022-23 in the MTR Order as opening balance of Loan for FY 2023-24.

3.8.5 The addition in normative loan has been considered equal to the debt component of approved asset addition during the year. The repayments are considered equal to depreciation allowed during the year. The weighted average interest rate is to be worked out as per proviso of Regulation 30.5 of the MYT Regulations, 2019. Same is quoted as follows:

“Provided that at the time of Truing-up, the weighted average rate of interest computed on the basis of the actual long term loan portfolio during the concerned year shall be considered as the rate of interest”

3.8.6 The Commission has considered the rate equal to the weighted average interest rate of actual loans during the year, as per the provisions of the MYT Regulations, 2019. For computing the weighted average interest rate, the Commission has considered the average of the opening and closing balances of the loan and the actual interest paid during the year based on the documentary evidence and certificate from CA, as submitted by TPC-D and also available in the Audited Accounts to calculate the weighted average interest rate to be considered for computation of the interest on normative long-term loans.

3.8.7 TPC-D, in reply to the query raised by the Commission in respect of increase in interest rate from 7.91% as approved in MTR Order and 9.02% considered by TPC-D, it submitted that overall interest rates in the market have been increased compared to the FY 2022-23 and FY 2023-24. Further, the rate of 7.91% for FY 2023-24 was approved on the basis of the interest rate as applicable for Truing-up of FY 2022-23. The 1-year MCLR rate has increased from 7% to 8.65 % from 1 April, 2022 to 31 March, 2024 which shows the increasing trend of interest rate in the market. The Commission notes the submission of TPC-D and has considered interest rate of 9.02%.

3.8.8 The Commission has sought clarification for not considering the reduction of debt against the retirement of assets for FY 2023-24. TPC-D has clarified that the retired assets have depreciated more than 70%. In view of the same, TPC-D has not considered any impact of retirement of assets in debt. The Commission has noted the submission of the TPC-D and accordingly has not considered any reduction in the debt amount against the reduction of the assets.

- 3.8.9 Further, as submitted by TPC-D, the Commission has not approved Finance Charges of Rs. 0.26 Crore as TPC-D itself in its submission to data-gaps raised by the Commission has withdrawn the claim as these charges were due to interest on delayed payment towards Micro Small Medium Enterprise ‘MSME’ vendors. Accordingly, the balance finance charges of Rs. 0.10 Crore has been claimed and approved by the Commission.
- 3.8.10 The summary of Interest expenses on Long-Term Loan and other Finance Charges as submitted by TPC-D and as approved by the Commission after Truing up for FY 2023-24 is shown in the Table below:

Table 3-44: Interest Expenses for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening Balance of Loan	821.90	821.90	821.90	56.96	56.96	56.96
Less: Reduction of Normative Loan due to retirement or replacement of assets		0.13	0.13		0.22	0.22
Drawals during the year	119.27	119.58	119.10	25.90	18.59	18.56
Loan Repayment during the year	146.53	142.84	140.64	21.76	19.51	19.66
Closing Balance of Loan	794.64	798.51	800.23	61.10	55.82	55.63
Interest Rate	7.91%	9.02%	9.02%	7.91%	9.02%	9.02%
Interest Expenses	63.93	73.06	73.14	4.67	5.08	5.08
Finance Charges		0.06	0.06		0.04	0.04
Total Interest & Finance Charges		73.12	73.20		5.12	5.12

3.9 INTEREST ON WORKING CAPITAL (IOWC)

TPC-D's Submission

- 3.9.1 TPC-D submitted that it has computed IoWC for FY 2023-24 based on the elements specified in the Regulations 32.3 and 32.4 of the MYT Regulations, 2019 for the Wires Business and Supply Business.
- 3.9.2 TPC-D submitted that for arriving at the normative working capital requirement, TPC-D has subtracted the cost of power purchase from TPC-G, including RE generators.
- 3.9.3 For FY 2023-24, TPC-D has considered the interest rate of 10.07% at a rate equal to the weighted average Base Rate prevailing during the concerned Year plus 150 basis points as per MYT Regulations, 2019. Accordingly, IoWC for FY 2023-24 is worked out as shown in the Table below:

Table 3-45: IoWC for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
O&M Expenses for one month	11.37	11.33	10.45	10.41
Maintenance spares at 1% of opening GFA	30.66	30.66	2.51	2.51
One and half months of the expected Revenue from Distribution Business	56.01	55.98	450.11	437.34
Less:				
Amount of Security Deposit			573.80	348.37
One Month Equivalent of Cost of Power (excluding cost of purchase from TPC-G)			112.99	114.43
Total Working Capital requirement	98.03	97.97	(223.72)	(12.54)
Rate of Interest (% p.a)	10.05%	10.07%	10.05%	10.07%
Interest on Working Capital	9.85	9.86	-	-

Commission's Analysis and Ruling

3.9.4 The Commission has computed the IoWC for FY 2023-24 in accordance with the MYT Regulations, 2019.

3.9.5 The MYT Regulations, 2019 stipulate that the rate of IoWC shall be considered on normative basis and shall be equal to the weighted average Base Rate prevailing during the concerned year plus 150 basis points and accordingly the rate of IoWC has been considered as 10.07% for FY 2022-23. The said Regulation 32.3 and 32.4 of the MYT Regulations, 2019 is stated as under:

“....Provided that for the purpose of Truing-up for any year, interest on working capital shall be allowed at a rate equal to the weighted average Base Rate prevailing during the concerned Year plus 150 basis points.”.

3.9.6 The Commission sought information from TPC-D regarding the claim for additional Security Deposit in FY 2023-24 and the additional amounts actually received against these claims, which was submitted by TPC-D. As per TPC-D, it has raised claims for additional Security Deposit based on the average billing of the consumer as per Supply Code Regulations. However, there is the shortfall in receipt of Security Deposit vis-à-vis the claim for additional Security Deposit of Rs. 203.42 Crore and no action is taken by the Licensee for non-payment of the additional Security Deposit claim. Such non-payment of additional Security Deposit results in increasing the working capital requirement, thereby increasing the Interest on Working Capital, which is a costlier source of funds, as compared to the Security Deposit. The shortfall in receipt of Security Deposit has hence, been added to the amount of Security Deposit reported by TPC-D for the computation of the working capital requirement only. However, TPC-D is directed to ensure the compliance with the Supply Code Regulations.

3.9.7 The summary of the IoWC approved by the Commission after Truing-up for FY

2023-24 is shown in the Table below:

Table 3-46: IoWC for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
O&M Expenses for one month	11.37	11.33	11.33	10.45	10.41	10.41
Maintenance spares at 1% of opening GFA	30.66	30.66	30.66	2.51	2.51	2.51
One and half months of the expected Revenue from Distribution Business	56.01	55.98	55.98	450.11	437.34	437.34
Less:						
Amount of Security Deposit				573.80	348.37	551.77
One Month Equivalent of Cost of Power (excluding cost of purchase from TPC-G)				112.99	114.43	114.43
Total Working Capital requirement	98.03	97.97	97.97	(223.72)	(12.54)	(215.94)
Rate of Interest (% p.a)	10.05%	10.07%	10.07%	10.05%	10.07%	10.07%
Interest on Working Capital	9.85	9.86	9.86	-	-	-

3.10 INTEREST ON CONSUMERS' SECURITY DEPOSIT

TPC-D's Submission

3.10.1 TPC-D submitted that the actual Interest on Security Deposit is Rs. 18.59 Crore for FY 2023-24 and requested the Commission to approve the same.

Commission's Analysis and Ruling

3.10.2 For FY 2023-24, TPC-D has paid interest on Security Deposit as per the provisions specified in the MERC ((Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 at the RBI Bank Rate and in accordance with the provisions of the MYT Regulations, 2019 and is also reconciled with the audited accounts. Accordingly, the Commission approves the actual Interest on CSD for FY 2023-24 as shown in the following Table:

Table 3-47: Interest on Consumers' Security Deposit for FY 2023-24 for Supply Business approved by the Commission (Rs. Crore)

Particulars	Supply Business		
	MTR Order	TPC-D	Approved
Interest on Consumer Security Deposit	19.20	18.59	18.59

3.11 RETURN ON EQUITY

TPC-D's Submission

- 3.11.1 TPC-D submitted that it has computed the RoE for the Distribution Wire Business and the Retail Supply Business for FY 2023-24 in accordance with Regulations 29.1, 29.2, and 34.2 of the MYT Regulations, 2019.
- 3.11.2 As regards the applicable rate of Income Tax for TPC-D during FY 2023-24, TPC-D submitted that Section 115BAA was introduced by Taxation Laws (Amendment) Act 2019 w.e.f. 1 April 2020. As per this newly inserted provision, a choice was given to a domestic Company to shift to new simplified tax regime with effect from FY 2019-20. However, under the new tax regime, benefits of MAT credit and other exemptions are not allowed.
- 3.11.3 TPC-D has analysed that it will be beneficial to shift to new tax regime where the business is not eligible for deduction under Section 80 IA and MAT credit is not available. Accordingly, in the interest of consumers, TPC-D has decided to continue under old regime of tax for Distribution as MAT credit is available, which will result in lower tax outgo for the business and will ultimately benefit the consumers. Accordingly, effective Tax Rate of TPC-D works out to 25.17 %.
- 3.11.4 Further, as per MYT Regulations 2019, it is required that Generating Company or Licensee or MSLDC would calculate the effective tax rate without considering the impact of the actual tax paid on income from any other regulated or unregulated Business or Other Business of the entity. Hence, it is necessary to compute the effective tax rate for TPC-D strictly on a standalone basis considering TPC-D and other business of TPC as an independent legal entity.
- 3.11.5 Further, Regulations 29.8 and 29.9 of the MYT Regulations, 2019 provides an additional rate of return for the Wires Business and Supply Business, respectively based on the required performance.
- 3.11.6 Accordingly, the Wire Availability and the corresponding additional RoE for FY 2023-24 is as shown in the Table below:

Table 3-48: Additional RoE for Wires Business for FY 2023-24 as submitted by TPC-D

Year	SAIDI	Wire Availability	Additional RoE
FY 2023-24	4.24	99.95%	1.50%

- 3.11.7 The number of bills assessed in FY 2023-24 and the corresponding additional RoE is as shown below:

Table 3-49: Additional RoE for Supply Business on account of assessed bills for FY 2023-24 as submitted by TPC-D

Year	Total no. of bills issued in year	Total no. of assessed bills issued in year	Percentage of Assessed bills (%)	Additional RoE
FY 2023-24	91,01,579	20,658	0.23%	1.00%

3.11.8 TPC-D submitted that as seen from the above Table, the percentage of assessed bills is less than 1.5% in FY 2023-24. In view of above, TPC-D requested the Commission to allow the additional RoE of 1% for the Supply Business towards the percentage of assessed bills for FY 2023-24.

3.11.9 Further, Regulation 29.9 (c and d) of MYT Regulations, 2019 allows for an additional Rate of RoE for Supply Business based on overall Collection Efficiency. Accordingly, the overall Collection Efficiency for FY 2023-24 and the applicable Additional Rate of RoE is presented in the Table below:

Table 3-50: Overall Collection Efficiency for FY 2023-24 as submitted by TPC-D

Year	Collection Efficiency	Additional RoE
FY 2023-24	100.54%	1.00%

3.11.10 Based on the above, the rate of RoE including additional rate applicable for the Wires and Supply Business for FY 2023-24 is 15.5% and 17.5%, respectively. This rate has to be grossed up by the applicable Income Tax Rate to arrive at the rate of RoE for FY 2023-24. However, TPC-D has considered the ROE by grossing it up by Effective Tax Rate for FY 2023-24 as shown in Table below:

Table 3-51: Return on Equity for FY 2023-24 with MAT Rate as submitted by TPC-D (Rs. Crore)

Particulars	Wires Business		Supply Business	
	MTR Order	TPC-D Petition	MTR Order	TPC-D Petition
Regulatory Equity at the beginning of the year	924.72	924.72	75.51	75.51
Capitalised Assets during the year	170.39	170.83	37.00	26.56
Equity portion of expenditure on Capitalized Assets	51.12	51.25	11.10	7.97
Less: Equity portion of the asset decapitalized		-1.89		-3.08
Regulatory Equity at the end of the year	975.84	974.08	86.61	80.40
Rate of ROE	14.00%	20.71%	15.50%	23.39%
Total Return on Regulatory Equity	133.04	196.65	12.56	18.23

3.11.11 However, in the MTR order of TPC-D in Case No. 225 of 2022, the Commission

has not approved the Income tax for FY 2020-21 and FY 2021-22 saying that the Company as a whole, the tax liability is zero for FY 2020-21 and FY 2021-22. Accordingly, TPC-D has considered the ROE without grossing it up by Effective Tax Rate, for FY 2023-24 and FY 2024-25 based on the methodology approved by the Commission in the MTR Order in Case No. 225 of 2022. Further the said approach of the Commission has been challenged vide Appeal No 191 of 2024 before the Hon'ble ATE. Thus, the submission on Return on Equity with effective tax rate as ZERO is without prejudice to the rights and contentions of TPC-D in the said Appeal and its outcome. TPC-D will consider the impact of the outcome of the said judgment, if any, in its next Tariff filings.

Table 3-52: Return on Equity for FY 2023-24 as claimed by TPC-D (Rs. Crore)

Particulars	Wires Business		Supply Business	
	MTR Order	TPC-D Petition	MTR Order	TPC-D Petition
Regulatory Equity at the beginning of the year	924.72	924.72	75.51	75.51
Capitalised Assets during the year	170.39	170.83	37.00	26.56
Equity portion of expenditure on Capitalized Assets	51.12	51.25	11.10	7.97
Less: Equity portion of the asset decapitalized		-1.89		-3.08
Regulatory Equity at the end of the year	975.84	974.08	86.61	80.40
Rate of ROE	14.00%	15.50%	15.50%	17.50%
Total Return on Regulatory Equity	133.04	147.61	12.56	13.64

3.11.12 TPC-D submitted that till the applicability of MYT Regulations 2019, the Income Tax was being approved based on “Regulated Profit.”. Further, TPC-D submitted that the MYT Regulations, 2019 provides for a revised methodology for approving the income tax for utilities i.e. the method has been changed from “Regulatory profit before tax” to “Grossing up of Return on Equity”. Such change in methodology does not factor impact on deferred tax liabilities pertaining to previous years up to FY 2019-20 that may arise during this MYT Control Period and in future.

3.11.13 TPC-D submitted that, the above provision allows the Distribution Licensee to seek reimbursement of Income Tax only during the true-up exercise in the following scenarios:

- Regulatory assets created due to deferred revenues of the Licensees on account of controllable and uncontrollable factors applicable for the period prior to 31 March, 2020;
- Regulatory assets created due to orders of the Indian Governmental Instrumentality applicable for the period prior to 31 March, 2020;

3.11.14 Accordingly, TPC-D will seek reimbursement of Income Tax on matters applicable

for the period prior to March 31, 2020 as and when they are due for claim.

Commission's Analysis and Ruling

3.11.15 The RoE for the Wires Business and the Supply Business for FY 2023-24 has been computed in accordance with Regulations 29.1 and 29.2, and 34.2 of the MYT Regulations, 2019, as discussed below.

3.11.16 The Base Rate of RoE has been specified as 14% and 15.5% for the Wires Business and Supply Business, respectively, in the MYT Regulations, 2019.

3.11.17 Regulation 29.8 of the MYT Regulations, 2019 provides an additional rate of return for the Wires Business, as reproduced below:

“29.8 In case of Distribution Wires Business, an additional rate of Return on Equity shall be allowed on Wires Availability at the time of true-up as per the following schedule:

- a) The target Wires Availability for recovery of base rate of return on equity shall be 95 percent for MSEDCL and 98% for other Distribution Licensees;*
- b) For every 0.50% over-achievement in Wires Availability, rate of return shall be increased by 0.50%, subject to ceiling of additional rate of Return on Equity of 1.50%;*
- c) Wires Availability shall be computed in accordance with the following formula:*

Wires Availability = (1 - (SAIDI / 8760)) x 100:..”

3.11.18 Similarly, Regulation 29.9 of the MYT Regulations, 2019, provides for an additional Rate of RoE for the Supply Business, as reproduced below:

“29.9 In case of Retail Supply Business, an additional rate of Return on Equity shall be allowed at the time of true-up, as per the following schedule:

- a) If the percentage of assessed bills is less than 1.5% of the total number of bills issued during the year, then rate of return shall be increased by 1%;*
- b) If the percentage of assessed bills is more than 1.5% of the total number of bills issued during the year, for every 0.5% reduction in the percentage of assessed billing, rate of return shall be increased by 0.25%, subject to ceiling of additional rate of Return on Equity of 1.00%.*

- c) *If overall collection efficiency for the year is above 99 %, then rate of return shall be increased by 1%;*
- d) *If overall collection efficiency for the year is below 99 %, for every 0.5% improvement in the overall collection efficiency, rate of return shall be increased by 0.25%, subject to ceiling of additional rate of Return on Equity of 1.00%.”*

3.11.19 The Commission has scrutinised the SOP Reports and verified the claim of SAIDI and Wires Availability submitted by TPC-D. Accordingly, the Wires Availability and the corresponding additional RoE for FY 2023-24 is as shown in the Table below:

Table 3-53: Additional RoE for Wires Business for FY 2023-24 as approved by the Commission

Year	SAIDI	Wires Availability	Additional RoE
FY 2023-24	4.24	99.95%	1.50%

3.11.20 As regards the number of assessed bills in FY 2023-24, the same is within the limit of 1.5% specified in the MYT Regulations, 2019, and hence, TPC-D is entitled to the full additional RoE of 1% for FY 2022-23.

3.11.21 Further, Regulation 29.9 (c and d) allows for an additional Rate of RoE for Supply Business based on overall Collection Efficiency. As the overall Collection Efficiency for FY 2023-24 is higher than 99% and also TPC-D has submitted the CA certificate highlighting the collection efficiency as 100.54%. Therefore, TPC-D is entitled to the additional RoE of 1.00%.

3.11.22 Based on the above, the rate of RoE including additional rate applicable for the Wires Business and Supply Business for FY 2023-24 works out to 15.5% and 17.5%, respectively.

3.11.23 Regulation 34 of the MYT Regulations, 2019 provides for pre-tax RoE to be computed for FY 2022-23 as reproduced below:

“34.1 The Income Tax for the Generating Company or Licensee or MSLDC for the regulated business shall be allowed on Return on Equity, including Additional Return on Equity through the Tariff charged to the Beneficiary/ies, subject to the conditions stipulated in Regulations 34.2 to 34.6:

...

34.2 The rate of Return on Equity, including additional rate of Return on Equity as allowed by the Commission under Regulation 29 of these Regulations shall be grossed up with the effective tax rate of respective financial year.

...

34.4 *The effective tax rate shall be considered on the basis of actual tax paid in respect of financial year in line with the provisions of the relevant Finance Acts by the concerned Generating Company or Licensee or MSLDC, as the case may be:*

Provided that, in case of the Generating Company or Licensee or MSLDC has engaged in any other regulated or unregulated Business or Other Business, the actual tax paid on income from any other regulated or unregulated Business or Other Business shall be excluded for the calculation of effective tax rate:

Provided further that effective tax rate shall be estimated for future year based on actual tax paid as per latest available Audited accounts, subject to prudence check....”(emphasis added)

3.11.24 As per the P&L statement submitted in the reconciliation report, the actual current Income Tax for FY 2023-24 for the Company as a whole is NIL. Further, as per the Income Tax Return Acknowledgement of the Company for the Assessment Years 2024-25, viz., FY 2023-24, the actual Income Tax payable by TPC is shown as zero. Also, in line with the approach as adopted by the Commission in MTR Order, TPC-D has considered the effective tax rate as ZERO and has claimed RoE without grossing up with the MAT rate.

3.11.25 As the actual tax payable by TPC (Company as a whole) is zero, the effective rate as per the provisions of Regulations works out to '0'. Therefore, the Commission deems it prudent to consider effective tax rate of 0% for FY 2023-24.

3.11.26 Accordingly, the RoE rate has been grossed up by the applicable Income Tax Rate to arrive at the rate of RoE for FY 2023-24 as shown in the Table below:

Table 3-54: Rate of Pre-tax Return for FY 2023-24 as approved by the Commission

Particulars	Wire Business		Supply Business	
	TPC-D	Approved	TPC-D	Approved
Wires Availability > 98%	1.50%	1.50%		
Percentage of assessed bills <1.5%			1.00%	1.00%
Collection Efficiency >99%			1.00%	1.00%
Total Additional RoE	1.50%	1.50%	2.00%	2.00%
Base RoE	14.00%	14.00%	15.50%	15.50%
Total RoE	15.50%	15.50%	17.50%	17.50%
Effective Tax Rate	0%	0%	0%	0%
Rate of pre-tax RoE	15.50%	15.50%	17.50%	17.50%

3.11.27 As regards the impact of retirement of assets in the computation of RoE for FY

2023-24, the Commission has considered the impact of asset retirement by reducing the equity equivalent to 30 % of value of the assets retired during the year.

3.11.28 Accordingly, the RoE for the Wires Business and Supply Business of TPC-D for FY 2023-24 are computed as shown in the Table below:

Table 3-55: Return on Equity for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Regulatory Equity at the beginning of the year	924.72	924.72	924.72	75.51	75.51	75.51
Capitalised Assets during the year	170.39	170.83	170.14	37.00	26.56	26.51
Equity portion of expenditure on Capitalized Assets	51.12	51.25	51.04	11.10	7.97	7.95
Less: Equity portion of the asset decapitalized		-1.89	-1.89		-3.08	-3.08
Regulatory Equity at the end of the year	975.84	974.08	973.88	86.61	80.40	80.38
Rate of ROE	14.00%	15.50%	15.50%	15.50%	17.50%	17.50%
Total Return on Regulatory Equity	133.04	147.16	147.14	12.56	13.64	13.64

3.12 PROVISION FOR BAD AND DOUBTFUL DEBTS

TPC-D's Submission

3.12.1 TPC-D has made a provision of Rs. 5.65 Crore and Rs. 4.75 Crore towards Bad and doubtful debts for the Wire Business and Supply Business amounting to total of Rs 10.40 Crore for FY 2023-24.

Commission's Analysis and Ruling

3.12.2 As per the provisions of the Regulation 76 and 85 of the MYT Regulations, 2019, the Commission may allow provisioning of bad and doubtful debts up to 1.5% of the amount shown as receivables in the Audited Accounts.

3.12.3 TPC-D has claimed Rs 5.65 Crore for Wire business and Rs. 4.75 Crore in Supply business. Based on the query raised by the Commission, TPC-D replied that as per accounting policy of the company, the provisions for bad & doubtful debts are made against receivables, security deposits and loans & advances etc.

3.12.4 The Commission has verified the provision for bad and doubtful debts from the audited annual accounts. It is observed that TPC-D has claimed the amount for which provision has been done in Accounts. However, as per the audited accounts, the actual debt written off is Rs 0.04 Crore.

3.12.5 As per first proviso of Regulation 76 and 85 of MYT Regulations, 2019, the Commission shall True up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts during the year, subject to the above ceiling of 1.5% of the amount shown as Trade Receivables or Receivables after prudence check. Accordingly, the Commission has considered the bad debts actually written off as per the Annual accounts for FY 2023-24.

3.12.6 Accordingly, the Commission has approved the provision for bad and doubtful debts for FY 2023-24 as shown in the following Table:

Table 3-56: Provision for Bad & Doubtful Debts for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Provisions for Bad and Doubtful Debts	-	5.65	-	-	4.75	0.04

3.13 DSM EXPENDITURE

TPC-D's Submission

3.13.1 TPC-D submitted that it has incurred actual expenditure against Demand Side Management (DSM) Schemes of Rs. 0.47 Crore FY 2023-24 as against Rs. 0.52 Crore approved in the MTR Order.

Commission's Analysis and Ruling

3.13.2 In response to the query raised by the Commission, TPC-D has submitted the expenditure on each DSM Program and also the same has been verified with the approval of the Commission. The details of the scheme and the expenditure incurred by TPC-D as per the data provided is outlined as below:

Table 3-57: Details of DSM Expenditure (Rs. Crore)

Sr.	DSM Program	Activities	Expenditure
1.	Energy Audit	Rebate to Consumers	0.04
2.	Ceiling Fan		0.04
3.	Refrigerator		0.23
4.	AC		0.15
5.	LED Tube Light		0.01
		Expenditure towards DSM Scheme	0.47

3.13.3 Accordingly, the Commission approves the actual expenditure against DSM Schemes incurred by TPC-D of Rs. 0.47 Crore in the Truing-up for FY 2023-24 as shown in the Table below:

Table 3-58: DSM expenditure approved for FY 2023-24 by the Commission (Rs. Crore)

Particulars	Supply Business		
	MTR Order	TPC-D	Approved
DSM Scheme Cost	0.52	0.47	0.47

3.14 CONTRIBUTION TO CONTINGENCY RESERVE

TPC-D's Submission

- 3.14.1 TPC-D has considered the Contribution to Contingency Reserves for the Wire Business and Supply Business in accordance with Regulation 35 of the MYT Regulations, 2019. TPC-D has proposed Nil contribution to Contingency Reserve for FY 2022-23 for the Wire business to reduce the cost burden on the consumer which the Commission has approved in the MTR Order. The summary of Contribution to Contingency Reserve for FY 2023-24 as submitted by TPC-D is as follows:

Table 3-59: Contribution to Contingency Reserve for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2022-23	
	Wire	Supply
Opening GFA	3065.63	251.06
% Contingency Reserve	0.25%	0.25%
Opening Balance of CR	58.16	4.77
Maximum Permissible Reserve	153.28	12.55
Contribution to Contingency Reserve	0.00	0.63
Closing Balance till 31 st March, 2023	58.16	5.40

Commission's Analysis and Ruling

- 3.14.2 As per MYT Regulations, 2019, the provision for Contingency Reserves for a year shall be between 0.25% and 0.5% of the original cost of fixed assets. In its MYT Petition, TPC-D proposed not to recover contribution to Contingency Reserve for its Wires Business for FY 2023-24. Hence, for FY 2023-24, the Commission had considered a provision of 0.25% only for the Supply Business.
- 3.14.3 Based on the audited accounts, the Commission has approved the Contribution to Contingency Reserves for the Wires Business and Supply Business for FY 2023-24 at 0.25% of the approved value of the Opening GFA for the respective businesses, as shown in the Table below:

Table 3-60: Contribution to Contingency Reserve for FY 2023-24 approved by Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening Balance of GFA	3065.63	3065.63	3065.63	251.06	251.06	251.06
% Contribution	0.00%	0.00%	0.00%	0.25%	0.25%	0.25%
Contribution to Contingency Reserves	-	-	-	0.63	0.63	0.63

3.15 NON-TARIFF INCOME

TPC-D's Submission

3.15.1 TPC-D submitted that the Non-Tariff Income (NTI) for FY 2023-24 as shown in the Table below:

Table 3-61: Non-Tariff Income for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Non-Tariff Income	4.84	6.08	7.98	5.80

Commission's Analysis and Ruling

3.15.2 TPC-D has earned Non-Tariff Income in FY 2023-24 from interest on contingency reserve investments, interest on other investments, sale of scrap, service connection charges, and rental income.

3.15.3 The Commission has accepted TPC-D's submission and accordingly approved the Non-Tariff Income for FY 2023-24 as shown in the Table below:

Table 3-62: Non-Tariff Income for FY 2023-24 approved by Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Non-Tariff Income	4.84	6.08	6.08	7.98	5.80	5.80

3.16 SHARING OF GAINS AND LOSSES

3.16.1 Regulation 10 and 11 of the MYT Regulations, 2019 provides the methodology for sharing of Gains and Losses. Accordingly, the Gains and Losses on account of controllable factors has been computed and the sharing between the beneficiaries and TPC-D has been carried out as part of Truing-up exercise of FY 2023-24.

TPC-D's Submission**O&M Expenses**

- 3.16.2 Efficiency Gains/(Losses) and its sharing on account of O&M Expenses after Truing-up is governed by MYT Regulations, 2019.
- 3.16.3 TPC-D has submitted that R&M expenses in case of Wire Business is higher than 20% of O&M expenses, and is 26.99% of O&M expenses for FY 2023-24. In case of Supply Business, the R&M expenses is significantly lower than 20% of O&M expenses, and is 5.69% of O & M expenses for FY 2023-24.
- 3.16.4 On a combined basis, the R&M expenses of TPC-D is 18.59% of total O & M expenses. The effective shortfall in R&M expenses for the combined Wire Business and Supply Business works out to Rs. 3.68 Crore.
- 3.16.5 According to the Regulation 75.6 of MYT Regulations, 2019, the Licensee should not benefit from such savings in R&M expenses. Hence, the TPC-D has restated the actual R&M expenses of the Supply Business to make up the shortfall up to 20% of O&M expenses, as the R&M expenses of the Wire Business is in excess of 20% of O&M expenses. The computations are shown in the Table below:

Table 3-63: Treatment of R&M Expenses being lower than 20% of O&M Expenses in FY 2022-23 (Rs. Crore)

Particulars	TPC-D
R&M - Wire Business	42.77
O&M - Wire Business	158.46
R&M as % of O&M - Wire Business	26.99%
R&M - Supply Business	6.72
O&M - Supply Business	118.20
R&M as % of O&M - Supply Business	5.69%
R&M Combined Wire + Supply Business	49.50
O&M Combined Wire + Supply Business	276.66
R&M as % of O&M - Combined Wire + Supply Business	17.89%
R&M Expenses @20% of O&M Expenses	55.33
Shortfall in R&M Expenses	5.84
Restated R&M Expenses of Supply Business	12.56

Particulars	TPC-D
Actual Employee Expenses of Supply Business	42.43
Actual A & G Expenses of Supply Business	69.05
Restated Actual O&M Expenses of Supply Business	124.04
Normative O & M Expenditure for Supply Business	124.97
Gain/(Loss) in O&M Expenses for Supply Business	0.94

- 3.16.6 TPC-D further submitted that the Municipal Corporation of Greater Mumbai issued a circular regarding levy of access charges on various external utilities agencies, and issued demand notices with respect to these charges to the tune of Rs. 1.34 Crore in FY 2023-24. As this is uncontrollable expenditure the claim would be over and above Normative expenditure. The same has been considered as per the provision in the MYT Regulation, 2019 while computing the Net entitlement. Accordingly, Net entitlement of O&M Expenses after sharing of gains and losses for FY 2023-24 is shown in the Table below:

Table 3-64: Computation of Gain/(Loss) on O&M Expenses for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire	Supply
Normative O&M Expenses	136.00	124.97
Actual O&M Expenses	158.46	124.04
Uncontrollable Expenses - Access Charges	1.34	
Efficiency Gain/(Loss)	(21.12)	0.94
Efficiency Gain/(Loss) shared with Consumers	(7.04)	0.62
Net Entitlement	144.38	124.35

Interest on Working Capital

- 3.16.7 Regulation 32.6 of the MYT Regulations, 2019 specifies that the variation between normative IoWC and actual IoWC shall be shared between the Licensee and beneficiaries.
- 3.16.8 TPC-D has availed short term loans during FY 2023-24 for the purpose of funding the working capital requirement. Since, the Working Capital is funded at a combined level for Distribution, the actual interest incurred on the short-term loan has been bifurcated between the Wire Business and Supply Business in the ratio of their respective normative Working Capital requirement. Considering the same, TPC-D has computed the sharing of Gain / (Loss) on account of IoWC as follows:

Table 3-65: Computation of Gain/(Loss) on IoWC for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire	Supply
Normative IoWC	9.86	0.00
Actual IoWC	9.86	27.93
Efficiency Gains/(Losses)	0.00	(27.93)
Efficiency Gains/(losses) to be passed on to the consumers	0.00	(9.31)
Net Entitlement of IoWC	9.86	9.31

Commission's Analysis and Ruling**O&M Expenses**

3.16.9 Efficiency Gains/(Losses) and its sharing on account of O&M Expenses after Truing-up is governed by MYT Regulations, 2019, which specifies as under, for the Wires Business and Supply Business:

“75.6 In case the expenditure on Repairs & Maintenance falls below 20% of total O&M expenses allowed under these Regulations, then such savings in Repairs & Maintenance shall not be set off against other heads of O&M expenses: ...”

3.16.10 The Commission has verified whether the R&M expenses of the Wires Business, Supply Business, and combined Wires Business and Supply Business is up to 20% of the total O&M expenses of the respective businesses. It is observed that the R&M expenses in case of Wires Business are higher than 20% of O&M expenses whereas in case of Supply Business, the R&M expenses is significantly lower than 20% of O&M expenses at 5.79%. On a combined basis, the R&M expenses of TPC-D are 18.29% of the total O&M expenses. The Commission while computing R&M expenses have also added Non-DPR schemes held to be R&M in nature as mentioned herein above. Accordingly, the effective shortfall in R&M expenses works out to Rs. 4.70 Crore for FY 2023-24.

3.16.11 The MYT Regulations, 2019 specify that the Licensee should not benefit from such savings in R&M expenses. Hence, the Commission has restated the actual R&M expenses of the Supply Business to make up the shortfall up to 20% of O&M expenses, as the R&M expenses of the Wires Business is more than 20% of O&M expenses. The computations are shown in the Table below:

Table 3-66: Treatment of R&M Expenses being lower than 20% of O&M Expenses in FY 2023-24

Particulars	TPC-D	Approved
R&M - Wires Business	42.77	43.69
O&M - Wires Business	158.46	158.61
R&M as % of O&M - Wires Business	26.99%	27.54%
R&M - Supply Business	6.72	6.80
O&M - Supply Business	118.20	117.32
R&M as % of O&M - Supply Business	5.69%	5.79%
R&M Combined Wires + Supply Business	49.50	50.48
O&M Combined Wires + Supply Business	276.66	275.93
R&M as % of O&M - Combined Wires + Supply Business	17.89%	18.29%
R&M Expenses @20% of O&M Expenses	55.33	55.19
Shortfall in R&M Expenses	5.84	4.70
Restated R&M Expenses of Supply Business	12.56	11.50
Restated Actual O&M Expenses of Supply Business	124.04	122.02
Normative O&M expenses of Supply Business	124.97	124.96
Gain/(Loss) in O&M Expenses	0.94	2.94

3.16.12 With respect to prayer of TPC-D to consider the levy of access charges on various external utilities as uncontrollable expenditure, the Commission is of the view that such cost is controllable and is being levied by MCGM since past so many years and cannot be termed as uncontrollable. The similar stand has been considered by the Commission in MTR Order and accordingly, the Commission has not considered the access levy charges as uncontrollable as sought for by TPC-D.

3.16.13 Accordingly, Net entitlement of O&M Expenses as approved by the Commission after sharing of gains and losses for FY 2023-24 is shown in Table below:

Table 3-67: Sharing of (Gains)/losses on account of O&M Expenses for FY 2023-24 approved by Commission (Rs. Crore)

Particulars	Wire Business		Supply Business	
	TPC-D	Approved	TPC-D	Approved
Normative O&M Expenses	136.00	135.98	124.97	124.96
Actual O&M Expenses	158.46	157.96	118.20	117.27
Uncontrollable Expenses - Access Charges	1.34			
Additional R&M Expenses from Non DPR		0.66*		0.05
Impact of Shortfall in R&M Expenses			5.84	-\$
Adjusted Actual Expenses	157.12	157.96	124.04	122.02

Particulars	Wire Business		Supply Business	
	TPC-D	Approved	TPC-D	Approved
Efficiency Gain/(Loss)	(21.12)	(21.98)	0.94	2.94
Efficiency Gain/(Loss) shared with Consumers	(7.04)	(7.33)	0.62	0.98
Net Entitlement	144.38	143.96	124.35	118.30

*-As Actual Cost is higher than normative, additional R&M Expenses are not considered for sharing purpose.

\$-Impact of shortfall in R&M expenses is calculated only for calculation of Efficiency Gain / Loss.

Interest on Working Capital

3.16.14 As regards sharing of efficiency gains on account of IoWC, TPC-D has submitted that total actual IoWC is Rs. 37.79 Crore of which Rs. 9.86 Crore and Rs. 27.93 Crore is allocated to Wires Business and Supply Business, respectively.

3.16.15 Based on the query raised by the Commission, TPC-D has stated that it has accounted Rs. 7.37 Crore towards the Delayed Payment Charges (DPC) and accordingly, the same has been deducted from the actual IoWC for computing the Gain/(Losses) for the IoWC for FY 2023-24 as per first proviso of Regulations 32.6 of MYT Regulations 2019.

Provided that the Delayed Payment Surcharge and Interest on Delayed Payment as per books of accounts of the Generating Company or Licensee or MSLDC shall be deducted from the actual interest on working capital, before sharing of the efficiency gain or efficiency loss, as the case may be:

3.16.16 Accordingly, the actual Net Interest on Working Capital loan after adjusting DPC amount is Rs. 30.42 Crore. The Commission has computed the Efficiency Gains/(Losses) and its sharing on account of IoWC, after considering the Net interest amount between the Wires Business and Supply Business as per the working capital requirement resulting in the whole actual interest on working capital loan adjusted against the Wire business as normative working capital requirement of Supply business is NIL as shown in the Table below:

Table 3-68: Sharing of (Gains)/losses on account of IoWC for FY 2023-24 approved by Commission (Rs. Crore)

Particulars	Wire Business		Supply Business	
	TPC-D	Approved	TPC-D	Approved
Normative IoWC	9.86	9.86	0.00	0.00
Actual IoWC	9.86	9.86	27.93	20.56
Efficiency Gains/(Losses)	0.00	0.00	-27.93	20.56
Efficiency Gains/(losses) to be passed on to the consumers	0.00	0.00	-9.31	(6.85)
Net Entitlement of IoWC	9.86	9.86	9.31	6.85

3.17 AGGREGATE REVENUE REQUIREMENT

TPC-D's Submission

3.17.1 The ARR for the Wire Business, as submitted by TPC-D for FY 2023-24 is as follows:

Table 3-69: ARR for Wire Business for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business	
	MTR Order	TPC-D
Operation & Maintenance Expenses	136.41	144.38
Depreciation	146.53	142.84
Interest on Loan Capital	63.93	73.12
Interest on Working Capital	9.85	9.86
Interest on deposit from Consumers and Distribution System Users	-	-
Provision for bad and doubtful debts	0.00	5.65
Contribution to contingency reserves	-	-
Total Revenue Expenditure	356.72	375.86
Add: Return on Equity Capital	133.04	147.16
Aggregate Revenue Requirement	489.76	523.02
Less: Non-Tariff Income	4.84	6.08
Less: Income from OA consumers	24.02	28.37
Aggregate Revenue Requirement from Distribution Wire Business	460.91	488.57

3.17.2 The ARR for the Supply Business as submitted by TPC-D for FY 2023-24 is as follows:

Table 3-70: ARR for Supply Business for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Supply Business	
	MTR Order	TPC-D
Power Purchase Expenses	3015.11	2999.81
Operation & Maintenance Expenses	125.37	124.35
Depreciation	21.76	19.51
Interest on Loan Capital+ Other Finance Charges	4.67	5.13
Interest on Working Capital	0	9.31
Interest on Consumer Security Deposit	19.2	18.59
Write-off of Provision for bad and doubtful debts	0	4.75
Contribution to contingency reserves	0.63	0.63
Intra-State Transmission Charges	277	335.26
MSLDC Fees & Charges	1.02	1.02
Stand By charges	60.39	52.98
Incentive on RPO -for FY 23 and FY 24		24.42
DSM Expense	0.52	0.47
Total Revenue Expenditure	3,525.67	3,596.23

Particulars	Supply Business	
	MTR Order	TPC-D
Add: Return on Equity Capital	12.56	13.64
Aggregate Revenue Requirement	3,538.23	3,609.87
Less: Non-Tariff Income	7.98	5.80
Less: Receipts on account of Cross-Subsidy Surcharge	18.68	11.71
Aggregate Revenue Requirement from Retail Supply	3,511.57	3,592.37

Commission's Analysis and Ruling

3.17.3 Based on the above analysis, the Commission approves the ARR for the Wire Business of TPC-D after Truing-up for FY 2023-24 as shown in the following Table:

Table 3-71: ARR for Wire Business for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Operation and Maintenance Expenses	136.41	144.38	143.96
Depreciation	146.53	142.84	140.64
Interest on Loan Capital	63.93	73.12	73.20
Interest on Working Capital	9.85	9.86	9.86
Interest on deposit from Consumers and Distribution System Users	-	-	-
Provision for bad and doubtful debts	0.00	5.65	-
Contribution to contingency reserves	-	-	-
Total Revenue Expenditure	356.72	375.86	367.66
Add: Return on Equity Capital	133.04	147.16	147.14
Aggregate Revenue Requirement	489.76	523.02	514.80
Less: Non-Tariff Income	4.84	6.08	6.08
Less: Income from OA consumers	24.02	28.37	28.37
Aggregate Revenue Requirement from Distribution Wire Business	460.91	488.57	480.36

3.17.4 The ARR approved by the Commission for TPC-D's Wire Business after Truing-up for FY 2023-24 is slightly lower than that claimed by TPC-D mainly due to lower O&M expense, Depreciation and higher Interest on Working capital allowed by the Commission.

3.17.5 The approved ARR for the Supply Business of TPC-D after Truing-up for FY 2023-24 is shown in the following Table:

Table 3-72: ARR for Supply Business for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Tariff Order	TPC-D	Approved
Power Purchase Expenses	3015.11	3,001.03*	3,000.91
Operation & Maintenance Expenses	125.37	124.35	118.30

Particulars	Tariff Order	TPC-D	Approved
Depreciation	21.76	19.51	19.66
Interest on Loan Capital+ Other Finance Charges	4.67	5.13	5.12
Interest on Working Capital	0	9.31	6.85
Interest on Consumer Security Deposit	19.2	18.59	18.59
Write-off of Provision for bad and doubtful debts	0	4.75	0.04
Contribution to contingency reserves	0.63	0.63	0.63
Intra / Inter State Transmission Charges	277	335.26*	335.26
MSLDC Fees & Charges	1.02	1.02	1.02
Standby Charges	60.39	51.77*	51.77
Incentive on RPO -for FY 23 and FY 24		24.42	14.14
DSM Expense	0.52	0.47	0.47
Total Revenue Expenditure	3,525.67	3,596.23	3,572.75
Add: Return on Equity Capital	12.56	13.64	13.64
Aggregate Revenue Requirement	3,538.23	3,609.87	3,586.39
Less: Non-Tariff Income	7.98	5.80	5.80
Less: Receipts on account of Cross-Subsidy Surcharge	18.68	11.71	11.71
Aggregate Revenue Requirement from Retail Supply	3,511.57	3,592.37	3,568.88

*GNA charges included in Transmission charges and cost of standby power in power purchase cost.

3.17.6 The ARR approved by the Commission for TPC-D's Supply Business after Truing-up for FY 2023-24 is lower than that claimed by TPC-D mainly due to lower O&M expenses, 'nil' IoWC allowed by the Commission.

3.17.7 The approved combined ARR for the Wire and Supply Business of TPC-D after Truing-up for FY 2023-24 is shown in the following Table:

Table 3-73: ARR for Wire and Supply Business for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Power Purchase Expenses	3,015.11	3,001.03	3,000.91
Operation & Maintenance Expenses	261.78	268.73	262.95
Depreciation	168.29	162.36	160.30
Interest on Loan Capital+ Other Finance Charges	68.60	78.25	78.32
Interest on Working Capital	9.85	19.17	16.72
Interest on Consumer Security Deposit	19.20	18.59	18.59
Write-off of Provision for bad and doubtful debts	-	10.40	0.04
Contribution to contingency reserves	0.63	0.63	0.63
Intra-State Plus Inter State Transmission Charges	277.00	335.26	335.26
MSLDC Fees & Charges	1.02	1.02	1.02
Stand By charges	60.39	51.77	51.77
Income Tax			
DSM Expense	0.52	0.47	0.47

Particulars	MTR Order	TPC-D	Approved
Incentive on RPO -for FY 23 and FY 24	-	24.42	14.14
Total Revenue Expenditure	3,882.39	3,972.09	3,940.41
Add: Return on Equity Capital	145.60	160.80	160.78
Aggregate Revenue Requirement	4,027.99	4,132.89	4,101.19
Less: Non-Tariff Income	12.82	11.87	11.87
Less: Income from OA consumers	24.02	28.37	28.37
Less: Receipts on account of Cross-Subsidy Surcharge	18.68	11.71	11.71
Add: Past Gap allowed in MYT Order	-	-	-
Aggregate Revenue Requirement from Distribution business	3,972.48	4,080.94	4,049.24

3.18 REVENUE FROM SALE OF ELECTRICITY

TPC-D's Submission

3.18.1 The revenue recovered by TPC-D in FY 2023-24 for Distribution Business is as shown in the Table below:

Table 3-74: Revenue of Distribution Business for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	MTR- Order	TPC-D
Revenue - Supply Business	3,235.41	3487.00
Revenue Wheeling Charges	424.03	419.48
Revenue from OA (Wheeling Charges)	24.02	28.37
Revenue from OA (CSS)	18.68	11.71
Total	3,702.14	3946.56

3.18.2 Further, TPC-D has recovered Rs. 11.71 Crore towards Cross Subsidy Surcharge (CSS) and Rs. 28.37 Crore towards wheeling charges from OA consumers.

3.18.3 In addition, TPC-D has recovered Transmission Charges of Rs. 26.66 Crore which has been remitted to the State Transmission Utility (STU) in accordance with the Commission's directions, and has hence, not been considered as Revenue for FY 2023-24.

Commission's Analysis and Ruling

3.18.4 The Commission has verified the actual revenue in FY 2023-24 based on detailed revenue sheets submitted by TPC-D.

3.18.5 Based on the above submission, the Commission approves the revenue from sale of power in the Truing-up for FY 2023-24 as shown in the following Table:

Table 3-75: Revenue of Distribution Business for FY 2023-24 as approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Revenue - Supply Business	3,235.41	3487.00	3487.00
Revenue Wheeling Charges	424.03	419.48	419.48
Revenue from OA (Wheeling Charges)	24.02	28.37	28.37
Revenue from OA (CSS)	18.68	11.71	11.71
Total	3,702.14	3946.56	3946.56

3.19 REVENUE GAP/(SURPLUS)**TPC-D's Submission**

3.19.1 The Revenue Gap / (Surplus) as submitted by TPC-D for FY 2023-24 for the Wire Business and Supply Business is as shown in the Tables below:

Table 3-76: Revenue Gap/(Surplus) for Distribution Business for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business		Combined	
	MTR Order	TPC-D	MTR Order	TPC-D	MTR Order	TPC-D
Standalone ARR FY 2023-24	460.91	488.57	3511.57	3592.37	3972.48	4080.94
Revenue Recovered	424.03	419.48	3235.41	3487.00	3659.44	3906.48
Gap/ (Surplus) for FY 2023-24	36.88	69.09	276.16	105.37	313.04	174.46

Commission's Analysis and Ruling

3.19.2 Considering the approved components of ARR and Revenue for FY 2023-24, the Commission has approved the Revenue Gap/(Surplus) for the Wire Business and Supply Business after Truing-up of FY 2023-24 as shown in the Table below:

Table 3-77: Combined Revenue Gap/(Surplus) for FY 2023-24 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business			Combined		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Standalone ARR FY 2023-24	460.91	488.57	480.36	3511.57	3592.37	3568.88	3972.48	4080.94	4049.24
Revenue Recovered	424.03	419.48	419.48	3235.41	3487.00	3487.00	3659.44	3906.48	3906.48
Gap/ (Surplus) for FY 2023-24	36.88	69.09	60.87	276.16	105.37	81.88	313.04	174.46	142.76

3.19.3 The treatment of the above Revenue Gap/(Surplus) is discussed along with the treatment of Cumulative Revenue Gap/(Surplus), in Section 6 of this Order.

4 PROVISIONAL TRUING UP OF FY 2024-25

In accordance with Regulation 73 and 81 of the MYT Regulations, 2019, TPC-D submitted the actuals of the first half (H1) of FY 2024-25 and the revised estimates for the second half (H2) for the provisional Truing-up for FY 2024-25.

The Commission has analysed the expenses and revenue under each head and provisionally approved the expenditure and revenue for FY 2024-25. The expenditure and revenue projected by TPC-D and allowed by the Commission under each of the expense and revenue heads are discussed in the subsequent paragraphs.

4.1 SALES

TPC-D's Submission

- 4.1.1 TPC-D has projected direct sales as 4438.22 MU for FY 2024-25. Further, TPC-D has projected the changeover sales as 1605.41 MU for FY 2024-25.
- 4.1.2 Sales of TPC-D consist of (i) Direct Sales (on the Wire of TPC-D) and (ii) Changeover Sales (on the Wire of Other Utility) which is allowed in the Mumbai Suburban Area.
- 4.1.3 Thus, the projected total category-wise sales for FY 2024-25 of 6043.62 MU are as shown in the Table below:

Table 4-1: Estimated Category-wise Sales for FY 2024-25 as submitted by TPC-D (MU)

Category	MTR Order			TPC-D		
	Direct	Change-over	Total	Direct	Change-over	Total
HT Category						
EHV-Industry	761.44	0.00	761.44	800.00		800.00
HT I - Industry	1113.23	0.00	1113.23	1066.72		1066.72
EHV- Industry	105.50	0.00	105.50	99.23		99.23
HT II - Commercial	407.79	0.28	408.07	411.89	0.28	412.17
HT III - Group Housing Society	49.59	0.00	49.59	42.96		42.96
HT IV - Railways Metro & Monorail	146.70	0.00	146.70	153.64		153.64
HT IV – Railways (22/33 kV)	123.95	0.00	123.95	103.16		103.16
HT IV – Railways (Metro/Monorail)	22.74	0.00	22.74	78.83		78.83
HT VI - Public Services	144.36	0.00	144.36	174.77		174.77
a) Govt. Edu. Inst. & Hospitals	19.56	0.00	19.56	26.37		26.37
b) Others	58.68	0.00	58.68	60.77		60.77
EHV Public Service Other	66.12	0.00	66.12	87.34	0.84	88.18
HT VI EV Charging Station	17.31	0.00	17.31	14.57		14.57
Sub-total HT	2745.92	0.28	2746.21	2791.84	1.12	2792.96
LT Category						
LT I - Residential (BPL)						
LT I - Residential	771.51	1446.93	2218.43	753.85	1481.11	2234.95

Category	MTR Order			TPC-D		
	Direct	Change-over	Total	Direct	Change-over	Total
S1 (0-100 units)	211.13	582.45	793.59	191.69	567.13	758.82
S2 (101-300 units)	234.49	600.87	835.36	226.59	622.38	848.97
S3 (> 301-500 Units)	94.15	161.52	255.67	90.48	185.29	275.77
S4 (Above 500 units (balance units))	231.73	102.09	333.82	245.08	106.32	351.40
LT II - Commercial	632.02	86.37	718.39	601.22	95.38	696.60
- Upto 20 kW	132.23	68.85	201.08	127.98	71.47	199.45
- > 20 kW & < 50kW	98.79	8.12	106.91	91.48	10.19	101.67
- > 50kW	400.99	9.40	410.40	381.76	13.72	395.48
LT III (A) - Industry < 20 kW	25.21	12.29	37.50	22.42	12.94	35.36
LT IV- Industry > 20kW	239.78	3.08	242.86	216.13	5.03	221.16
LT IX - Public Services	37.46	3.55	41.01	37.57	3.62	41.19
a) Govt. Edu. Inst. & Hospitals	2.80	1.96	4.76	5.25	1.76	7.01
b) Others	34.66	1.59	36.25	32.32	1.86	34.18
LT XI: EV Charging Stations	12.02	0.16	12.19	10.05	0.07	10.12
Sub-total LT	1718.00	1552.38	3270.38	1641.24	1598.14	3239.38
15-Days adjustment				5.14	6.14	11.28
Total	4463.93	1552.67	6016.59	4438.22	1605.41	6043.62

4.1.4 TPC-D submitted that the estimated sales for FY 2024-25 is 6043.62 MU and the same has been considered for computing the energy requirement.

Commission's Analysis and Ruling

4.1.5 In response to data gaps raised by the Commission in respect of the approach adopted by TPC-D for projections of number of Consumers, Contract demand and Sales for FY 2024-25, TPC-D has provided following rationale:

- TPC-D has considered the actual number of consumers and contract demand for H1 of FY 2024-25.
- The consumers at the end of FY 2024-25 have been estimated based on the additions expected in H2 of FY 2024-25 and the estimated contract demand is worked out in proportion of the sales of H1 plus H2 to H1.
- For Sales, actuals of H1 of FY 2024-25 are considered and for projecting the sales of FY 2024-25 for the entire year, the present trend has been kept in mind and accordingly, the projections for the balance H2 in the FY 2024-25 have been made.

4.1.6 However, the Commission has adopted the following approach for projections of number of Consumers, Contract demand and Sales for FY 2024-25:

- With respect to number of consumers, the Commission observed that TPC-D has estimated based on the expected additions in H2. However, in certain categories, the expected addition is higher than the past growth trend of those categories. Accordingly, the Commission has considered the number of consumers equivalent to TPC-D subject to the past trend of the said categories of consumers.
- For Contract demand, the Commission has considered the approach as adopted

by TPC-D and has accordingly worked out the Contract Demand in proportion of the sales approved for H2 of FY 2024-25 with H1 of FY 2024-25.

- c) TPC-D has not provided any specific growth rate considered for the projection of sales category wise and has just stated that based on the past trend, the sales projection has been undertaken for FY 2024-25. Considering the actual sales available for H1 + H2 of FY 2023-24 and H1 of FY 2024-25, the Commission has projected the Sales of H2 of FY 2024-25 in proportion to the actual sales of H2 of FY 2023-24. The Commission opines that considering the projection for six months, the growth rate for any specific category may vary to a large extent compare to previous year sales trend except for any abnormal circumstance.

- 4.1.7 The Commission has also sought actual sales data from April, 2024 to January, 2025 from TPC-D. Since, 10 months actual data was also available, the Commission has compared the data with the projection on pro-rata basis. Accordingly, it was observed that the variation of actual sales from the approved sales is within the range of $\pm 5\%$ and accordingly the Commission approves the growth factor in H2 sales of FY 2024-25 in proportion to actual H2 sales of FY 2023-24 of last year as provided in the Table below:

Table 4-2: Growth factor considered for approving the Sales for FY 2024-25

Consumer Category & Consumption Slab	H1 - FY 2023-24			H2 - FY 2023-24			Proportion of H2 sales to H1 Sales	
	Direct	Change over	Total	Direct	Change over	Total	Direct	Change over
	MU			MU			%	
LT -I Residential	616.64	840.49	1,457.13	576.39	690.61	1,267.00	93%	82%
0-100	86.21	292.02	378.22	88.10	283.00	371.10	102%	97%
101-300	104.22	334.26	438.47	94.16	268.34	362.50	90%	80%
301-500	55.61	96.39	152.00	35.34	60.25	95.58	64%	63%
500 and above	96.59	68.23	164.82	92.58	34.75	127.34	96%	51%
LT Commercial	274.02	49.60	323.62	266.20	44.27	310.47	97%	89%
LT II (a) - 0-20 kW	57.29	37.95	95.25	55.58	33.26	88.84	97%	88%
LT II (b) - 20-50 kW	41.97	5.32	47.30	40.11	4.95	45.06	96%	93%
LT II (c) - above 50 kW	174.75	6.33	181.08	170.51	6.06	176.57	98%	96%
LT III (a) - LT Industrial upto 20 kW	11.38	6.98	18.36	10.78	6.36	17.14	95%	91%
LT III (b) - LT Industrial above 20 kW	116.06	2.42	118.48	105.31	2.37	107.68	91%	98%
LT X: LT -Public Service	16.16	1.83	17.98	16.02	1.82	17.84	99%	99%
LT IX(A) - Publ Serv Govt Hosp & Edu Inst	1.81	0.89	2.70	2.03	0.91	2.94	112%	102%
LT IX(B) - Public Services Others	14.35	0.94	15.29	13.99	0.91	14.90	98%	97%
LT XI - Electric Vehicle Charging Stations	1.87	0.04	1.92	3.09	0.04	3.13	165%*	93%
Total- LT Sales	762.12	851.76	1,613.88	711.59	701.20	1,412.78	93%	82%

Consumer Category & Consumption Slab	H1 - FY 2023-24			H2 - FY 2023-24			Proportion of H2 sales to H1 Sales	
	Direct	Change over	Total	Direct	Change over	Total	Direct	Change over
	MU			MU			%	
EHV Industrial	397.99	-	397.99	382.76	-	382.76	96%	
HT I: HT-Industry	548.86	-	548.86	486.80	-	486.80	89%	
EHV Commercial	54.38	-	54.38	49.85	-	49.85	92%	
HT II : HT- Commercial	203.16	0.14	203.30	185.41	0.12	185.53	91%	86%
HT III: HT-Group Housing Society	23.28	-	23.28	19.68	-	19.68	85%	
HT V (A) - Railways	50.43	-	50.43	47.89	-	47.89	95%	
EHV Metro	5.21	-	5.21	25.03	-	25.03	480%	
EHV Public Service Others	29.09	-	29.09	30.18	-	30.18	104%	
HT VI (A) - Government Hospitals & Educational Institutions	9.91	-	9.91	9.62	-	9.62	97%	
HT VI (B) - Others	38.44	-	38.44	36.63	1.52	38.15	95%	0%*
HT VIII: EV Charging Stations	8.32	-	8.32	8.17	-	8.17	98%	
Total - HT Sales	1,369.07	0.14	1,369.21	1,282.03	1.64	1,283.66	94%	1186%
Total	2,131.19	851.90	2,983.08	1,993.61	702.84	2,696.45	94%	83%

* - considering abnormal growth, the growth is modified to have a rational approach.

4.1.8 Accordingly, the Commission deems it fit to apply the said growth for sales estimation for H2 in proportion to the growth of H2 to H1 of FY 2023-24 and has accordingly approved the sales for FY 2024-25 as shown in the Tables below:

Table 4-3: Direct Sales for FY 2024-25 approved by the Commission (MU)

Consumer Category & Consumption Slab	MTR Order	MYT Petition	Approved	MTR Order	MYT Petition	Approved
	Direct			Changeover		
HT Category						
EHT I: -Industry	761.44	800.00	785.95	-	-	-
HT I: HT-Industry	1,113.23	1,066.72	1,012.11	-	-	-
EHT II: - Commercial	105.50	99.23	99.23	-	-	-
HT II: HT- Commercial	407.79	411.89	407.72	0.28	0.28	0.25
HT III: HT-Group Housing Society	49.59	42.96	40.61	-	-	-
Railways, Metro & Monorail	146.70	181.99	141.77	-	-	-
HT IV - HT Railways, Metro & Monorail	123.95	103.16	103.16	-	-	-
EHT IV - Railways, Metro & Monorail	22.74	78.83	38.61	-	-	-
Public Services	144.36	174.47	174.53	-	0.84	0.84
HT V (A): Public Service - Government Hospitals & Educational Institutions	19.56	26.37	26.43	-	-	-
EHT V (B): Public Service - Others	58.68	60.77	60.77	-	-	-
HT V (B): Public Service - Others	66.12	87.34	87.34	-	0.84	0.84

Consumer Category & Consumption Slab	MTR Order	MYT Petition	Approved	MTR Order	MYT Petition	Approved
	Direct			Changeover		
HT VI: Electric Vehicle Charging Stations	17.31	14.57	14.57	-	-	-
Sub-total	2745.92	2791.84	2676.49	0.28	1.12	1.09
LT Category						
LT I (A)- Below Poverty Line						
LT -I (B) Residential	771.51	753.85	753.85	1446.93	1481.11	1481.11
0-100	211.13	191.69	191.69	582.45	567.13	567.13
101-300	234.49	226.59	226.59	600.87	622.38	622.38
301-500	94.15	90.48	90.48	161.52	185.29	185.29
501 and above	231.73	245.08	245.08	102.09	106.32	106.32
LT II - Commercial	632.02	601.22	601.22	86.37	95.38	95.38
LT II(A) - Commercial upto 20 kW	132.23	127.98	127.98	68.85	71.47	71.47
LT II(B) - Commercial 20 to 50 kW	98.79	91.48	91.48	8.12	10.19	10.19
LT II(C) - Commercial > 50 kW	400.99	381.76	381.76	9.40	13.72	13.72
LT III (A) - LT Industry upto 20 kW	25.21	22.42	22.42	12.29	12.94	12.94
LT III (B) - LT Industrial > 20 kW	239.78	216.13	216.13	3.08	5.03	5.03
LT IV – Public Services	37.46	37.57	37.72	3.35	3.62	3.62
LT IV(A) - Government Hospitals & Educational Institutions	2.80	5.25	5.64	1.76	1.76	1.76
LT IV(B) - Others	34.66	32.32	32.08	1.59	1.86	1.86
LT VI: Electric Vehicle Charging Stations	12.02	10.05	8.49	0.16	0.07	0.07
Sub-total	1718.00	1641.24	1639.83	1552.18	1598.14	1598.14
15 day	0.00	5.14	5.14		6.14	6.14
Total	4463.92	4438.22	4321.45	1552.47	1605.41	1605.37

4.1.9 Accordingly, the total sales provisionally approved by the Commission for FY 2024-25 are summarised in the Table below:

Table 4-4: Energy Sales for FY 2024-25 approved by the Commission (MU)

Particulars	MTR Order	TPC-D	Approved
Direct sales	4,463.92	4,438.22	4,321.45
Change-over sales	1,552.67	1,605.41	1,605.37
Grand Total	6,016.59	6,043.62	5,926.82

4.2 OPEN ACCESS SALES

TPC-D's Submission

4.2.1 TPC-D has estimated the Open Access consumption in its licence area for FY 2024-25 as shown in the Table below:

Table 4-5: Open Access consumption for FY 2024-25 as submitted by TPC-D (MU)

Particulars	TPC-D
HT-I Industry	309.02
HT-II Commercial	39.31
HT III - Group Housing Society (Resi)	7.11
LT III (B) – Industrial > 20kW	8.72
Total	364.16

Commission's Analysis and Ruling

4.2.2 Based on the approach as adopted by the Commission for projections of Sales for FY 2024-25, the similar approach has been considered for projecting Open Access Sales. Accordingly, the Commission has considered the growth in Open Access Sales of H2 of FY 2024-25 in proportion to the growth of H2 to H1 of FY 2023-24 except for HT I – Industry Open Access Sales which is considered as submitted by TPC-D.

4.2.3 The Commission provisionally approves the Open Access sales of 367.69 MU as provided in the Table below for FY 2024-25.

Table 4-6: Open Access consumption for FY 2024-25 approved by the Commission (MU)

Particulars	MTR Order	MYT Petition	Approved in Order
HT-I Industry	180.65	309.02	309.02
HT-II Commercial	59.81	39.31	43.27
HT III - Group Housing Society (Resi)	-	7.11	7.34
HV-V(B) Public Services Others	2.91	-	-
LT III (B) – Industrial > 20kW	-	8.72	8.05
Total	242.65	364.16	367.69

4.3 DISTRIBUTION LOSSES AND ENERGY INPUT REQUIREMENT**TPC-D's Submission**

4.3.1 TPC-D has computed the provisional energy requirement for FY 2024-25 considering the Distribution Loss of 1.02% and Transmission loss of 3.18% as approved by the Commission in its Tariff Order in Case No. 237 of 2023. Accordingly, the estimated energy requirement works out to 6278.30 MU for FY 2024-25 including the sale outside Licence Area as shown in the Table below:

Table 4-7: Energy Input requirement for FY 2024-25 as submitted by TPC-D (MU)

Particulars	MTR Order	TPC-D
Direct Sales (Mus)	4463.92	4438.22
110 kV Billed Units	948.36	1038.83

Particulars	MTR Order	TPC-D
Bill Credit given to OA consumers	242.65	364.16
Total Sale excluding 110 KV Sales	3758.21	3763.55
Distribution Loss (%)	1.02%	1.02%
Energy requirement @ T<>D interface (Mus)	3796.94	3802.33
Credit to OA consumers @ T <>D Interface	245.15	367.91
Energy requirement for Change-over consumers (Mus)	1552.67	1605.41
Energy Sales at 110/132 kV level (Mus)	948.36	1038.83
Energy requirement at T<>D (Mus)	6052.82	6078.65
Transmission Loss (%)	3.18%	3.18%
Energy requirement at G<>T (Mus)	6251.62	6278.30

Commission's Analysis and Ruling

4.3.2 For provisional Truing-up for FY 2024-25, the Commission has considered the Transmission Losses of 3.28% for FY 2024-25 as approved in the InSTS MTR Order. The Direct sales and Change-over sales have been considered as approved herein above in this Order and the approved Distribution Loss of 1.02% has been considered. The actual Distribution Loss of TPC-D will be considered at the time of final Truing-up for FY 2024-25.

4.3.3 Accordingly, the Distribution Losses and Energy Balance provisionally approved by the Commission for FY 2024-25 are shown in the Table below:

Table 4-8: Energy Balance for FY 2024-25 approved by Commission (MU)

Particulars	MTR Order	TPC-D	Approved
TPC-D-Sales	4463.92	4438.22	4321.45
110 kV Billed Units	948.36	1038.83	984.55
Bill Credit given to OA consumers	242.65	364.16	367.69
Total Sale excluding 110 kV Sales	3758.21	3763.55	3704.59
Distribution Losses	1.02%	1.02%	1.02%
ABT meter readings @ T <> D Interface	3796.94	3802.33	3742.76
OA Wind Credit @ T <>D Interface	245.15	367.91	371.48
Sales to Changeover consumers	1552.67	1605.41	1605.37
Energy Sales at 110/132 kV level	948.36	1038.83	984.55
Total Energy Requirement at T<>D	6052.82	6078.65	5961.21
Transmission Loss	3.18%	3.18%	3.28%
Total Energy Requirement at G<>T	6251.62	6278.30	6163.37
Surplus Sale/(Purchase)	-	-	-
Total Energy Requirement at G<>T Interface	6251.62	6278.30	6163.37

4.4 POWER PURCHASE QUANTUM AND COST

TPC-D's Submission

4.4.1 For estimating the power purchased, the actual power purchase cost from April,

2024 to September, 2024 is considered and for projection purpose for second half of FY 2024-25, generation considered from TPC-G based on the unit outages, renewable power calculated proportionally to the corresponding period in 2023-24 and bilateral power being balancing figure between total power requirement and power purchase from all contracted sources. TPC-D has also submitted that the quantum of power to be procured from TPC-G is also after taking into consideration power being scheduled by MSLDC due to N-1 contingency criteria.

A. Procurement from TPC-G

TPC-D's Submission

- 4.4.2 The tie up of TPC-D with the various Generating capacities of TCP-G. This Tie up has now been extended up to FY 2028-29 by the Commission in the Order dated 28 November, 2028 in Case No 39 of 2023.
- 4.4.3 TPC-D has estimated the power purchased from TPC-G, based on the actual power purchase cost from April, 2024 to September, 2024. The projected power purchase for the second half of 2024-25 from TPC -G has been estimated.
- 4.4.4 Considering the above, the total cost of power purchase from TPC-G as estimated by TPC-D for FY 2024-25 is provided in the Table below:

Table 4-9: Estimated Power Purchase from TPC-G in FY 2024-25 submitted by TPC-D

Unit	Quantum	Energy Charges		Fixed Charges	Total Charges	Per Unit Cost
	MU	Rs./kWh	Rs. Crore	Rs. Crore	Rs. Crore	Rs./kWh
Unit-5	861.44	5.69	490.26	121.10	611.36	7.10
Unit-7	688.89	5.07	349.53	73.68	423.21	6.14
Unit-8	777.62	5.56	432.65	130.16	562.81	7.24
Bhira	425.81	0.94	40.00	33.76	73.76	1.73
Bhivpuri	167.10	2.21	36.93	20.60	57.53	3.44
Khopoli	144.77	3.75	54.24	31.91	86.14	5.95
Thermal Incentive	0.00		0.00	0.00	0.00	
Hydro Incentive					4.56	
Heat Rate Compensation					9.69	
Supplementary Bill					(24.95)	
Total	3065.64	4.58	1403.61	411.22	1804.13	5.89

Commission's Analysis and Ruling

- 4.4.5 The Commission has analysed the power purchased by TPC-D from each source and considered the quantum estimated by TPC-D from TPC-G. For provisional truing-up, the Commission approves the quantum and variable cost for power

purchased from TPC-G for FY 2024-25, based on the generation and share of TPC-D, as well as variable cost of purchase, as approved in the MYT Order of TPC-G in Case No. 189 of 2024. The fixed/capacity charges of Thermal and Hydro plant for purchase from TPC-G has been considered as approved by the Commission in TPC-G's MTR Order for FY 2024-25 based on the share of TPC-D. However, based on the adjustment of outage of Unit-5 affecting the availability of the plant, the fixed cost has been reduced in proportion to the reduced availability and as billed by TPC-G to TPC-D. For provisional Truing-up, the Commission approves the quantum and cost for power purchased from TPC-G for FY 2024-25 as shown in the Table below:

Table 4-10: Quantum & Cost of Power Purchase from TPC-G for FY 2024-25 approved by Commission

Source	MTR Order			TPC-D			Approved		
	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)
TPC-G	2895.66	1789.76	6.18	3065.64	1804.13*	5.89	3069.88	1804.13	5.88

*-claimed Rs. 1805.12 Crore in Form 2 of the Petition

B. Renewable Purchase Obligation

TPC-D's Submission

4.4.6 In line with the RPO Regulations (First Amendment), 2024, TPC-D has considered purchase of specified quantum of renewable power to meet its RPO obligations. TPC-D has considered procurement of RE from existing tie-up and from short term renewable sources, for meeting the RPO Obligation till FY 2024-25. The Status of RPO requirement for FY 2024-25 after considering the carry forward surplus of FY 2023-24 is given in the Table below:

Table 4-11: Renewable Energy Requirement for FY 2024-25 as submitted by TPC-D (MU)

Renewable Source	Total Energy Requirement at G<=>T	% Obligation for FY 2024-25	Obligation	Previous year (Surplus)/Short fall	Total Obligation	RE Purchase	Shortfall/ (Surplus)
	1	2	3 =1 * 2	4	5=3+4	6	7=5-6
Wind renewable Energy	6,278.30	0.67%	42.06		42.06	0.00	42.06
Hydro Renewable Energy		0.38%	23.86		23.86	0.00	23.86
Distributed Renewable Energy		1.50%	94.17		94.17	19.35	74.82
Other Renewable Energy		25.86%	1623.57	(363.95)	1259.62	1720.13	(460.52)
Energy Storage Obligation		1.50%	94.17		94.17	0.00	94.17
Total	6278.30	29.91%	1877.84	-363.95	1513.89	1739.49	(225.60)

- 4.4.7 Further, TPC-D submitted that as per Regulation 7.5 (A) of the RPO Regulations (First Amendment), 2024 regarding fulfilment of the RPO, excess energy consumption under Other RPO in a particular year may be utilised to meet the shortfall in Wind RPO or HPO.
- 4.4.8 In view of the above, TPC-D submitted that, the Total RPO requirement till FY 2024-25 is met except the Energy Storage Obligation and Distributed Renewable energy Obligation and there is a surplus of -225.60 MU with regards to total RE procurement. Accordingly, the penalty under Regulation 12.3 of RPO Regulations, would not be applicable to TPC-D for FY 2024-25.
- 4.4.9 TPC-D computed the power purchase cost from Renewable energy has considered the actual cost of power purchase from RE sources tied up from Wind and Solar energy for H1 of FY 2024-25. Further, RE purchase cost for H2 of FY 2024-25 has been estimated based on the projected quantum from the RE sources already tied up with TPC-D and estimated power purchase from short term sources. The estimated quantum and cost for FY 2024-25 is as given in the table below:

Table 4-12: Estimated cost of RE purchase for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Sources	Quantum	Total Cost	Per Unit Rate
Non-Solar Purchase (A)	MU	Rs. Crs	Rs./kWh
Agaswadi	105.85	48.27	4.56
Visapur (GSW) 24 MW	33.90	19.70	5.81
Visapur (GSW) 8 MW	16.91	9.64	5.70
LT Hybrid Wind	157.26	42.41	2.70
Short term RE	477.42	158.90	3.33
OA Non-Solar 8% Banking Charges	1.37		
Total	792.71	278.92	3.52
Solar Purchase (B)			
Mulshi Solar	3.67	6.56	17.91
Solar Rooftop	0.02	0.04	18.41
Palaswadi Solar	41.52	37.28	8.98
Chhayan Solar	360.00	107.28	2.98
Hybrid	529.72	142.87	2.70
Short term RE	16.70	6.16	3.69
Other Charges		3.28	
OA Solar 8% Banking Charges	3.10		
Net Metering (iii)	19.35		
RE Sold (Solar)	-27.30		
Total	946.78	303.48	3.21
TOTAL RE Power Purchase Cost (A+B)	1739.49	582.40	3.35

- 4.4.10 TPC-D submitted that the total Power Purchase quantum is at variance with the Power Purchase presented in table of Renewable Energy Requirement due to accounting for energy from Net Metering and Banking transactions.

- 4.4.11 The provisional Cost of Power Purchase from RE sources is Rs. 582.40 Crore for FY 2024-25. TPC-D requested the Commission to approve the power purchase cost of Rs.582.40 Crores for power procurement from RE sources for FY 2024-25.

Commission's Analysis and Ruling

- 4.4.12 The Commission notes that TPC-D has also considered energy from Banking Charges, unutilised banked energy, energy from Net Metering and sale of surplus RE power while computing RE purchase. The Commission has excluded the same from RE purchase. However, the said energy is considered for verification for RPO compliance.
- 4.4.13 The Commission has considered TPC-D's submissions regarding fulfilment of RPO targets for FY 2024-25. The Commission notes that there is surplus of 225.60 MU in FY 2024-25 after considering carried forward previous year surplus (363.95 MU) quantum.
- 4.4.14 With respect to the power purchase projections for Renewable Power Procurement for FY 2024-25, the Commission has considered the quantum as approved in MTR Order for approved sources. The Commission has considered the similar quantum as projected by TPC-D for power source from Short Term Renewable Sources. However, power against Banking, Net Metering and RE Sold (Solar), the same will be considered at the time of final Truing up of FY 2024-25.
- 4.4.15 The Commission noted that TPC-D has considered Rs. 3.28 Crore as other charges in Renewable, whereby against the query raised, TPC-D replied that Rs 3.28 Crore is towards the difference in provisions made and the actual paid. Such amounts for the past period have been reconciled and included in the account of FY 2024-25. The Commission noted the submission made by TPC-D and allowed the cost on a provisional basis which would be reconciled at the time of final Truing up of FY 2024-25.
- 4.4.16 In view of the above, RE purchase provisionally approved by the Commission is as given in the Table below:

Table 4-13: RE Purchase for FY 2024-25 approved by the Commission (Rs. Crore)

Source	MTR Order			TPC-D			Approved		
	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)
Non-Solar	531.08	175.78	3.31	792.71	278.92	3.52	808.47	281.67	3.48
Solar	920.37	284.60	3.08	946.78	300.21	3.17	937.10	296.28	3.16
Other Charges					3.28			3.28	
RE Total	1,451.45	460.38	3.17	1,739.49	582.40	3.35	1,745.57	581.22	3.33

- 4.4.17 The cumulative status of RPO upto FY 2024-25 based on the aforesaid provisionally approved RE purchase considered by the Commission is shown in the Table below:

Table 4-14: RPO Status for FY 2024-25 provisionally approved (MU)

Particulars	RPO %	Approved	Previous year (Surplus) / Short fall	RE Purchase	Shortfall / (Surplus)
InSTS requirement		6163.37			
Wind RPO	0.67%	41.29			41.29
Hydro RPO	0.38%	23.42			23.42
Distributed Renewable Energy	1.50%	92.45		19.35	73.10
Other Renewable Energy	25.86%	1,593.85	(363.95)	2,464.07*	(1,234.17)
Energy Storage Obligation	1.50%	92.45			92.45
Total RPO	29.91%	1,843.46	(363.95)	2,483.43	(1,003.91)

*-includes 737.85 MU procure from TPC-G Hydro sources

C. Power Purchase from Bilateral Sources, Standby and Imbalance Pool

TPC-D's Submission

- 4.4.18 The balance quantum of energy required after considering the purchase from TPC-G and RE sources has been considered as the quantum of power purchase from bilateral sources. TPC-D has purchased bilateral power through the DEEP Portal, Power Exchanges and short-term power purchase linked to day-ahead IEX rates.
- 4.4.19 TPC-D submitted that the Deviation Charges adjusted / recovered from beneficiaries towards the difference in the scheduled drawal and actual drawal for the period from April, 2024 to September, 2024 is Rs. 25.34 Crore for (0.97 MU), as per the bills issued by MSLDC for the said period. For H2, for the purpose of provisional Truing up, no Deviation charges have been considered.
- 4.4.20 For H1 of FY 2024-25, TPC-D has purchased 557.20 MU from Bilateral Sources. Further for H2 of FY 2025-26, TPC-D proposed to purchase certain quantum of power from sources tied up after completion of tendering process. The outcome of the competitive bidding process and sources identified from the period November 2024 to March 2025 are as follows:

Table 4-15: Power Purchase from Sources selected through tendering

Month	Trader	Seller	Quantum (MW)	LOI Rate	Energy at Mah Per	Monthly Energy	Ave. Rate
				Rs/kWh	(MU)	(MU)	Rs/kWh
Nov-24	KEIPL	LMEL	25	4.14	18	70.1	4.24
	TPTCL	TPC Haldia	75	4.12	52.1		
Dec-24	KEIPL	LMEL	25	4.47	18.6	72.4	4.56

Month	Trader	Seller	Quantum (MW)	LOI Rate	Energy at Mah Per	Monthly Energy	Ave. Rate
				Rs/kWh	(MU)	(MU)	Rs/kWh
Jan-25	TPTCL	MB Power	50	4.42	35.9	65.3	4.87
	TPTCL	TPC Haldia	25	4.45	17.9		
	IEPL	IEPL	25	4.79	18.6		
Feb-25	TPTCL	Nav Bharat	25	4.75	17.9	66.6	5.06
	TPTCL	TPC Haldia	40	4.75	28.7		
	IEPL	IEPL	35	5.05	23.5		
Mar-25	GMR Energy	Dhariwal	40	5.05	26.9	37.2	5.08
	TPTCL	TPC Haldia	25	4.88	16.2		
	IEPL	IEPL	25	5.05	18.6		
	KEIPL	LMEL	25	5.10	18.6		

4.4.21 In addition, TPC-D will be procuring power via banking arrangement with Chhattisgarh State Power Distribution Company Ltd (CSPDCL) for supply of power during peak hours (i.e 17 Hrs to 24 Hrs) from 15 October 2024 to 31 January 2025 through Kreate Energy (I) Pvt Ltd. The power sourced is in the range of 25 MW to 100 MW and estimated to be around 151.20 MU. The same would be returned to CSPDCL from 1 July 2025 to 30 September 2025 during the day i.e., on RTC basis. In all such banking transactions since they are in kind, there is no rate considered for working out the cost.

4.4.22 For October 2024 to March 2025, the rate of power purchase has been considered the same as the actual rate of power purchase for H1 of FY 2024-25. Power purchase from Bilateral Sources and UI as estimated by TPC-D for FY 2024-25 is as shown in the Table below:

Table 4-16: Bilateral Power Purchase and Deviation Quantum/Charges for FY 2024-25 as submitted by TPC-D

Source	MTR Order			TPC-D		
	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./ kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./ kWh)
Bilateral Power Purchase	1904.50	965.20	5.07	1617.62	761.65	4.73
Deviation Charges	-	-	-	(0.97)	25.34	-
Total	1904.50	965.20	5.07	1,616.65	790.95	4.89

Commission's Analysis and Ruling

4.4.23 TPC-D has procured power from bilateral sources through competitive bidding and through Power Exchanges during H1 of FY 2024-25. The Commission, after

prudence check, has accepted TPC-D's submissions and has accordingly approved the quantum and cost of power purchase from bilateral sources. The quantum of power purchase from Bilateral Sources has been adjusted to match the overall energy requirement considered above.

- 4.4.24 For H2, the Commission has considered the rate of purchase of power from short-term sources at Rs. 4.73/kWh as submitted by TPC-D for the purpose of provisional Truing up of FY 2024-25 and also the banking purchase to the extent of 151.20 MU has been adjusted within the bilateral purchase as submitted by TPC-D. However, at the time of final Truing-up for FY 2024-25, prudence check shall be done by the Commission.
- 4.4.25 The actual quantum under UI and corresponding Deviation Charges in H1 of FY 2024-25 have been considered as submitted by TPC-D.
- 4.4.26 The quantum and cost of power purchase from bilateral sources and Deviation Quantum/cost for FY 2024-25, have been provisionally approved by the Commission as shown in the Table below:

Table 4-17: Bilateral Power Purchase and Deviation Quantum/Charges for FY 2024-25 approved by the Commission

Source	MTR Order			TPC-D			Approved		
	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)	Quantum (MU)	Cost (Rs. Crore)	Rate (Rs./kWh)
Bilateral Power Purchase	1904.50	965.20	5.07	1617.62	761.65	4.73	1495.84	707.97	4.73
Deviation Charges	-	-	-	(0.97)	25.34	-	(0.97)	25.34	(0.97)
Total	1904.50	965.20	5.07	1,616.65	790.95	4.89	1494.87	733.31	4.91

D. Sale outside Licence Area

TPC-D's Submission

- 4.4.27 TPC-D has sold surplus energy of 146.95 MU from April, 2024 to September, 2024 at average rate of Rs 3.57/kWh and the revenue earned from sale to Outside licence area has been utilized to reduce the total cost of power purchase. The sale also include the Return of Banking power of 60.78 MU purchased in the period prior to March 2024.

Commission's Analysis and Ruling

- 4.4.28 For the purpose of provisional Truing up for FY 2024-25, the Commission has provisionally considered the revenue earned from sale to outside Licence Area as submitted by TPC-D.

4.4.29 The total sale quantum of 146.95 MU includes sale of 86.17 MU at Rs. 6.08/kWh and return of banked power (60.78 MU) purchased in the period prior to March 2024. The sale rate of Rs 6.08/kWh is higher than the average rate of power purchase of TPC-D, which helps to reduce the burden on the consumers.

4.4.30 In view of the above, the Commission approves sale to outside licence area in the provisional Truing up for FY 2024-25 as shown in the following Table

Table 4-18: Sale Outside Licence Area for 2024-25 as approved by the Commission (Rs. Crore)

Particulars	TPC-D			Approved		
	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Sale to outside Licence Area	(146.95)	52.39	3.57	(146.95)	52.39	3.57

E. Transmission Charges and MSLDC Charges

TPC-D's Submission

4.4.31 TPC-D has considered the Transmission Charges of Rs. 329.57 Crore and MSLDC Charges to the tune of Rs. 1.09 Crore for FY 2024-25 as approved by the Commission in the MTR Order.

4.4.32 TPC-D has considered Transmission Charges paid by it for exceeding the Base TCR to the extent of Rs 3.81 Crore. Also, TPC-D has considered Rs. 99.26 Crore towards the interstate CTU Network Transmission Charges at the time of the provisional truing up of FY 2024-25.

Commission's Analysis and Ruling

4.4.33 In reply to query raised by the Commission to reconcile the charges claimed by TPC-D with the approved numbers in applicable InSTS and MSLDC Order, TPC-D submitted that it has paid additional transmission charges of Rs 3.81 Crore for exceeding the Base TCR and Rs 0.03 Crore has been paid towards GNA operating charges for May 2024.

4.4.34 The Commission notes that TPC-D has considered Rs. 99.26 Crore towards the interstate CTU Network Transmission Charges for GNA of 375 MW.

4.4.35 Accordingly, the Commission has considered the Transmission Charges and MSLDC Charges as submitted by TPC-D for FY 2024-25 as shown in the Table below:

Table 4-19: Transmission Charges and MSLDC Charges for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Transmission (State) Charges	329.57	333.38	333.38
GNA (Interstate Transmission) Charges	-	99.36	99.36
MSLDC Charges	1.09	1.12	1.12

F. Transmission Charge collected from Open Access Consumers**TPC-D's Submission**

4.4.36 TPC-D has recovered Transmission Charges to the tune of Rs. 14.08 Crore from OA consumers during H1 of FY 2024-25. However, based on the direction of the Commission, the same has been remitted to STU and have not been considered by TPC-D.

Commission's Analysis and Ruling

4.4.37 The remittance of the Transmission Charges collected by TPC-D from OA consumers to the STU is in line with the Commission's directions in this regard. Hence, the amount of Transmission Charges collected by TPC-D from OA consumers is not included in the revenue of TPC-D.

G. Total Power Purchase Cost**TPC-D's Submission**

4.4.38 The summary of provisional power purchase quantum and cost is given in the Table below:

Table 4-20: Provisional Power Purchase Cost for FY 2024-25 as submitted by TPC-D

Particulars	MTR Order			TPC-D		
	Quantum	Cost	Rate	Quantum	Cost	Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Power Purchase from Tata Power-G	2,895.66	1,789.76	6.18	3065.64	1805.12	5.89
Non-Solar RPO + Solar + REC + Adjustment for Previous years	1,451.45	460.38	3.17	1741.99	582.40	3.34
Bilateral + UI Purchase	1,904.50	965.20	5.07	1617.62	790.95	4.89
OLA Sale + Banking Return				-146.95	-52.39	3.57
MSLDC Charges	-	1.09	-		1.12	-
Inter-State Transmission Charges	-	0	-	-	99.36	-
Transmission Charges	-	329.57	-		333.38	
Total Power Purchase cost	6,251.62	3,545.99	5.67	6278.30	3559.93	5.67

Commission's Analysis and Ruling

4.4.39 The summary of power purchase quantum and cost, including Stand-by Charges and

Transmission Charges, approved by the Commission in the provisional Truing-up for FY 2024-25, is given in the following Table:

Table 4-21: Summary of Power Purchase for FY 2024-25 approved by the Commission

Source	MTR Order			TPC-D			Approved		
	Quantum – MU	Cost – Rs. Cr	Rate - Rs. / kWh	Quantum – MU	Cost – Rs. Cr	Rate - Rs. / kWh	Quantum – MU	Cost – Rs. Cr	Rate - Rs. / kWh
TPC-G	2,895.66	1,789.76	6.18	3065.64	1,805.12	5.89	3,069.88	1,804.13	5.88
RE Power	1,451.45	460.38	3.17	1741.99	582.40	3.34	1,745.57	581.22	3.33
Bilateral +UI	1,904.50	965.20	5.07	1617.62	790.95	4.89	1,494.87	733.31	4.91
OLA+ Banking Return				-146.95	(52.39)	3.57	-146.95	(52.39)	3.57
Total PP Cost	6,251.61	3,215.34	5.14	6,278.30	3,126.08	4.98	6,163.37	3,066.26	4.97
MSLDC Charges	-	1.09	-		1.12		1.12		
Inter-State Transmission Charges		0			99.36		99.36		
Transmission Charges	-	329.57	-		333.38		333.38		
Total PP incl. Tx. Charges	6,251.62	3,545.99	5.67	6,278.30	3,559.93	5.67	6,163.37	3,500.11	5.68

4.5 OPERATION AND MAINTENANCE EXPENSES

TPC-D's Submission

4.5.1 Considering the escalation rate same as that for FY 2023-24, i.e., 5.54% for Wire Business and 5.50% for Supply Business, TPC-D has estimated the normative O&M expenditure for FY 2024-25 as shown in the Table below:

Table 4-22: Normative O&M Expenses for FY 2024-25, as submitted by TPC-D

Particulars	UOM	Wire	Retail
Approved O&M Expenses for FY 2022-23	Rs. Crore	128.86	118.46
Inflation Index for FY 2023-24	%	5.54%	5.50%
Normative O&M for FY 2023-24	Rs. Crore	136.00	124.97
Normative O&M for FY 2024-25	Rs. Crore	143.54	131.84

4.5.2 TPC-D requested the Commission to approve the revised normative O&M expenditure of Rs. 143.54 Crore and Rs. 131.84 Crore for Distribution Wire Business and Retail Supply Business provisional Truing-up of FY 2024-25.

Commission's Analysis and Ruling

4.5.3 For the provisional Truing-up of FY 2024-25, the Commission has escalated the trued up Normative O&M Expenses for FY 2023-24 as approved in this Order, by the Escalation Factor of 5.53% for Wires Business and 5.48% for Retail Supply Business as considered in this Order herein above for FY 2023-24, as per MYT Regulations, 2019, to arrive at the Normative O&M Expenses for FY 2024-25.

4.5.4 Accordingly, the Commission has approved the O&M Expenses in the provisional

Truing-up for FY 2024-25 as shown in the Table below:

Table 4-23: O&M Expenses for FY 2024-25 as approved by the Commission (Rs. Crore)

Particulars	UOM	MTR Order		MYT Petition		Approved	
		Wire	Retail	Wire	Retail	Wire	Retail
Approved Normative O&M Expenses for FY 2023-24	Rs. Crore	136.41	125.37	136.00	124.97	135.98	124.96
Inflation Index for FY 2024-25	%	5.86%	5.82%	5.54%	5.50%	5.53%	5.48%
Normative O&M for FY 2024-25	Rs. Crore	144.41	132.67	143.49	131.81	143.49	131.81

4.5.5 As only provisional Truing-up has been done, the sharing of efficiency gains and losses have not been computed and the same will be considered at the time of final Truing-up of FY 2024-25.

4.6 CAPITALISATION

TPC-D's Submission

4.6.1 In the Tariff Order, the Commission had approved the capitalisation of Rs. 166.47 Crore for the Wire Business and Rs. 53.45 Crore for the Supply Business. Against this, the estimated capitalisation for FY 2024-25 is Rs. 192.49 Crore for the Wire Business and Rs. 44.92 Crore for the Supply Business, as shown in the Table below:

Table 4-24: Estimated Capitalisation for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Estimated Capitalisation	166.47	192.49	53.35	44.92

Commission's Analysis and Ruling

4.6.2 In response to query raised by the Commission, TPC-D has submitted the break-up of DPR and Non-DPR schemes and also submitted the details of works carried out by TPC-D along with Cost Benefit Analysis. Further, TPC-D has quarterly registered all the non-DPR schemes claimed in FY 2024-25.

4.6.3 The Commission has undertaken prudence check of the capitalisation considered against approved DPR schemes and Non-DPR Schemes. It is observed that TPC-D has claimed capitalisation of Rs. 163.13 Crore and Rs. 29.36 Crore against approved DPR Schemes and Non-DPR Schemes, respectively, for the Wires Business. Similarly, TPC-D has claimed capitalisation of Rs. 34.23 Crore and Rs. 10.69 Crore against approved DPR Schemes and Non-DPR Schemes, respectively, for the Supply Business. The details of the DPR scheme for Wire and Supply business as submitted by TPC-D is depicted in the following Table:

Table 4-25: DPR Schemes of Wire and Supply Business for FY 2024-25 (Rs. Crore)

DPR	Capitalisation
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for Providing fire protection system for Distribution Substation (DSS)	0.06
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for Replacement of fault prone underground cable section in Mumbai area	5.13
Distribution Activities in Mumbai City License Area for FY-16 & FY-17	0.85
Distribution Activities of Tata Power-D in Mumbai Suburban License Area for FY2018, 2019,2020	2.03
DPR for Installation of DSS at Carnac Receiving station	4.37
DPR for improvement of Reliability of Mumbai LA	2.75
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai suburban License Area for FY 20-21"	0.46
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai suburban License Area for FY 21-22"	0.98
In Principle Approval to TPC-D's "Loading of Assets of TPC-D in Mumbai City License Area for FY 20-21"	7.07
Distribution Activities in Mumbai City License Area from FY 2021-22 to FY 2025-26	41.86
Distribution Activities in Mumbai Suburban Area from FY 2020-21 to FY 2024-25	74.94
DPR of TPC-D for Installation of DSS at Antop Hill DSS and its associated Network Development in Ward A	2.62
Installation Of DSS At Khatau Mill (Mounte South) And Its Associated Network Development	10.50
Augmentation of DSS at BKC in Mumbai Suburban Area	3.50
Upgradation of GIS and DMS	6.00
Total Capitalisation of DPR Scheme proposed for Wire Business	163.13
Meter Procurement of Tata Power - D across Mumbai Area for FY 21 to FY25	0.50
Procurement & Installation of smart meter as per proposed DPR	0.23
DPR for Installation of Smart Meters	1.45
Procurement of Smart Meters (New Approved DPR)	32.05
Total Capitalisation of DPR Scheme proposed for Wire Business	34.23
Total Capitalisation of DPR Scheme proposed for Distribution business	197.36

- 4.6.4 The Commission observed that the amount estimated to be capitalised by TPC-D in FY 2024-25 is within the approval granted by the Commission. Further, the Commission also observes that certain schemes approved from FY 2016-17 to FY 2019-20 are still ongoing and has been delayed to a larger extent though the cost overrun is not yet incurred and claimed by TPC-D. However, the Commission feels that such scheme cannot be ongoing for long time and either have to be completed or TPC-D needs to approach to the Commission for revised approval. Accordingly, the Commission directs TPC-D to complete all such delayed schemes approved between FY 2016-17 to FY 2019-20 by the end of FY 2025-26 and submit its project completion report at the time of filing its next MTR Petition. No capitalisation of such schemes would be allowed post the completion of FY 2025-26. Further, TPC-

D may also explore the option of closing such pending schemes and seek revised approval from the Commission as a new DPR.

4.6.5 As the capitalisation claimed is against approved DPRs and the Non-DPR capitalisation is within 20% of the cumulative DPR capitalisation for the 4th Control Period, the Commission has approved the same.

4.6.6 Accordingly, the Commission has considered the capitalisation as submitted by TPC-D after prudence check, for the Wires Business and Supply Business:

Table 4-26: Capitalisation for Wire Business & Supply Business for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Capitalisation – Wire	166.47	192.49	192.49
Capitalisation – Supply	53.35	44.92	44.92
Total Capitalisation	219.82	237.41	237.41

4.7 DEPRECIATION

TPC-D's Submission

4.7.1 TPC-D has considered the Depreciation rate for FY 2024-25 same as that worked out for FY 2023-24. The estimated Depreciation for FY 2024-25 is as given in the Table below:

Table 4-27: Estimated Depreciation for FY 2024-25, as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Opening GFA	3,236.02	3,230.17	288.06	267.35
Addition	166.47	192.49	53.35	44.92
Retirement	-	-	-	-
Closing	3,402.48	3,422.66	341.41	312.26
Depreciation	154.36	150.95	25.40	21.82
Avg. Depreciation Rate	4.65%	4.64%	8.07%	7.53%

Commission's Analysis and Ruling

4.7.2 For computation of Depreciation for FY 2024-25, the Commission has considered the closing balance of GFA for Wires Business and Supply Business for FY 2023-24 as approved in this Order, as the opening balance of GFA for the respective businesses.

4.7.3 Capitalisation approved provisionally for FY 2024-25 in this Order, is added to

above opening GFA to arrive at closing GFA of FY 2024-25. Further, the Commission has not considered retirement of assets in the provisional Truing-up, and the same shall be addressed at the time of final Truing-up, based on data to be submitted by TPC-D.

- 4.7.4 The Commission has considered the average depreciation rate same as approved for Truing-up for FY 2023-24, and computed the Depreciation for the Wires Business and Supply Business for FY 2024-25 as shown in the Table below.

Table 4-28: Depreciation for Wire Business and Supply Business for FY 2024-25 approved by Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening GFA	3,236.02	3,230.17	3,229.49	288.06	267.35	267.30
Addition	166.47	192.49	192.49	53.35	44.92	44.92
Closing	3,402.48	3,422.66	3,421.98	341.41	312.26	312.21
Depreciation	154.36	150.95	148.59	25.40	21.82	21.98
Avg. Depreciation Rate	4.65%	4.64%	4.47%	8.07%	7.53%	7.59%

4.8 INTEREST ON LONG-TERM LOAN

TPC-D's Submission

- 4.8.1 TPC-D has considered the opening loan balance for FY 2024-25 equal to the closing loan balance for FY 2023-24, while repayment of loan has been considered equal to the depreciation approved for the current year. The interest rate has been considered as 9.02%. Accordingly, Interest on Long-Term Loan for FY 2024-25 has been worked out as given in the Table below:

Table 4-29: Estimated Interest on Long-Term Loan for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Opening Balance of Loan	794.64	798.51	61.10	55.82
Drawals during the year	116.53	134.75	37.35	31.44
Loan Repayment during the year	154.36	150.95	25.40	21.82
Closing Balance of Loan	756.80	782.31	73.05	65.44
Interest Rate	7.91%	9.02%	7.91%	9.02%
Total Interest & Finance Charges	61.36	71.27	5.31	5.47

Commission's Analysis and Ruling

- 4.8.2 For computation of Interest on Loan for FY 2024-25, the Commission has considered the closing balance of loan for Wires Business and Supply Business for FY 2023-24 as approved in this Order, as the opening balance of loan for the respective businesses.
- 4.8.3 For computing the addition to normative loan, the normative debt: equity ratio of 70:30, as specified in the MYT Regulations, 2019, has been considered on addition to GFA in FY 2024-25. The normative loan repayment has been considered equal to the depreciation approved for the year. The Commission has considered the rate of interest on loans for Wires Business and Supply Business as 9.02%, i.e., same rate of interest as approved in the final Truing-up for FY 2023-24.
- 4.8.4 Accordingly, the Commission has approved interest on loan capital for FY 2024-25 as given in the following Table:

Table 4-30: Interest Expenses for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening Balance of Loan	794.64	798.51	800.23	61.10	55.82	55.63
Drawals during the year	116.53	134.75	134.75	37.35	31.44	31.44
Loan Repayment during the year	154.36	150.95	148.59	25.40	21.82	21.98
Closing Balance of Loan	756.80	782.31	786.38	73.05	65.44	65.09
Interest Rate	7.91%	9.02%	9.02%	7.91%	9.02%	9.02%
Total Interest & Finance Charges	61.36	71.27	71.54	5.31	5.47	5.44

4.9 INTEREST ON WORKING CAPITAL

TPC-D's Submission

- 4.9.1 TPC-D has computed IoWC based on the components specified in Regulations 32.3 and 32.4 of the MYT Regulations, 2019 for Distribution Wire Business and Supply Business.
- 4.9.2 TPC-D has subtracted power purchase from TPC-G (including RE sources) to arrive at normative Working Capital requirement. TPC-D further submitted that it has considered the rate of IoWC equal to 10.55% in accordance with MYT Regulations, 2019. The IoWC for FY 2024-25 for Wire Business and Supply Business is given in the Table below:

Table 4-31: Estimated IoWC for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
O&M Expenses for one month	12.03	11.96	11.06	10.99
Maintenance spares at 1% of opening GFA	32.36	32.30	2.88	2.67
One and half months of the expected Revenue from Distribution Business	101.75	102.67	590.88	591.05
Less:				
Amount of Security Deposit			706.96	361.05
One Month Equivalent of Cost of Power (excluding cost of purchase from TPC-G)			136.23	146.23
Total Working Capital requirement	146.14	146.93	(238.37)	97.42
Rate of Interest (% p.a)	10.05%	10.50%	9.30%	10.50%
Interest on Working Capital	14.69	15.43	0.00	10.23

Commission's Analysis and Ruling

- 4.9.3 The Commission has approved the IoWC for FY 2024-25 in accordance with Regulations 32.3 and 32.4 of the MYT Regulations, 2019. The Commission has considered the applicable rate of IoWC as 10.50%, which is the SBI MCLR rate as on date of filing of Tariff Petition, plus 150 basis points.
- 4.9.4 The Commission has notified the MERC Supply Code Regulations in February 2021, wherein the amount of Security Deposit has been increased to 2 months of average billing. The Commission sought information from TPC-D regarding the claim for additional Security Deposit in FY 2024-25 and the additional amounts actually received against these claims, which was submitted by TPC-D. As per TPC-D, it has raised claims for additional Security Deposit based on the average billing of the consumer as per the specified Supply Code Regulations. However, there is the shortfall in receipt of Security Deposit vis-à-vis the claim for additional Security Deposit of Rs. 232.51 Crore and no action is taken by the Licensee for non-payment of the additional Security Deposit claim.
- 4.9.5 Such non-payment of additional Security Deposit results in increasing the working capital requirement, thereby increasing the Interest on Working Capital, which is a costlier source of funds, as compared to the Security Deposit. For the purpose of the provisional truing-up, the shortfall in receipt of Security Deposit has hence, been added to the amount of Security Deposit reported by TPC-D and the working capital requirement computed accordingly. However, TPC-D is directed to ensure the compliance with the MERC Supply Code Regulations in a sacrosanct manner in future
- 4.9.6 The summary of the IoWC approved by the Commission after provisional Truing

up for FY 2024-25 is shown in the Table below:

Table 4-32: Interest on Working Capital for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
O&M Expenses for one month	12.03	11.96	11.96	11.06	10.99	10.98
Maintenance spares at 1% of opening GFA	32.36	32.30	32.29	2.88	2.67	2.67
One and half months of the expected Revenue from Distribution Business	101.75	102.67	101.63	590.88	591.05	580.28
Less:						
Amount of Security Deposit				706.96	361.05	593.56
One Month Equivalent of Cost of Power (excluding cost of purchase from TPC-G)				136.23	146.23	141.33
Total Working Capital requirement	146.14	146.93	145.88	(238.37)	97.42	-140.96
Rate of Interest (% p.a)	10.05%	10.50%	10.50%	9.30%	10.50%	10.50%
Interest on Working Capital	14.69	15.43	15.32	0.00	10.23	0.00

4.10 INTEREST ON CONSUMER SECURITY DEPOSIT (CSD)

TPC-D's Submission

4.10.1 TPC-D has estimated the security deposit for FY 2024-25 based on the actual security deposit during H1 of FY 2024-25. The Interest on CSD from consumers is considered by applying the applicable rate of 6.75%, which is the RBI Bank Rate as on 1 April 2024, on CSD amount. Accordingly, the total Interest on CSD is considered at Rs. 23.94 Crore for FY 2024-25.

Commission's Analysis and Ruling

4.10.2 The Commission sought information from TPC-D regarding the claim for additional Security Deposit in FY 2024-25 and the additional amounts actually received against these claims, which was submitted by TPC-D. TPC-D has submitted that the against the total claim of Rs. 593.56 Crore of security deposit from the consumers, in form of Bank guarantee Rs. 54.09 Crore has been collected and in form of cash Rs. 361.05 Crore has been collected and balance amount of Rs. 232.51 Crore is unrecovered. Since the actual interest liability will be on the actual consumer deposit

collected, the Commission has calculated interest on security deposit on the amount collected of Rs. 361.05 Crore, as submitted by TPC-D and has calculated the interest at the rate of 6.75% which is the RBI Bank Rate as on 1 April 2024 on the average actual security deposit amount. The Commission has provisionally approved the interest on CSD for FY 2024-25 as shown in the following Table:

Table 4-33: Interest on CSD for Supply Business for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Supply Business		
	MTR Order	TPC-D	Approved
Interest on Consumer Security Deposit	21.02	23.94	23.94

4.11 RETURN ON EQUITY

TPC-D's Submission

4.11.1 TPC-D submitted that it had considered the closing regulated equity for FY 2023-24 as the opening regulated equity for FY 2024-25, and the base rate of RoE has been considered equal to the base rate of return in accordance with the MYT Regulations, 2019. RoE for FY 2024-25 has been computed in accordance with Regulations 29.8 and 29.9 of the MYT Regulations, 2019, as shown in the Table below:

Table 4-34: Estimated Return on Equity for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Regulatory Equity at the beginning of the year	975.84	974.08	86.61	80.40
Capitalised Assets during the year	166.47	192.49	53.35	44.92
Equity portion of expenditure on Capitalized Assets	49.94	57.75	16.01	13.48
Less: Equity portion of the asset decapitalized	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	1025.78	1031.83	102.61	93.87
Rate of ROE	14.00%	14.00%	15.50%	15.50%
Total Return on Regulatory Equity	140.11	140.41	14.66	13.51

Commission's Analysis and Ruling

4.11.2 For computation of RoE for FY 2024-25, the Commission has considered the closing balance of Equity for Wires Business and Supply Business for FY 2023-24 as approved in this Order, as the opening equity for FY 2024-25. RoE has been

computed considering the opening equity for the respective year and 50% on the equity for the asset addition during the year, by considering the normative equity as 30% of the capitalisation.

- 4.11.3 The base rate of RoE has been considered as 14% and 15.5% for the Wires Business and Supply Business, respectively. The base rate of RoE has to be grossed up by the effective tax rate. Regulation 34.4 of the MYT Regulations, 2019 specifies as under:

“34.4 The effective tax rate shall be considered on the basis of actual tax paid in respect of financial year in line with the provisions of the relevant Finance Acts by the concerned Generating Company or Licensee or MSLDC, as the case may be:

...

Provided further that effective tax rate shall be estimated for future year based on actual tax paid as per latest available Audited accounts, subject to prudence check.” (emphasis added)

- 4.11.4 Hence, the effective tax rate of ‘0%’ considered for FY 2023-24, i.e., the latest year of Truing up, has been considered for grossing up the base rate of RoE for FY 2024-25. Accordingly, the approved RoE for FY 2024-25 is given in the Table below:

Table 4-35: Return on Equity for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Regulatory Equity at the beginning of the year	975.84	974.08	973.88	86.61	80.40	80.38
Capitalised Assets during the year	166.47	192.49	192.49	53.35	44.92	44.92
Equity portion of expenditure on Capitalized Assets	49.94	57.75	57.75	16.01	13.48	13.48
Regulatory Equity at the end of the year	1025.78	1031.83	1,031.62	102.61	93.87	93.86
Rate of ROE	14.000%	14.00%	14.00%	15.50%	15.50%	15.50%
Total Return on Regulatory Equity	140.11	140.41	140.39	14.66	13.51	13.50

4.12 PROVISION FOR BAD AND DOUBTFUL DEBTS

TPC-D's Submission

- 4.12.1 TPC-D has considered provision towards Bad and Doubtful Debts of Rs. (3.78) Crore for Wire Business and Rs. 10.13 Crore for Supply Business for FY 2024-25.

Commission's Analysis and Ruling

- 4.12.2 The Commission observes that TPC-D has claimed the Net amount of Rs. 6.35 towards the provision for bad and doubtful debts which is equivalent to 1.52% of the Receivable amount of Rs. 418.13 Crore as on FY 2023-24 as per audited Balance Sheet. As per Regulations 76 and 85 of MYT Regulations 2019, the Commission may allow a provision for writing off bad and doubtful debts up to 1.5% of the amount shown as Trade Receivables or Receivables from Wheeling Charges in the latest Audited Accounts of the Distribution Licensee.
- 4.12.3 Accordingly, the Commission has considered provision for Bad and Doubtful Debts of Rs. (3.78) Crore for Wire Business and Rs. 10.05 Crore for Supply Business, restricting the provision for doubtful debts amount to Rs. 6.27 Crore equivalent to 1.5% of the Receivables amount in the provisional Truing-up for FY 2024-25.

Table 4-36: Provision for Doubtful debts for FY 2024-25 approved by Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Receivable	-	418.13	418.13
Total Provision for Doubtful debt	-	6.35	6.27
Wire Business	-	(3.78)	(3.78)
Supply Business	-	10.13	10.05

4.13 CONTRIBUTION TO CONTINGENCY RESERVE

TPC-D's Submission

- 4.13.1 TPC-D has computed the Contribution to Contingency Reserves for the Wire Business and Supply Business as per the Regulations 35 of MYT Regulations, 2019. TPC-D has considered Nil contribution to Contingency Reserves for the Wire Business, in accordance with the approach adopted in the MTR Order. The Contribution to Contingency Reserves estimated by TPC-D for FY 2024-25 is shown in the Table below:

Table 4-37: Estimated Contribution to Contingency Reserve for FY 2024-25, as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Opening Balance of GFA	3236.02	3230.17	288.06	267.35
% Contribution	0.00%	1.80%	0.25%	2.02%
Contribution to Contingency Reserves	0.00	0.00	0.72	0.67

Commission's Analysis and Ruling

- 4.13.2 The Commission has approved the Contribution to Contingency Reserves for the

Supply Business for FY 2024-25 at 0.25% of the opening GFA for, in accordance with the MYT Regulations, 2019. Further, in continuation of the approach adopted in the MYT/MTR Order, the Contribution to Contingency Reserves for the Wires Business has been considered as Nil for FY 2024-25.

- 4.13.3 The Contribution to Contingency Reserves provisionally allowed for FY 2024-25 is shown in the Table below:

Table 4-38: Contribution to Contingency Reserve for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Wire Business			Supply Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Opening Balance of GFA	3236.02	3230.17	3229.49	288.06	267.35	267.30
% Contribution	0.00%	0.00%	0.00%	0.25%	0.25%	0.25%
Contribution to Contingency Reserves	0.00	0.00	0.00	0.72	0.67	0.67

4.14 NON-TARIFF INCOME (NTI)

TPC-D's Submission

- 4.14.1 As per TPC-D, the Commission has approved the projection of Non-Tariff Income for the Distribution Wires Business and Retail Supply Business for FY 2024-25 in the Tariff order in Case 237 of 2023 as Rs. 5.08 Crores and Rs. 8.78 Crores respectively. The same arrived considering the escalation of 5% and 10% over the NTI of FY 2023-24. For estimation of NTI of FY 2024-25, TPC-D has considered the average Non-Tariff Income for past three years as shown in the Tables below:

Table 4-39: Estimated Non-Tariff Income for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	MTR Order	TPC-D
Non-Tariff Income - Combined	13.86	12.36
Wire Business	5.08	5.26
Supply Business	8.78	7.10

Commission's Analysis and Ruling

- 4.14.2 The Commission has considered the head-wise NTI based on the actuals for H1 of FY 2024-25 and estimated for H2 of FY 2024-25 as submitted by TPC-D. However, the Commission has not considered negative entry towards Non-operating income and Misc Revenue.
- 4.14.3 Accordingly, the Commission provisionally approves the Non-Tariff Income for FY 2024-25 as shown in the following Table:

Table 4-40: Non-Tariff Income for FY 2024-25 as approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Non-Tariff Income - Combined	13.86	12.36	12.84
Wire Business	5.08	5.26	5.69
Supply Business	8.78	7.10	7.15

4.15 DEMAND SIDE MANAGEMENT EXPENSES**TPC-D's Submission**

4.15.1 TPC-D has considered the DSM expenditure of FY 2024-25 of Rs 0.52 Crore as approved in the Tariff Order.

Commission's Analysis and Ruling

4.15.2 The Commission provisionally approves the DSM expenditure for FY 2024-25 as submitted by TPC-D, as shown in the following Table:

Table 4-41: DSM Expenses for FY 2024-25 approved by Commission (Rs. Crore)

Particulars	Supply Business		
	MTR Order	TPC-D	Approved
DSM Scheme Cost	0.52	0.52	0.52

4.16 AGGREGATE REVENUE REQUIREMENT FOR FY 2024-25**TPC-D's Submission**

4.16.1 The summary of the ARR for the Wire and the Supply Business for FY 2024-25 as submitted by TPC-D is given in the Tables below:

Table 4-42: Estimated ARR for Wire Business for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	MTR Order	TPC-D
Operation & Maintenance Expenses	144.41	143.54
Depreciation	154.36	150.95
Interest on Loan Capital	61.36	71.27
Interest on Working Capital	14.69	15.43
Interest on deposit from Consumers	0.00	0.00
Provision for bad and doubtful debts	0.00	(3.78)
Contribution to contingency reserves	0.00	0.00
DSM Expenses	0	0.00
Total Revenue Expenditure	374.82	377.40
Add: Return on Equity Capital	140.11	140.41
Aggregate Revenue Requirement	514.93	517.82
Less: Non-Tariff Income	5.08	5.26
Less: Income from OA consumers	35.64	50.76
Aggregate Revenue Requirement from Distribution Wire Business	474.21	461.80

Table 4-43: Estimated ARR for Supply Business for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	MTR Order	TPC-D
Power Purchase Expenses	3215.34	3126.08
Operation & Maintenance Expenses	132.67	131.84
Depreciation	25.40	21.82
Interest on Loan Capital+ Other Finance Charges	5.31	5.47
Interest on Working Capital	0.00	10.23
Interest on Consumer Security Deposit	21.02	23.94
Provision for bad and doubtful debt	0.00	10.13
Contribution to contingency reserves	0.72	0.67
Intra-State Transmission Charges	329.57	432.73
MSLDC Fees & Charges	1.09	1.12
DSM Expense	0.52	0.52
Total Revenue Expenditure	3731.62	3764.55
Add: Return on Equity Capital	14.66	13.51
Aggregate Revenue Requirement	3746.29	3778.05
Less: Non-Tariff Income	8.78	7.10
Less: Receipts on account of Cross-Subsidy Surcharge	44.69	10.42
Aggregate Revenue Requirement from Retail Supply Business	3692.82	3760.54

Commission's Analysis and Ruling

4.16.2 Based on the components of the ARR approved in earlier paragraphs, the Commission approves the ARR for FY 2024-25 for the Wire Business and Supply Business, after provisional Truing-up, as given in the Tables below:

Table 4-44: ARR for Wire Business for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Operation & Maintenance Expenses	144.41	143.54	143.49
Depreciation	154.36	150.95	148.59
Interest on Loan Capital	61.36	71.27	71.54
Interest on Working Capital	14.69	15.43	15.32
Interest on deposit from Consumers and Distribution System Users	0.00	0.00	-
Provision for bad and doubtful debts	0.00	(3.78)	(3.78)
Contribution to contingency reserves	0.00	0.00	-
Total Revenue Expenditure	374.82	377.40	375.16
Add: Return on Equity Capital	140.11	140.41	140.39
Aggregate Revenue Requirement	514.93	517.82	515.54
Less: Non-Tariff Income	5.08	5.26	5.69
Less: Income from OA consumers	35.64	50.76	51.15
Aggregate Revenue Requirement from Distribution Wire Business	474.21	461.80	458.70

Table 4-45: ARR for Supply Business for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Power Purchase Expenses	3215.34	3126.08	3066.26
Operation & Maintenance Expenses	132.67	131.84	131.81
Depreciation	25.40	21.82	21.98
Interest on Loan Capital+ Other Finance Charges	5.31	5.47	5.44
Interest on Working Capital	0.00	10.23	0.00
Interest on Consumer Security Deposit	21.02	23.94	23.94
Provision for bad and doubtful debt	0.00	10.13	10.05
Contribution to contingency reserves	0.72	0.67	0.67
Intra-State Transmission Charges	329.57	432.73	432.73
MSLDC Fees & Charges	1.09	1.12	1.12
DSM Expense	0.52	0.52	0.52
Total Revenue Expenditure	3731.62	3764.55	3694.53
Add: Return on Equity Capital	14.66	13.51	13.50
Aggregate Revenue Requirement	3746.29	3778.05	3708.03
Less: Non-Tariff Income	8.78	7.10	7.15
Less: Receipts on account of Cross-Subsidy Surcharge	44.69	10.42	10.65
Aggregate Revenue Requirement from Retail Supply Business	3692.82	3760.54	3,690.23

Table 4-46: ARR for Wire and Supply Business for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Combined Business		
	MTR Order	TPC-D	Approved
Power Purchase Expenses	3215.34	3126.08	3066.26
Operation & Maintenance Expenses	277.08	275.38	275.30
Depreciation	179.76	172.76	170.58
Interest on Loan Capital+ Other Finance Charges	66.66	76.74	76.98
Interest on Working Capital	14.69	25.66	15.32
Interest on Consumer Security Deposit	21.02	23.94	23.94
Provision for bad and doubtful debt	0.00	6.35	6.27
Contribution to contingency reserves	0.72	0.67	0.67
Intra-State Transmission Charges	329.57	432.73	432.73
MSLDC Fees & Charges	1.09	1.12	1.12
DSM Expense	0.52	0.52	0.52
Total Revenue Expenditure	4106.44	4141.95	4069.69
Add: Return on Equity Capital	154.78	153.92	153.89
Aggregate Revenue Requirement	4261.22	4295.87	4223.58
Less: Non-Tariff Income	13.86	12.36	12.84
Less: Income from OA consumers	35.64	50.76	51.15
Less: Receipts on account of Cross-Subsidy Surcharge	44.69	10.42	10.65
Aggregate Revenue Requirement from Distribution Business	4,167.03	4,222.34	4,148.94

4.17 REVENUE FOR FY 2024-25

TPC-D's Submission

- 4.17.1 TPC-D has considered the actual Revenue recovered till September, 2024 and the revenue for H2 of FY 2024-25 is estimated based on the Tariff approved by the Commission Tariff Order. Based on the same, the total estimated revenue recovery during FY 2023-24 is as given in the Table below:

Table 4-47: Revenue of Distribution Business for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	MTR Order	TPC-D
Revenue - Supply Business	4680.54	4774.59
Revenue Wheeling Charges	806.11	770.57
Revenue from OA (Wheeling Charges)	35.64	50.76
Revenue from OA (CSS)	44.69	10.42
Total	5566.98	5606.34

Commission's Analysis and Ruling

- 4.17.2 The Commission notes that while estimating the revenue for FY 2024-25, TPC-D has not considered adjustment in revenue in respect of cash discount which includes Prompt Discount, Incentive to E-Payment Consumers, Discount on E-Bill Registration, etc. However, the Commission is estimating the cash discount while calculating the revenue in proportion to the actual discount and revenue occurred incurred for FY 2023-24. The Commission has recalculated the Revenue for FY 2024-25 considering the actual revenue of H1 for FY 2024-25 and computation of revenue for H2 of FY 2024-25 based on the revised sales, number of consumers and contract demand considered as per para 4.1.6 of this order.
- 4.17.3 Further, the Commission in MTR Order has directed TPC-D to refund the tariff differential amount between MTR (Case No. 225 of 2022) and MYT order (Case No. 326 of 2019) along with the holding cost to the respective consumers and report compliance to the Commission along with details of amount refunded including holding cost within three months from the date of this Order. The Commission also clearly stated in MTR Order, that since there is delay in refund on behalf of TPC-D, it will not be entitled for holding cost to be claimed in ARR at the time final Truing-up and has considered the refund of Rs 346 Crore, being the tariff differential amount for April 2023 to June 2023, as submitted by TPC-D and calculated the revenue for FY 2023-24.

“4.17.4 Thus, the Commission is of the view that TPC-D should refund the said amount along with holding cost to the respective consumers till the date of the refund and report compliance to the Commission along with details of amount refunded including holding cost within three month from the date of this Order. Since there

is delay in refund on behalf of TPC-D, it will not be entitled for holding cost to be claimed in ARR at the time final Truing-up of FY 2023-24. Accordingly, the Commission has considered the refund of Rs 346 Crore, being the tariff differential amount for April 2023 to June 2023, as submitted by TPC-D and calculated the revenue for FY 2023-24. Since, the Commission has also approved FAC to be levied at ceiling rate as per FAC approved for June 2023, it has considered the revenue from FAC for 2 months i.e., February and March 2024.”

- 4.17.4 TPC-D in compliance to the said direction of the Commission have submitted a letter dated 17 July, 2024 to the Commission providing the following details:

Table 4-48: Refund to Consumers along with the Holding Cost (Rs. Crore)

Differential Tariff for April to June 2023	Amount refunded from Jan 24 to Mar 24	Amount refunded from April 24 to June 24	Total Differential amount refunded	Holding Cost	Total amount refunded including holding cost
341.04	194.70	146.34	341.04	2.02	343.06

- 4.17.5 The Commission noticed that the holding cost of Rs. 2.02 Crore has been included in the total amount refunded to the consumers. However, based on the submission made by TPC-D, the amount has not been reduced from the Revenue. As, it was clearly stated in MTR Order that TPC-D will not be entitled to claim any holding cost, the amount of Rs. 2.02 crore is disallowed from the Revenue.
- 4.17.6 Further, the Commission has also not considered revenue from wheeling charges from EHV consumers in FY 2023-24 as the matter being sub-judice and pending with Hon'ble APTEL. Accordingly, the Revenue provisionally approved for TPC-D for FY 2024-25 is shown in the Table below.

Table 4-49: Revenue of Distribution Business for FY 2024-25 as approved by the Commission (Rs. Crore)

Particulars	MTR Order	TPC-D	Approved
Revenue - Supply Business	4,680.54	4,774.59	4687.2
Estimated Cash discount			-55.6
Disallowance of Holding Cost			-2.02
Total Revenue from Supply Business - A	4,680.54	4,774.59	4,629.58
Revenue Wheeling Charges - B	806.11	770.57	761.86
Revenue from OA (Wheeling Charges)	35.64	50.76	51.15
Revenue from OA (CSS)	44.69	10.42	10.65
Revenue from Changeover Sales (adjusted in ARR) - C	80.33	61.18	61.8
Total - A+B+C	5,566.98	5,606.34	5,453.24

4.18 REVENUE GAP/(SURPLUS) FOR FY 2024-25

TPC-D's Submission

4.18.1 Based on the ARR and Revenue for FY 2024-25, TPC-D has estimated the Revenue Gap/(Surplus) for the Wire and the Supply Business as shown in the Table below:

Table 4-50: Estimated Revenue Gap for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire Business		Supply Business	
	MTR Order	TPC-D	MTR Order	TPC-D
Standalone ARR FY 2024-25	474.21	461.80	3692.82	3760.54
Revenue Recovered	478.38	770.57	3937.26	4774.59
Gap/ (Surplus) for FY 2024-25	(4.17)	(308.77)	-244.45	-1014.06

Commission's Analysis and Ruling

4.18.2 Considering the approved components of ARR and Revenue for FY 2024-25, the Commission has approved the Revenue Gap/(Surplus) for FY 2024-25 as shown in the Table below:

Table 4-51: Revenue Gap/(Surplus) for Wire Business and Supply Business approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Wire Business			Supply Business			Distribution Business		
	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved	MTR Order	TPC-D	Approved
Standalone ARR FY 2024-25	474.21	461.80	458.70	3692.82	3760.54	3690.23	4243.18	4222.34	4148.94
Revenue Recovered	478.38	770.57	761.86	3937.26	4774.59	4629.58	4415.64	5545.17	5391.43
Gap/ (Surplus) for FY 2024-25	(4.17)	(308.77)	(303.15)	(244.45)	(1014.06)	(939.34)	(248.61)	(1322.83)	(1242.50)

4.18.3 The treatment of the above Revenue Gap/(Surplus) is discussed along with the treatment of Cumulative Revenue Gap/(Surplus), in Section 6 of this Order.

5 AGGREGATE REVENUE REQUIREMENT FOR FY 2025-26 TO FY 2029-30

In accordance with the MYT Regulations, 2024, TPC-D has submitted estimated ARR for each year of the 5th Control Period. TPC-D submitted details of its projected expenses over the Control Period for the Wires Business and Supply Business separately under various heads, viz., O&M expenses, Depreciation, interest on loans, IoWC, etc., as per the data formats prescribed by the Commission.

The Commission has discussed the expenditure allowed on each of the expense heads and the total expenses approved for the 5th Control Period in the subsequent paragraphs

5.1 RESOURCE ADEQUACY AND POWER PROCUREMENT PLANNING

- 5.1.1 Under Rule 16 of Electricity (Amendment) Rules, 2022, the Ministry of Power, Government of India, in consultation with the CEA, issued the guidelines for Resource Adequacy in June 2023. As per these guidelines, The CEA is mandated to publish the national-level Planning Resource Margin (PRM) as a guide for all the States/UTs while undertaking their RA exercises. (clause 3.1) and also to publish the capacity credits for different resource types on a regional basis. (clause 3.1)
- 5.1.2 Each Distribution licensee shall undertake a Resource Adequacy Plan (RAP) for a 10-year horizon (Long-term Distribution Licensee Resource Adequacy Plan (LT-DRAP)) to meet their peak and electrical energy requirement. (clause 3.7). The distribution licensees shall refer to LT-NRAP if required for inputs like PRM, capacity credits, etc. while formulating their LT-DRAP and submitting their plans to CEA. (clause 3.7.1)
- 5.1.3 The Commission has notified the MERC (Framework for Resource Adequacy) Regulations, 2024, to enable the implementation of the RA Framework to reliably meet the projected demand within the state. The objective of the Regulations is to enable the implementation of Resource Adequacy framework by outlining a mechanism for planning of generation and transmission resources for reliably meeting the projected demand in compliance with specified reliability standards for serving the load with an optimum generation mix.
- 5.1.4 These regulations outline the development and preparation of an RA Plan for the Long-Term (LT-DRAP) for up to 10 years, Medium-term Distribution Resource Adequacy Plan (MT-DRAP) for up to 5 years and Short-Term Resource Adequacy Plan (ST-DRAP) for up to one year by distribution licensees. The Regulation covers

a mechanism for long term, medium term and short term forecasting and demand assessment using scientific modelling tools, generation resource planning, procurement planning, and monitoring and compliance.

- 5.1.5 In compliance to the provisions of Regulation 5.4 of the MERC (Framework for Resource Adequacy) Regulations, 2024, TPC-D had submitted its RA Plan on 23 August 2024. The Commission scrutinized the proposal submitted by TPC-D and noted certain data discrepancies in demand forecasting and shortcomings in compliance to the provisions of the MERC RA Regulations 2024.
- 5.1.6 Further, the Commission had noted that, as per the MoP guidelines for RA, the CEA is mandated to publish a Long-term National Resource Adequacy Plan (LT-NRAP), which shall determine the optimal Planning Reserve Margin (PRM) requirement at the All-India level conforming to the reliable supply targets. The LT-NRAP shall allocate the share in the national peak for each State, and in States where there are multiple distribution licensees, the respective STU / SLDC shall allocate each distribution licensee's share in the national peak within 15 days of the publication of LT-NRAP.
- 5.1.7 Further, these guidelines also require NLDC to annually publish a one-year look-ahead Short-term National Resource Adequacy Plan (ST-NRAP). The Commission had also noted that, the CEA/NLDC are yet to publish the LT-NRAP and ST-NRAP results, including reliability indices (LOLP/NENS) and, PRM, CC factors, as per its Guidelines. Hence, allocation factors for the contribution of States to National CPD are not readily available for assessment. Meanwhile, the CEA had published a Discussion Paper dated 18 October 2024 for a methodology for demand contribution and CC factor assessment and invited comments.
- 5.1.8 In view of above developments at the national level on RA planning, critical observations on RA plans submitted by TPC-D and considering the forthcoming MYT proceedings as per MYT Regulations 2024, the Commission directed TPC-D to revisit the RA planning in light of the methodology specified by the CEA in the discussion paper published by CEA dated 18 October 2024 for computation of Capacity Credit of Generation Resources & Coincident Peak Requirement of Utilities under RA Framework. Further, TPC-D was also directed to revisit its ST-DRAP and LT-DRAP planning along with proposed power procurement and submit the same as a part of its MYT Tariff Petition for the 5th Control Period for stakeholder's consultation.
- 5.1.9 As per the Regulation No. 12.13 of MERC RA Regulations, 2024, for planning RA requirement, the distribution licensee is required to duly factor in the allocation of RA requirement to the distribution licensee as may be suggested by the STU/SLDC, as the case may be, based on average of share in state coincident peak demand (CPD)

and share in state non-coincident peak demand (NCPD) for MT-RA and ST-RA.

5.1.10 Further, as per Regulation No. 16.3 of MERC RA Regulations, 2024, while approving the RA plans of distribution licensees the Commission is required to seek inputs from STU/SLDC to ensure consistency with the state-level aggregation carried out by STU/SLDC.

5.1.11 In view of the above directions of the Commission, TPC-D submitted its revised RA Plan as a part of its MYT Tariff Petition for the 5th Control Period in this Petition.

5.2 SCRUTINY OF THE RA PLANNING AS PER THE PROVISIONS OF THE MERC RA REGULATIONS 2024.

TPC-D's submission

A. Demand Assessment and Forecasting

5.2.1 TPC-D has projected sales for the Control Period based on the Short-term and Medium-term Distribution Resource Adequacy Plans (ST-DRAP and MT-DRAP) submitted to the Commission on 30 September, 2024. The RA Plan outlines a framework to ensure reliable power supply for consumers for the 5th Control Period (FY 2025-26 to FY 2029-30).

5.2.2 The RA plan provides analysis of TPC-D's demand forecast, generation resources, capacity credits, and strategies to meet Resource Adequacy Requirement (RAR) over the short-term and medium-term horizons, including integration of RE sources and compliance with Renewable Purchase Obligations (RPO).

5.2.3 As per the provisions of the Regulation 6.4 of the MERC RA Regulations, 2024, the demand forecasting carried out by utilizing the category wise consumption data for various categories. The category-wise demand has been projected based Medium Term Load Forecasting (MTLF) using Artificial Intelligence (AI).

5.2.4 The RA plan has envisaged TPC-D's overall consumption to grow at 6% to 8%.

Commission's Analysis and Ruling

5.2.5 With notification of Resource Adequacy Regulations, there has been remarkable shift in the planning approach to demand forecasting particularly, in terms of following aspects:

- a) **Hourly/Sub-hourly profiling:** Focus on hourly/sub-hourly demand assessment (MW) than merely energy projections (MWh) (**Ref. Reg 6.1, 6.2 and 7.1, 7.2**)

- b) **Planning Horizon:** Demand forecasts to cover across planning horizons Long term (10 year), Medium term (5 year) and Short term (upto 1 year) (*Ref. Reg 6 and 7*)
- c) **Best fit Methodologies:** Methodology for demand/energy forecast to include combination of various statistical methodologies, tools and econometric modelling approaches rather than CAGR based method and adopt best fit approach (*Ref. Reg 6.5, 6.7 and 7.3, 7.4*)
- d) **Scenario Planning:** Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) rather than deterministic scenario. EPS projections could be one of the scenario with due reference to influence of other factors (*Ref. Reg. 6.6 and 6.15*)
- e) **Integral approach to Demand side measures:** Demand and energy forecast to include energy efficiency, energy conservation and demand side measures their impacts as integral part of demand assessment in terms of change in load shape, load curve, variation in peak/off-peak hours, seasonal variations etc. (*Ref. Reg. 6.9, 6.10 and 7.6*)
- f) **Influence of State/National Policy measures:** Adoption of several state/national policy measures such as PM-Surya Ghar, PM-KUSUM/MSKVY2.0, penetration of LED /BLED fan, EV policy, Green Hydrogen, Data Centre policy, captive policy, open access/ green energy open access policy etc. to be factored in the LT/MT/ST demand forecasts and energy forecasts (*Ref. Reg. 6.9 and 6.10*)

5.2.6 The Commission has scrutinized the Petitioner's submission as regards Demand / Energy forecasts with reference to provisions under MERC RA Regulations.

Table 5-1: Scrutiny of Resource Adequacy Plan of TPC-D

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
Demand Forecast and baseline for demand forecast and basis for projections	<ul style="list-style-type: none"> • ST: hourly/sub-hourly • MT: hourly • LT: monthly peak/off-peak load assessment and forecasts along with category-wise energy forecasts (Reg 6.1) 	<ul style="list-style-type: none"> • Submitted the ST (FY 2025-26), MT (2025-30). • No forecast for LT • Energy Sales forecast excl. open access is projected to grow from 6382 MU (FY25) to 9195 MU (FY30) • Peak Demand forecast excl. open access is projected to grow from 1084 MW (FY26) to 1332 MW (FY30). 	Sales for Base year (FY25) as approved by Commission in MTR Order is 6016.59 MU whereas TPC-D's assessment for provisional true-up for (FY25) is 6043 MU in MYT Petition, whereas in RA Plan submission (Annexure 4.1 of MYT petition) Sales for Base Year (FY25) is reported as 6382 MU, which is significantly higher and the same influences the future projections.
Forecast Scenarios	<ul style="list-style-type: none"> • Most probable, • Business as usual, • Aggressive • (Reg 6.15) 	<ul style="list-style-type: none"> • Considered only Most Probable scenario under RA Plan • Subsequently, as part of MYT filing business as usual and aggressive scenario 	Compliant to Reg 6.15 of MERC RA Regulations.
Category-Wise	<ul style="list-style-type: none"> • DLs is responsible for providing the category 	<ul style="list-style-type: none"> • Submitted the 	Compliant to Reg 6.3 and 6.4 of MERC RA Regulations.

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
Demand Forecast	<p>wise consumption data for consumer categories to various agencies for purpose of state level demand forecasts (Reg 6.3)</p> <ul style="list-style-type: none"> DL needs to do the demand forecast for all category of Consumers for which the Commission has determined separate Retail Tariff. (Reg 6.4) 	<p>Category wise energy consumption data and load forecast.</p> <ul style="list-style-type: none"> Submitted forecast for MT and ST. i.e., from 2025-26 to 2034-35. 	
Forecast methodology	<ul style="list-style-type: none"> Comprehensive historical data and data profiles requirement Premise for consumer category-wise factors policies and drivers, and Use of scientific and mathematical modelling tools (Reg 6.5) 	<ul style="list-style-type: none"> MTLF using AI 	Non-Compliance to Reg 6.5 of MERC RA Regulations
Use of Statistical methods & tools	<ul style="list-style-type: none"> DLs to conduct statistical analysis and select the method for which standard deviation is lowest and R-square is highest. (Reg 6.7) 	<ul style="list-style-type: none"> Analysis of standard deviation and R-square not submitted. 	Non-Compliance to Reg 6.7 of MERC RA Regulations.
Factors influencing Demand forecasts	<ul style="list-style-type: none"> EV Impact Rooftop Solar DSM & Energy Efficiency Measures GoM schemes like MSKVY 2.0 and other schemes Agricultural Load Shift Open Access /GEOA (Reg 6.9 and 6.10) 	<ul style="list-style-type: none"> Not considered under the RA Plan However, submitted as part of the MYT Petition. 	<ul style="list-style-type: none"> Partly Compliant to Reg 6.9 of MERC RA Regulations. Non-complied with Regulation 6.10 of the MERC RA Plan
Load Research	<ul style="list-style-type: none"> ST: Load research analysis to be conducted with 	<ul style="list-style-type: none"> No such 	<ul style="list-style-type: none"> Not in line with requirement under Regulation 6.11.

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
analysis	inputs from SLDC and detailed explanation for refinement. • MT: MT forecast may be revised with a detailed explanation of refinement. (Reg 6.11)	information about Load research, load survey and category-wise contribution to load curve has been submitted	• This information is necessary, particularly when DL has proposed revision in ToD slabs and ToD charges for various consumer categories.
Assessment of Peak Demand	• Determination of Peak Demand considering, average load factor, load diversity factor, seasonal variation factors for last three years and load forecasts (in MWh) (Reg 6.14)	• TPCL has submitted its peak demand in the calculation of MT-DRAP and ST-DRAP. • Diversity factor of 95% is taken.	• Partly complied with Regulation 6.14 of the MERC RA Regulations. • TPCL should submit its basis for the computation of Peak Demand.

- 5.2.7 The Commission observes that for sales projections under MYT petition the TPC-D has extensively relied on consumer-category-wise energy forecasts (MWh) using MTLF using AI based approach for Short/medium forecasts. The forecast of demand (MW) and shift in hourly/sub-hourly Demand forecasts (MW) is equally important particularly in light of adoption of other policies measures such as GEOA, Rooftop PV, Demand side and EE/EC measures etc. It is important to understand the influence of all such factors on Hourly/Sub-hourly Demand, which is not known.
- 5.2.8 The consistent approach for energy and demand projections would be necessary. The Commission expects that the annual RA rolling plan would ensure consistency in the approach for demand/energy forecasting exercise. The Commission directs that during the annual rolling plan exercise, the Petitioner should clarify the significant variation in forecasts for each consumer category with reasons and adopt corrective measures in its forecasting approach.
- 5.2.9 The Commission would encourage the Petitioner to explore use of various methodologies and statistical tools and use best fit approach for demand forecasting.
- 5.2.10 In view of above, the Commission has modified the demand/sales forecasts, which is discussed in the subsequent sections of the MYT Order. TPC-D is directed to use the methodology and assessment of its demand/sales forecasts as per the MERC RA Regulations and undertake scenario analysis (business as usual, aggressive and most probable scenario), while submitting its RA plan for next year. TPC-D should also factor in adjustment in sales forecasts on account of EV, adoption of solar rooftop PV and other energy efficiency measure etc. The comparison of sales forecasts proposed by TPC-D and approved by the Commission for 5th Control Period is summarized in subsequent Section.

B. Generation Resource Planning

TPC-D's submission

- 5.2.11 For generation resource planning, TPC-D has submitted its Generation resource plan for the Short- and Medium-Term considering Solar, Wind, Hydro, FDRE, PSPs, BESS and Thermal based generating sources over the 5th Control Period. TPC-D has envisaged to convert the existing share of Power Purchase with the maximum RE by the end of the Control Period and accordingly submitted its Generation Resource Planning.
- 5.2.12 TPC-D has also proposed to manage the excess solar generation during day time it has proposed to redesign category-wise ToD charges and rebates to encourage the use of day time solar generation.

Commission's Analysis and Ruling

5.2.13 With notification of Resource Adequacy Regulations, there has been remarkable shift in the planning approach to Generation Resource Planning, particularly, in terms of following aspects:

- a) **Capacity Crediting of Generation Resources and its contribution to Solar/Non-Solar hours:** Focus on assessing the contribution of generation resource to meet the demand at various hours particularly, variable renewable generation resources such as wind/ solar, storage resources (*Ref. Reg 9.1, 9.3 and 10*)
- b) **Gestation period of various Generation Resource technologies and contracting arrangements:** Different technologies (such as wind, solar, PSP, BESS, nuclear, coal etc) have different gestation periods. Further, variety of contracting arrangements (e.g. RE-RTC, FDRE, Hybrid) are emerging and would have variety of characteristic generation profile and associated costs. (*Ref. Reg 9.1, 9.2, 9.4 and 10*)
- c) **Planning Reserve Margin:** Need to include PRM factor to comply with reliability indices (such as LOLP, NENS) notified by CEA and PRM to be evaluated thru iterative process to meet with reliability standards (*Ref. Reg 9.5, and 11*)
- d) **Assessment of Resource Adequacy Requirement (Shortfall/Surplus):** Identification of RA requirement and resource gap/surplus (both quantum and duration) is crucial. Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) for RA Gap/ Surplus assessment in LT/MT/ST rather than deterministic scenario. (*Ref. Reg. 12*)
- e) **Integrated approach guided by CEA/STU/SLDC for control area and distribution licensee:** In order to optimal planning of resources inputs from LT-NRAP and ST-NRAP to be published by CEA as also allocation of RA requirement to concerned Distribution Licensee by STU/SLDC RA(*Ref. Reg. 6.9 and 6.10*)

5.2.14 The Commission has scrutinized the Petitioner's submission as regards **Assessment of Generation Resources and its proposed mix** with reference to provisions under MERC RA Regulations.

Table 5-2 Scrutiny of Generation Resource and Proposed Mix

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
Capacity Credit	<ul style="list-style-type: none"> Net Load based approach. RE CC = Sum of RE Generation for top 250 Hrs/Sum of RE IC for top 250 Hrs. CC factor is computed for each year of duration of past five-years and the resultant CC is the average of CC values of past 5 years. Thermal CC: computed based on coal /gas availability, forced and planned outages Hydro CC: computed based on water availability Storage CC: Net Load Based Approach (Reg 10.2) 	<ul style="list-style-type: none"> Solar CC Factor: Last 5 Year average: 25.9 %. CC Factor for Solar Capacity is considered at 19% from FY 2026-27 onwards. Wind Sources: 15.06%. Hydro sources: 100%. For thermal capacity: 100% Storage System : 100% (lack of data for storage System, it assumed CC Factor of one, as the system's purpose is peak-time power supply) 	<ul style="list-style-type: none"> CEA Guidelines stipulate that as part of its LT-NRAP study, CEA would specify CC factors for different technologies across region. Further, CEA had advocated determination of separate CC factors for wind and solar technologies for Solar hours and Non-Solar hours separately.
Planning Reserve Margin	<ul style="list-style-type: none"> PRM factor is computed based on the reliability Indices in 	<ul style="list-style-type: none"> PRM has not been considered by TPCL in its calculations as part 	<ul style="list-style-type: none"> CEA has not specified any PRM numbers, however, it has specified Loss of Load Probability (LOLP) as 0.2% and Normalized Energy Not Served (NENS) at 0.05% in the RA guidelines.

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
	terms of LoLP (0.2%) and NENS (0.05%) as specified by Authority or Commission (Reg 11.2) <ul style="list-style-type: none"> Capacity planning by DLs /STU /MSLDC shall factor PRM while developing state-level Resource Plan (Reg 11.3) 	of the RA plan. <ul style="list-style-type: none"> However, 5% of PRM has been considered for purpose of projection, which is submitted as part of the MYT Petition 	<ul style="list-style-type: none"> TPC-D shall explore the possibility to work out its PRM and submit as part of the next RA Plan.
RA Requirement and Allocation	<ul style="list-style-type: none"> DLs RA plan is based on the sum of adjusted contracted generation capacities, calculated with CC factors over time intervals (15 minutes to one hour) as specified by the Commission. (Reg 12.1) 	All the existing resources (including future resources for which PPA is signed) are mapped against the estimated hourly demand data till FY 2029-30.	<ul style="list-style-type: none"> CEA has not yet published the LT-NRAP plan which is expected to outline RA requirement of each State to meet the National Peak alongwith planning for reserve requirements. However, CEA has published Discussion Paper which outline the methodology for allocation of RA requirement based on contribution to national coincident peak demand by different states, which provide fair indication of Maharashtra's contribution to the national peak. Similar exercise is required to undertaken at state level by STU/SLDC for allocation of RA requirement amongst distribution licensees at state level. The Commission expects that the exercise of RA requirement assessment for State and its allocation between distribution licensees shall be completed before Annual RA Rolling plan exercise for next year taking into consideration LT-NRAP studies to be published by CEA.
Resource Gap or Resource Surplus	<ul style="list-style-type: none"> Identify the resource gap by subtracting the RA plan from the demand forecast, 	<ul style="list-style-type: none"> Submitted the Resource Gap/(Surplus) for ST DRAP and MT DRAP 	<ul style="list-style-type: none"> Compliant to Reg 12.2 of MERC RA Regulations Thus, issue of optimal capacity mix needs to be studied carefully with scenario analysis.

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
	<p>addressing RA compliance for long-term, medium-term, and short-term as per the regulations. (Reg 12.2)</p> <ul style="list-style-type: none"> Submits the Resource Gap in 3 scenarios (Most Probable, Business as usual and Aggressive). (Reg 12.3) 	<p>for Most probable scenario.</p> <ul style="list-style-type: none"> TPCL computed and submitted resource gap for ST and MT For FY 26 – 1 MW, FY 27 (-10 MW), FY 28 – 32 MW, FY 29 – 107 MW and FY 30 – 35 MW. 	
Plan to contract capacity meet RA Requirement	<ul style="list-style-type: none"> Plan Contract capacities to meet Resource Adequacy Requirements (RAR), ensuring coverage of peak demand plus PRM. (Reg 12.9) 	<ul style="list-style-type: none"> TPCL has submitted contract capacities to meet RAR to cover peak demand. 	<ul style="list-style-type: none"> TPC-D need to evaluate overall cost implications of its contracted power portfolio and capacity addition plans which otherwise would be sub-optimal. Most of storage capacity (PSP) addition is projected for FY29/FY30. In order to optimize the cost of power procurement during evening peak/ non-solar hours, TPC-D should evaluate and explore Storage (incl. BESS) solutions (2hr/4hr) to store surplus solar generation to be utilized during non-solar (evening peak) rather than procuring expensive power from market during non-solar (evening peak) hours.

- 5.2.15 The Commission observes that, TPC-D is planning to have larger share of RE based power procurement within 5th Control Period. Hence, the Commission would highlight that one of the important objectives of RA Regulations is resource planning with optimal resource mix to optimize overall cost of power for the utility and its end consumers while reliably meeting the forecasting load requirements. The relevant extract of objective of MERC RA Regulations, 2024 is provided as under:

*2.1 The objective of these Regulations is to enable the implementation of Resource Adequacy framework by outlining a mechanism for planning of generation and transmission resources for **reliably meeting the projected demand** in compliance with **specified reliability standards** for serving the load with an **optimum generation mix**.*

Provided that the planning of transmission resources shall be consistent with “MERC (State Grid Code) Regulations, 2020” and amendments thereof. (emphasis added)

- 5.2.16 Further, having contracted surplus capacity over and above its RA requirement then it is essential that the same is utilized or dispatched in optimal manner.
- 5.2.17 In order to optimize the cost of power procurement during evening peak/ non-solar hours, TPC-D should evaluate and explore Storage (incl. BESS) solutions (2hr/4hr) to store surplus solar generation to be utilized during non-solar (evening peak) hours rather than procuring expensive power from market during non-solar (evening peak) hours. TPC-D should explore and evaluate development of distributed storage solutions and its procurement plan through competitive route at early date.
- 5.2.18 Specific schemes of Demand side management measures could act as optimal resource and the TPC-D should develop DSM schemes for various consumer categories as such effective load management tool. It should also encourage and facilitate consumers who wish to invest in energy storage and support the grid during Non-solar (evening peak) hours provided it is viable business opportunity. Specific schemes under Demand Side Management framework can be designed and submitted for further regulatory scrutiny and approval.

C. Power Procurement Planning

TPC-D’s submission

- 5.2.19 TPC-D has considered the MoD based principle for its power purchase planning, where it has envisaged to tie up more Renewable based generation contracts such as FDRE, PSPs and Wind-Solar Hybrid. TPC-D has also envisaged to discontinue its procurement from TPC-G’s Unit 5 from FY 2029-30 onwards, where firm RE contracts would be added to compensate for the same.

Commission’s Analysis and Ruling

- 5.2.20 The Commission has scrutinized the TPC-D’s submission as regards **Power**

Procurement Planning and its proposed mix with reference to provisions under MERC RA Regulations.

Table 5-3: Power Procurement and Planning Mix

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks																				
Composition of LT, MT and ST along with details of procurement of existing and planned capacity	<ul style="list-style-type: none"> Percentage Shares of LT, MT and ST are as follows: LT = 70%, MT = 20% and ST = 10% (Remaining of LT and MT) (Reg 12.10) Submission of the list of all existing generating stations (Conventional + RE) along with RA plan. (Reg 17.4) 	<ul style="list-style-type: none"> TPC-D has submitted that it has sufficiently contracted capacity to meet the RA Requirement of short term and long term. Tie up proposed <table border="1"> <thead> <tr> <th>TYPE</th><th>Power Supply From</th><th>Quantum (MW)</th><th>Duration in Yr</th></tr> </thead> <tbody> <tr> <td>MT-FIRM</td><td>Apr-25</td><td>200</td><td>2</td></tr> <tr> <td>LT-FDRE</td><td>Apr-27</td><td>250</td><td>25</td></tr> <tr> <td>LT-FDRE</td><td>Apr-29</td><td>300</td><td>25</td></tr> <tr> <td>LT-PSP</td><td>Apr-29</td><td>150</td><td>25</td></tr> </tbody> </table>	TYPE	Power Supply From	Quantum (MW)	Duration in Yr	MT-FIRM	Apr-25	200	2	LT-FDRE	Apr-27	250	25	LT-FDRE	Apr-29	300	25	LT-PSP	Apr-29	150	25	<ul style="list-style-type: none"> Complied with provisions 12.10 of the Regulations. In order to assess the judicious mix of sources with optimal tenure, the MSLDC should also establish trading arrangement for short term, medium term optimally manage its contracted capacity and reduced burden of fixed cost of power through tied up through long term thermal sources
TYPE	Power Supply From	Quantum (MW)	Duration in Yr																				
MT-FIRM	Apr-25	200	2																				
LT-FDRE	Apr-27	250	25																				
LT-FDRE	Apr-29	300	25																				
LT-PSP	Apr-29	150	25																				
Firm Capacity	Demonstration of 100% tie-up for the first year and a minimum 90% tie-up for the second year to meet the requirement of their contribution towards meeting state peak. (Reg 15.6)	TPC-D in its MYT Petition has confirmed that it has 100% tie up in the first year and that it will ensure commissioning of the contracted capacities	<ul style="list-style-type: none"> Assessment of Firm capacity is linked to contracted capacity, technology / type of resource and its Capacity credit factor. CEA is yet to publish its CC factors under LT-NRAP for various resources across regions. However, it has indicated CC factors in its Discussion Paper published and also provided CC factors separately for Wind and Solar technologies during Solar and Non-Solar hours separately. Summary of assessment of Firm Capacity, RA Requirement, Resource Gap/Surplus is provided in the following paragraphs. 																				

Parameters	Provisions as per MERC RA Regulations 2024	Petitioner's Submissions	Commission's Observations and Remarks
			<ul style="list-style-type: none">Upon publication of the LT-NRAP study by CEA and CC factors thereof, DL should undertake comprehensive exercise for assessment of Firm Capacity, and RA Gap/Surplus during Annual RA Rolling plan exercise.

- 5.2.21 TPC-D has also complied with the Regulation 12.2 of the MER RA Regulation for the computation of its Resource Gap for Short Term and Medium submitted as part of the RA Plan.
- 5.2.22 The Commission has undertaken detailed evaluation of load profile of demand, generation profile of non-firm generating sources (such as wind, solar, hydro, hybrid, FDRE, storage) and estimated Net Load requirement to be met through contracted (existing and planned) thermal generating resources. The dispatch simulations considering merit order dispatch principles as outlined under MERC State Grid Code are required to be followed by distribution licensee during actual operations during 5th Control period.
- 5.2.23 Further, the Commission has ensured that the power procurement planning based on merit order and hourly dispatch also factors in the renewable energy purchase obligation targets (RPO) as specified under MERC RPO Regulations. Further, the hourly shortfall/ surplus is expected to be traded in the optimal manner and cost/revenue implications of the same have also been factored in while projecting the power purchase planning for the 5th Control Period.
- 5.2.24 A detailed estimation of the source-wise projected quantum and cost along with basis for cost assumptions thereof, has been covered extensively under this Order.
- 5.2.25 In pursuance of foregoing and also in accordance with the provisions under MERC RA Regulations, 2024, the Commission hereby directs the Petitioner to submit the Annual RA Rolling Plan during each year of the Control Period strictly in accordance with the provisions outlined under MERC RA Regulations and CEA Guidelines for Resource Adequacy in the matter. The Petitioner shall also factor in the guidelines, CC factors, reliability indices (LOLP, NENS) and PRM as may be stipulated by CEA from time to time. Petitioner should provide detailed model assumptions and computations to STU/SLDC in timely manner to enable them undertake state level assessment of RA compliance as well as reserve planning for at the state level.
- 5.2.26 Some of the specific actions that are required to be followed by Petitioner are outlined below:
- a) TPC-D should undertake realistic estimation of hourly demand and energy forecast upon verifying/validating the base year consumption and growth factor assumptions thereof.
 - b) TPC-D should undertake load survey for various consumer categories and assess the impact in change in load shape due to load side measures, adoption of new ToD tariff regime, agriculture load shift to day-time hours, demand side measures, proliferation of EV, RTPV, GEOA, industrial load growth,

growth in data centres etc.

- c) TPC-D should explore advancing the procurement of storage resources (2 hr / 4 hr) to meet Non-solar (evening peak) requirement and such procurement through competitive route as well as distributed storage facilities.
- d) TPC-D should encourage and facilitate consumers who intend to invest in storage facilities and support grid during non-solar (evening peak) hours and design and develop DSM schemes to facilitate the same.
- e) TPC-D should explore advance tie up / contracting arrangement with generating stations and other distribution licensees for trade of surplus power to optimize and reduce the burden of the fixed cost of contracted thermal generating stations.

5.2.27 In addition, following actions in line with requirements of Annual RA Rolling plan exercise shall be adhered to by Petitioner:

- (i) TPC-D shall submit demand forecasts to MSLDC by 30th April of each year for the ensuring year(s).
- (ii) TPC-D shall perform MT-DRAP and ST-DRAP exercise by 31st August of each year for the ensuring year(s).
- (iii) The monthly/weekly/day-ahead/intraday power procurements/sale by the Petitioner and generator schedule shall be made available on the websites of Petitioner.
- (iv) TPC-D shall establish a planning cell for Resource Adequacy as per Regulation 23.1 of Resource Adequacy Regulation.
- (v) Another round the clock dedicated cell shall also be constituted by Petitioner for power purchase/sell in real-time, and also undertake intra-day, day ahead, week ahead power procurement through Power Exchanges or any other means as per Regulation 23.2 of Resource Adequacy Regulation.

5.3 SALES

TPC-D's Submission

5.3.1 TPC-D projected direct sales (i.e., Wheeling Sales) for various Categories including the sales for Open Access are as follows:

Table 5-4: Projection of Direct Wheeling Sales for FY 2025-26 to FY 2029-30 (in MU)

Particulars	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
EHT						
Industries	800.00	1009.00	1184.41	1247.70	1313.85	1382.97
Commercial	99.23	111.23	115.68	125.31	145.32	166.13

Particulars	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Sewage Plant	0.00	0.00	0.00	0.00	0.00	0.00
Public Service	60.77	62.77	65.28	67.89	70.61	73.43
Railways	78.83	98.83	124.28	130.87	137.76	149.96
Total	1038.83	1281.83	1489.64	1571.77	1667.54	1772.49
HT						
Industries	1375.48	1416.50	1405.16	1481.37	1560.62	1633.04
Commercial	451.20	526.50	575.20	621.08	669.03	714.14
Group Housing Society	50.19	52.45	54.81	57.28	59.85	62.55
Public Services	87.34	96.27	105.60	113.35	119.46	124.83
Sewage Plant	0.00	5.00	20.23	31.14	37.54	39.23
Railways	103.16	112.80	117.88	123.18	128.73	134.52
Public Services and Government	26.37	37.56	39.25	41.01	42.86	44.79
EV Charging	14.57	14.57	14.57	14.57	14.57	14.57
Total	2108.31	2261.65	2332.69	2482.98	2632.65	2767.66
LT						
Residential	754.00	833.74	953.76	1101.99	1273.61	1466.03
LT Commercial < 20 KW	127.80	136.75	146.32	156.56	167.52	179.25
LT Commercial 20-50 KW	91.48	97.88	104.74	112.07	119.91	128.31
LT Commercial > 50 KW	381.76	408.48	437.08	467.67	500.41	535.44
LT Industries < 20 KW	22.42	23.99	25.67	27.47	29.39	31.45
LT Industries > 20 KW	224.86	236.10	247.91	260.30	273.32	286.98
LT Public Services	32.32	34.26	36.31	38.49	40.80	43.25
Lt Government Services and Hospital	5.25	5.57	5.90	6.26	6.63	7.03
LT EV Charging	10.05	12.56	15.70	19.63	24.54	30.67
Total	1649.94	1789.34	1973.39	2190.44	2436.13	2708.40
Total EHT+HT+LT	4797.08	5332.82	5795.72	6245.19	6736.31	7248.55

5.3.2 For the purpose of projections, TPC-D have categorized the sales in four segments: Constant Load, Sales with trend and Seasonal Variation, Major Load Addition and Changeover Sales.

A. Direct Sales Projection

i. Constant Load:

5.3.3 The load is expected to remain consistent throughout the day and over the year and comprise consumption from existing consumers such as HPCL (80 MW), BPCL (30 MW), and RCF (10 MW). TPC-D does not anticipate any increase in load due to natural growth. Hence, TPC-D for the purposes of projections, has considered the demand figures same as that of past years.

5.3.4 It is relevant to note that while the said load may not undergo natural growth, certain consumers are planning to increase their consumption and transition from lower to higher voltage categories. Accordingly, TPC-D has duly considered and

incorporated such enhancements in its calculations.

ii. Sales with trend and Seasonal Variation:

5.3.5 From the existing sales, the balance sales excluding the Changeover sales are expected to vary due to various reasons such as:

- a) Increase in per-capita consumption
- b) New regular loads getting added
- c) Seasonal variation, daily variation due to weather and temperature; and
- d) Due to other factors.

5.3.6 For factoring for natural Growth which also captures the increase in per capita consumption and new regular loads getting added, TPC-D based on the past trend has considered a growth rate for individual category of consumer for projections in FY 2025-26 to FY 2029-30.

iii. Major Load Addition:

5.3.7 The above said categories while capturing increase in load, only cover a natural load growth. However, in certain categories of consumers, TPC-D expected a Step Load addition. Thus, TPC-D has considered the impact of this expected increase into its projections. TPC-D submitted that such projection is duly supported by the applications received by TPC-D from prospective consumers, progress of discussions between TPC-D and the consumer and the progress made at site for effecting Power Supply.

iv. Change-over Sales Projection

5.3.8 TPC-D submitted that the Changeover Sales is quite difficult to project, the movement of consumers depends on tariff differential between tariff of TPC-D and AEML-D. The tariff differential considering the Wheeling and Cross-Subsidy Charges for the period from 1 April, 2025, to 31 March 2030, will only be determined upon the issuance of the MYT Orders for TPC-D and AEML-D by the Commission in March 2025. For projection purposes, TPC-D has assumed continuity in the current quantum of Changeover Sales and has applied a nominal annual growth rate of 2% for the period FY 2025-26 to FY 2029-30.

Table 5-5: Projection of Change Over Sales for FY 2025-26 to FY 2029-30 (in MU)

Sr.	Particulars	Unit	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
1	Consumption of Previous Year	MU		1605				1737
2	Increase in Natural Consumption	MU		32	33	33	34	35
3	New Load Addition	MU		0	0	0	0	0
4	Consumption for the Year	MU	1605	1637	1670	1703	1737	1772

Impact of Growth in EV and Roof Top Solar

5.3.9 TPC-D submitted that, the India is witnessing a growth in two major segments viz a) Use of Electric Vehicles which would increase the Discom consumption and b) Installation of Roof Top Solar Projects which would reduce the consumption of Discoms. At present, the penetration of the above on TPC-D load is as given in the table below:

Table 5-6: EV Charging load and Roof Top Solar Penetration in TPC-D (in MU)

Sr.	Particulars	Unit	FY 20	FY 21	FY 22	FY 23	FY 24
A	EV Charging Consumption						
1	EV Charging (HT +LT)	MU	0.09	0.48	12.35	17.34	21.54
2	Total Sales	MU	4585	4177	4724	5447	5680
3	Proportion of EV Sales	%	0.00%	0.01%	0.26%	0.32%	0.38%
B	Solar Roof Top Generation						
4	Solar Roof Top Generation	MU		10.76	11.13	11.91	15.02
5	Total Sales	MU		4177	4724	5447	5680
6	Proportion of Solar Generation	MU		0.26%	0.24%	0.22%	0.26%

5.3.10 Keeping the past trend of the above categories in mind and its contribution to the total sales, the impact of such developments has not been included separately in the projections as the impact may not be very substantial. The impact of EV on the Sales of Discoms has been presented earlier. TPC-D has considered the contribution of EV to that extent.

Open Access Sales

5.3.11 The estimated Open Access Consumption for the period FY 2025-26 to FY 2029-30 is as follows:

Table 5-7: Projection of Open Access Consumption for FY 2025-26 to FY 2029-30 (in MU)

Total Open Access Sale	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT I – Industry	355.07	390.58	429.63	472.60	519.86
HT II - Commercial	45.21	49.73	54.70	60.17	66.19
HT III – Group Housing Society (Resi)	8.31	9.14	10.06	11.06	12.17
LT III (B) – Industrial > 20kW	10.19	11.21	12.33	13.56	14.92
Total	418.78	460.66	506.73	557.40	613.14

Sales of TPC-D

5.3.12 After considering the direct sales and sale on Open Access, the breakup of sales of TPC-D is as given in the Table below:

Table 5-8: Projection of Sales of TPC-D for FY 2025-26 to FY 2029-30 (in MU)

Particulars	Direct Sales					C O Sales					Total Sales				
	FY 26	FY 27	FY 28	FY 29	FY 30	FY 26	FY 27	FY 28	FY 29	FY 30	FY 26	FY 27	FY 28	FY 29	FY 30
HT Category															
EHV - Industry	1009.00	1184.41	1247.70	1313.85	1382.97	0.00	0.00	0.00	0.00	0.00	1009.00	1184.41	1247.70	1313.85	1382.97
HT I – Industry	1061.43	1014.58	1051.73	1088.02	1113.19	0.00	0.00	0.00	0.00	0.00	1061.43	1014.58	1051.73	1088.02	1113.19
EHV- Commercial	111.23	115.68	125.31	145.32	166.13	0.00	0.00	0.00	0.00	0.00	111.23	115.68	125.31	145.32	166.13
HT II – Commercial	481.29	525.47	566.38	608.85	647.94	0.28	0.28	0.28	0.28	0.28	481.58	525.75	566.66	609.14	648.23
HT III - Group Housing Society	44.14	45.66	47.22	48.79	50.37	0.00	0.00	0.00	0.00	0.00	44.14	45.66	47.22	48.79	50.37
HT IV: HT - Mono/Metro/Railways											0.00	0.00	0.00	0.00	0.00
HT IV - Railways (22/33 KV)	112.80	117.88	123.18	128.73	134.52	0.00	0.00	0.00	0.00	0.00	112.80	117.88	123.18	128.73	134.52
EHV IV - Railways (Metro & Monorail)	98.83	124.28	130.87	137.76	149.96	0.00	0.00	0.00	0.00	0.00	98.83	124.28	130.87	137.76	149.96
HT V - Public Services											0.00	0.00	0.00	0.00	0.00
HT V(A) - Publ Serv Govt Hosp&Edu Inst	37.56	39.25	41.01	42.86	44.79						37.56	39.25	41.01	42.86	44.79
EHV - Public Services Others	62.77	65.28	67.89	70.61	73.43	0.00	0.00	0.00	0.00	0.00	62.77	65.28	67.89	70.61	73.43
HT V(B) - Public Services Others	101.27	125.83	144.49	156.99	164.06	0.00	0.00	0.00	0.00	0.00	101.27	125.83	144.49	156.99	164.06
HT VI: Electric Vehicle Charging Stations	14.57	14.57	14.57	14.57	14.57	0.00	0.00	0.00	0.00	0.00	14.57	14.57	14.57	14.57	14.57
Sub-total	3134.89	3372.88	3560.35	3756.35	3941.93	0.28	0.28	0.28	0.28	0.28	3135.17	3373.16	3560.63	3756.63	3942.21
LT Category															
LT I A- Residential (BPL)															
LT IB - Residential	833.74	953.76	1101.99	1273.61	1466.03	1524.44	1554.29	1585.96	1617.64	1649.96	2358.18	2508.06	2687.95	2891.25	3115.99
0-100	222.37	254.38	293.91	339.68	391.00	613.35	625.51	638.11	650.87	663.88	835.72	879.89	932.03	990.55	1054.88
101-300	250.78	286.89	331.47	383.10	440.97	632.73	645.17	658.27	671.43	684.85	883.51	932.06	989.75	1054.53	1125.82
301-500	120.22	137.53	158.90	183.65	211.40	170.45	173.75	177.31	180.85	184.46	290.67	311.28	336.22	364.50	395.85
501 and above	240.37	274.97	317.70	367.18	422.65	107.92	109.86	112.26	114.49	116.77	348.28	384.83	429.96	481.67	539.42
LT II - Commercial						91.78	93.30	95.75	97.94	99.87	91.78	93.30	95.75	97.94	99.87
LT II(A) - Commercial upto 20 kW	136.75	146.32	156.56	167.52	179.25	72.94	74.19	75.87	77.38	78.91	209.69	220.51	232.43	244.90	258.16
LT II(B) - Commercial 20 to 50 kW	97.88	104.74	112.07	119.91	128.31	8.75	8.92	9.39	9.57	9.75	106.63	113.65	121.46	129.48	138.06
LT II(C) - Commercial > 50 kW	408.48	437.08	467.67	500.41	535.44	10.09	10.19	10.49	11.00	11.21	418.58	447.27	478.17	511.41	546.65
LT III (A) - Industrial upto 20 kW	23.99	25.67	27.47	29.39	31.45	13.13	13.69	13.65	13.85	14.10	37.12	39.36	41.12	43.24	45.54
LT III (B) - Industrial > 20 kW	225.91	236.70	247.97	259.75	272.06	3.44	3.81	3.53	3.44	3.61	229.35	240.50	251.50	263.19	275.67
LT IV - Public Services						3.85	4.30	3.89	3.96	4.04					
LT IV(A) - Publ Serv Govt Hosp&Edu Inst	5.57	5.90	6.26	6.63	7.03	2.18	2.31	2.15	2.19	2.24	7.75	8.21	8.41	8.83	9.27
LT IV(B) - Public Services Others	34.26	36.31	38.49	40.80	43.25	1.67	1.99	1.74	1.77	1.81	35.93	38.30	40.23	42.57	45.06
LT VI: Electric Vehicle Charging Stations	12.56	15.70	19.63	24.54	30.67	0.17	0.18	0.18	0.18	0.19	12.74	15.88	19.81	24.72	30.86
Subtotal	1779.15	1962.18	2178.11	2422.57	2693.48	1636.82	1669.56	1702.96	1737.02	1771.77	3415.96	3631.74	3881.07	4159.59	4465.25
Total	4914.03	5335.06	5738.46	6178.91	6635.41	1637.10	1669.84	1703.24	1737.30	1772.05	6551.13	7004.90	7441.70	7916.22	8407.46

Commission's Analysis and Ruling

5.3.13 For projecting the sales for future years, the Commission in previous MYT and MTR Orders had adopted a holistic approach as it is difficult to establish any trend in the growth rates for specific consumer categories due to migration and reverse migration of consumers in some categories from TPC-D to AEML-D and vice-versa over the past several years. The Commission has adopted a similar approach for projecting the category-wise energy sales for the 5th MYT Control Period from FY 2025-26 to FY 2029-30.

5.3.14 The Commission notes that in past few years, excluding the year in which COVID-19 pandemic was spread, it has been observed that there is stagnation in the growth of Changeover Sales but the growth in the sales has been observed in Direct Sales.

5.3.15 The Commission notes that TPC-D has projected sales by dividing the projection in four parts viz: Constant Load which will remain constant, Sales with trend and Seasonal Variation for which past trend is considered, Major Load Addition likely to come up with new infrastructure projects being and Changeover Sales considered

at 2%. Based on the said parameters, TPC-D has considered the natural growth in sales along with the expected major load addition of consumers within the area of supply. Further, TPC-D has also admitted the fact that the Changeover sales is quite difficult to project as the same represents the movement of consumer sales from AEML-D to TPC-D-D and vice-versa.

5.3.16 However, the Commission opines that TPC-D operates under a parallel licensee and has a competition with BEST and AEML-D in their respective area of supply of power. Therefore, any load growth (considering the new load addition) will happen based on the price competitive and service provided to the consumers by the licensee. The Commission for the purpose of the projections has considered the past sales growth trend which includes the constant load growth along with the new consumer addition. The Commission feels that the over and above the past trend analysis, consideration of any load addition to the specific licensee will be an unfair treatment for other licensee and considering the choice of the consumers, any additional load addition due to new consumers will be considered at the time of Truing up of the respective years of the 5th MYT Control Period. Hence, the Commission has projected the sales based on the CAGR of past years with modified approach to the extent possible related to any specific category.

5.3.17 Considering the approach as adopted by TPC-D, the overall growth anticipated in the projection is in the range of 6% to 8% with growth of 8% to 11% in Direct Sales and 2% in Changeover sales, which is outlined in the following table:

Table 5-9: Energy Sales growth rate Projections by TPC-D

Category of Consumers	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Direct Sales	3,863.56	4,124.04	4,438.22	4,914.03	5,335.06	5,738.46	6,178.91	6,635.41
Changeover Sales	1,583.36	1,552.66	1,605.41	1,637.10	1,669.84	1,703.24	1,737.30	1,772.05
Total Sales	5,446.93	5,676.69	6,043.62	6,551.13	7,004.90	7,441.70	7,916.22	8,407.46
Direct Sales		7%	8%	11%	9%	8%	8%	7%
Changeover Sales		-2%	3%	2%	2%	2%	2%	2%
Total Sales		4%	6%	8%	7%	6%	6%	6%

5.3.18 The Commission has analysed the total sales growth of TPC-D under Direct and Changeover sales for past 5 years which is depicted in the following table:

Table 5-10: Past Sales growth of TPC-D

Category of Consumers	5 Yr CAGR	3 Yr CAGR	YoY CAGR
Direct Sales	8%	17%	7%
Changeover Sales	-2%	-1%	-2%
Total Sales	3%	10%	5%

5.3.19 As can be observed from the above table, the 5 year CAGR of TPC-D sales is around 3% and YoY sales is 5%. However, there is increase in 3 year CAGR that is increase in sales has been witnessed from FY 2020-21 onwards. As can be observed, the Changeover sales has been witnessing a negative trend against which TPC-D has considered the growth rate of 2%. Therefore, the Commission is of the view that considering cyclical fluctuation, economy turnaround, the sales trend of 3 year is required to be reviewed based on the individual yearly trend of past 3 years.

5.3.20 Accordingly, the Commission has analysed category wise past sales growth to assess the growth trend of Direct and Changeover consumers for FY 2020-21 to FY 2023-24 (past 3 years) and H1 growth of FY 2024-25 as compared to FY 2023-24. Based on the trend, the Commission has considered the average growth of the last 3 years with some modification to have a rational approach, which is outlined as below:

Table 5-11: Growth Trend Analysis of Direct Sales of TPC-D

Consumer Category & Consumption Slab	3 Yr CAGR	2 Yr CAGR	YoY CAGR	YoY H1 CAGR
LT -I Residential	15%	16%	15%	15%
0-100	15%	17%	12%	10%
101-300	15%	17%	15%	14%
301-500	17%	23%	31%	-1%
500 and above	14%	12%	11%	30%
LT Commercial	23%	21%	12%	11%
LT II (a) - 0-20 kW	28%	24%	15%	13%
LT II (b) - 20-50 kW	23%	20%	13%	11%
LT II (c) - above 50 kW	21%	20%	11%	11%
LT III (a) - LT Industrial upto 20 kW	10%	4%	5%	1%
LT III (b) - LT Industrial above 20 kW	16%	12%	4%	-2%
LT X: LT -Public Service	24%	19%	9%	17%
LT IX(A) - Publ Serv Govt Hosp&Edu Inst	-4%	-20%	-18%	47%
LT IX(B) - Public Services Others	31%	31%	14%	13%
LT XI - Electric Vehicle Charging Stations	192%	236%	271%	103%
Total- LT Sales	18%	17%	12%	11%
EHV Industrial	27%	27%	-2%	1%
HT I: HT-Industry	16%	10%	8%	-2%
EHV Commercial	6%	5%	2%	-5%
HT II : HT- Commercial	12%	10%	7%	5%
HT III: HT-Group Housing Society	49%	22%	10%	-5%
HT V (A) - Railways	28%	25%	19%	5%
EHV Metro	515%	130%	57%	161%
EHV Public Service Others	1%	1%	0%	3%
HT VI - Public Service	-15%	-26%	-5%	20%
HT VI (A) - Government Hospitals & Educational Institutions	-2%	-15%	8%	35%
HT VI (B) - Others	-18%	-28%	-8%	16%

Consumer Category & Consumption Slab	3 Yr CAGR	2 Yr CAGR	YoY CAGR	YoY H1 CAGR
HT VIII: EV Charging Stations	285%	18%	3%	-12%
Total - HT Sales	16%	13%	4%	1%
Total	17%	14%	7%	5%

Table 5-12: Growth Trend Analysis of Direct Sales of TPC-D

Consumer Category & Consumption Slab	3 Yr CAGR	2 Yr CAGR	YoY CAGR	YoY H1 CAGR
LT -I Residential	-1%	0%	-1%	3%
0-100	-1%	-1%	-1%	-1%
101-300	-1%	0%	0%	3%
301-500	-1%	-1%	-3%	18%
500and above	0%	1%	1%	3%
LT Commercial	6%	1%	-10%	2%
LT II (a) - 0-20 kW	11%	6%	-3%	0%
LT II (b) - 20-50 kW	-6%	-9%	-24%	-1%
LT II (c) - above 50 kW	-8%	-13%	-25%	11%
LT III (a) - LT Industrial upto 20 kW	9%	-2%	-9%	-3%
LT III (b) - LT Industrial above 20 kW	-14%	-24%	-35%	5%
LT X: LT -Public Service	35%	40%	-15%	-1%
LT IX(A) - Publ Serv Govt Hosp&Edu Inst	48%	82%	-1%	-2%
LT IX(B) - Public Services Others	26%	18%	-25%	1%
LT XI - Electric Vehicle Charging Stations			373%	-24%
Total- LT Sales	-1%	0%	-2%	3%
HT II : HT- Commercial	-25%	-	24%	-3%
Total	-1%	0%	-2%	3%

- 5.3.21 The Commission has modified the sales growth projection for certain category considering the abnormal growth in sales, or mixed trend in the sales for past 4 years and 0% for negative growth in specific category of consumers.
- 5.3.22 Further, based on TPC-D submissions, certain consumers were added in HT V (B) Public services – Other in December 2023 resulting in certain sales in FY 2023-24. However, there was a reverse migration of the same consumers in April and May 2024. Accordingly, the Commission has not considered any sales under HT V (B) Public Services others for 5th MYT Control Period for projection purpose.
- 5.3.23 Accordingly, for projecting the energy sales for the 5th MYT Control Period, the category-wise CAGR, as shown herein above, has been applied on estimated energy sales approved for FY 2024-25. In view of the above, the category-wise Direct Sales and Changeover Sales approved for FY 2025-26 to FY 2029-30 is given in the Tables below:

Table 5-13: Direct Sales approved for 5th Control Period (MU)

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT / EHT Category					
EHT I: -Industry	840.75	899.37	962.08	1,029.16	1,100.92
HT I: HT-Industry	1,062.71	1,115.85	1,171.64	1,230.22	1,291.73
EHT II: - Commercial	99.23	99.23	99.23	99.23	99.23
HT II: HT- Commercial	407.72	407.72	407.72	407.72	407.72
HT III: HT-Group Housing Society	44.67	49.14	54.05	59.46	65.40
Railways, Metro & Monorail (Total)	155.95	171.55	188.70	207.57	228.33
HT IV - HT Railways, Metro & Monorail	113.48	124.82	137.31	151.04	166.14
EHT IV - Railways, Metro & Monorail	42.47	46.72	51.39	56.53	62.19
HT VI - Public Services	178.55	182.68	186.92	191.28	195.75
HT V (A): Public Service - Government Hospitals & Educational Institutions	27.22	28.04	28.88	29.75	30.64
EHT V (B): Public Service - Others	61.37	61.99	62.61	63.23	63.86
HT V (B): Public Service - Others	89.96	92.66	95.44	98.30	101.25
HT VI: Electric Vehicle Charging Stations	15.01	15.46	15.92	16.40	16.89
Sub-total	2,804.59	2,940.99	3,086.26	3,241.03	3,405.97
LT Category					
LT -I (B) Residential	860.04	981.40	1,120.11	1,278.69	1,460.02
0-100	219.62	251.62	288.29	330.29	378.42
101-300	259.70	297.64	341.13	390.96	448.09
301-500	106.07	124.35	145.77	170.89	200.34
501 and above	274.65	307.79	344.93	386.54	433.18
LT II - Commercial	661.34	727.48	800.23	880.25	968.27
LT II(A) - Commercial upto 20 kW	140.78	154.86	170.35	187.38	206.12
LT II(B) - Commercial 20 to 50 kW	100.63	110.69	121.76	133.94	147.33
LT II(C) - Commercial > 50 kW	419.93	461.93	508.12	558.93	614.82
LT III (A) - LT Industry upto 20 kW	23.36	24.35	25.37	26.44	27.55
LT III (B) - LT Industrial > 20 kW	224.36	232.91	241.78	250.99	260.55
LT IV – Public Services	41.21	45.04	49.23	53.83	58.86
LT IV(A) - Government Hospitals & Educational Institutions	5.92	6.22	6.53	6.86	7.20
LT IV(B) - Others	35.29	38.82	42.70	46.97	51.66
LT VI: Electric Vehicle Charging Stations	10.61	13.26	16.58	20.72	25.90
Sub-total	1,820.93	2,024.43	2,253.29	2,510.91	2,801.16
Total	4,625.52	4,965.42	5,339.56	5,751.95	6,207.13

Table 5-14: Changeover Sales approved for 5th Control Period (MU)

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT / EHT Category					
EHT I: -Industry	-	-	-	-	-
HT I: HT-Industry	-	-	-	-	-
EHT II: - Commercial	-	-	-	-	-

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT II: HT- Commercial	0.25	0.25	0.25	0.25	0.25
HT III: HT-Group Housing Society	-	-	-	-	-
Railways, Metro & Monorail (Total)	-	-	-	-	-
HT IV - HT Railways, Metro & Monorail	-	-	-	-	-
EHT IV - Railways, Metro & Monorail	-	-	-	-	-
HT VI - Public Services	-	-	-	-	-
HT V (A): Public Service - Government Hospitals & Educational Institutions	-	-	-	-	-
EHT V (B): Public Service - Others	-	-	-	-	-
HT V (B): Public Service - Others	-	-	-	-	-
HT VI: Electric Vehicle Charging Stations	-	-	-	-	-
Sub-total	0.25	0.25	0.25	0.25	0.25
LT Category					
LT -I (B) Residential	1,486.94	1,492.89	1,498.96	1,505.14	1,511.46
0-100	567.13	567.13	567.13	567.13	567.13
101-300	622.38	622.38	622.38	622.38	622.38
301-500	188.99	192.77	196.63	200.56	204.57
501 and above	108.44	110.61	112.82	115.08	117.38
LT II - Commercial	97.08	98.82	100.59	102.40	104.24
LT II(A) - Commercial upto 20 kW	72.90	74.35	75.84	77.36	78.91
LT II(B) - Commercial 20 to 50 kW	10.19	10.19	10.19	10.19	10.19
LT II(C) - Commercial > 50 kW	14.00	14.28	14.56	14.85	15.15
LT III (A) - LT Industry upto 20 kW	13.20	13.47	13.73	14.01	14.29
LT III (B) - LT Industrial > 20 kW	5.08	5.13	5.18	5.23	5.28
LT IV – Public Services	3.66	3.70	3.73	3.77	3.81
LT IV(A) - Government Hospitals & Educational Institutions	1.78	1.80	1.82	1.83	1.85
LT IV(B) - Others	1.88	1.90	1.92	1.94	1.96
LT VI: Electric Vehicle Charging Stations	0.07	0.07	0.08	0.08	0.08
Sub-total	1,606.03	1,614.07	1,622.27	1,630.63	1,639.16
Total	1,606.27	1,614.32	1,622.52	1,630.88	1,639.41

Table 5-15: Total Sales approved for 5th Control Period (MU)

Consumer Category & Consumption Slab	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
	TPC	Approved	TPC	Approved	TPC	Approved	TPC	Approved	TPC	Approved
HT / EHT Category										
EHT I: -Industry	1009.00	840.75	1184.41	899.37	1247.70	962.08	1313.85	1,029.16	1382.97	1,100.92
HT I: HT-Industry	1061.43	1,062.71	1014.58	1,115.85	1051.73	1,171.64	1088.02	1,230.22	1113.19	1,291.73
EHT II: - Commercial	111.23	99.23	115.68	99.23	125.31	99.23	145.32	99.23	166.13	99.23
HT II: HT- Commercial	481.58	407.97	525.75	407.97	566.66	407.97	609.14	407.97	648.23	407.97
HT III: HT-Group Housing Society	44.14	44.67	45.66	49.14	47.22	54.05	48.79	59.46	50.37	65.40
HT Railways, Metro & Monorail (Total)	211.63	155.95	242.16	171.55	254.05	188.70	266.49	207.57	284.48	228.33
HT IV - HT Railways, Metro & Monorail	112.80	113.48	117.88	124.82	123.18	137.31	128.73	151.04	134.52	166.14
EHT IV - Railways, Metro & Monorail	98.83	42.47	124.28	46.72	130.87	51.39	137.76	56.53	149.96	62.19
HT VI - Public Services	201.60	178.55	230.35	182.68	253.39	186.92	270.46	191.28	282.28	195.75
HT V (A): Public Service - Government Hospitals & Educational Institutions	37.56	27.22	39.25	28.04	41.01	28.88	42.86	29.75	44.79	30.64
EHT V (B): Public Service - Others	62.77	61.37	65.28	61.99	67.89	62.61	70.61	63.23	73.43	63.86
HT V (B): Public Service - Others	101.27	89.96	125.83	92.66	144.49	95.44	156.99	98.30	164.06	101.25
HT VI: Electric Vehicle Charging Stations	14.57	15.01	14.57	15.46	14.57	15.92	14.57	16.40	14.57	16.89
Sub-total	3,135.17	2,804.84	3,373.16	2,941.24	3,560.63	3,086.51	3,756.63	3,241.28	3,942.21	3,406.22
LT Category		-		-		-		-		-
LT -I (B) Residential	2,358.18	2,346.98	2,508.06	2,474.29	2,687.95	2,619.07	2,891.25	2,783.83	3,115.99	2,971.48
0-100	835.72	786.75	879.89	818.75	932.03	855.41	990.55	897.42	1054.88	945.55
101-300	883.51	882.07	932.06	920.02	989.75	963.50	1054.53	1,013.34	1125.82	1,070.46
301-500	290.67	295.06	311.28	317.12	336.22	342.40	364.50	371.45	395.85	404.91
501 and above	348.28	383.10	384.83	418.40	429.96	457.75	481.67	501.62	539.42	550.56
LT II - Commercial	734.89	758.42	781.43	826.29	832.05	900.82	885.79	982.65	942.86	1,072.51
LT II(A) - Commercial upto 20 kW	209.69	213.68	220.51	229.21	232.43	246.19	244.90	264.74	258.16	285.02
LT II(B) - Commercial 20 to 50 kW	106.63	110.82	113.65	120.88	121.46	131.95	129.48	144.13	138.06	157.52
LT II(C) - Commercial > 50 kW	418.58	433.93	447.27	476.20	478.17	522.68	511.41	573.78	546.65	629.97
LT III (A) - LT Industry upto 20 kW	37.12	36.57	39.36	37.81	41.12	39.11	43.24	40.45	45.54	41.84

Consumer Category & Consumption Slab	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
	TPC	Approved	TPC	Approved	TPC	Approved	TPC	Approved	TPC	Approved
LT III (B) - LT Industrial > 20 kW	229.35	229.44	240.50	238.04	251.50	246.96	263.19	256.22	275.67	265.83
LT IV – Public Services	43.68	44.87	46.51	48.73	48.64	52.96	51.40	57.60	54.33	62.67
LT IV(A) - Government Hospitals & Educational Institutions	7.75	7.71	8.21	8.02	8.41	8.35	8.83	8.69	9.27	9.05
LT IV(B) - Others	35.93	37.17	38.30	40.71	40.23	44.61	42.57	48.90	45.06	53.62
LT VI: Electric Vehicle Charging Stations	12.74	10.68	15.88	13.33	19.81	16.65	24.72	20.80	30.86	25.98
Sub-total	3,415.96	3,426.96	3,631.74	3,638.50	3,881.07	3,875.56	4,159.59	4,141.54	4,465.25	4,440.32
15 day	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-
Total	6,551.13	6,231.80	7,004.90	6,579.74	7,441.70	6,962.07	7,916.22	7,382.83	8,407.46	7,846.54

Table 5-16: Total Sales approved for 5th Control Period (MkVAH)

Consumer Category & Consumption Slab	FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29			FY 2029-30		
	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total
HT / EHT Category															
EHT I: -Industry	859.36	-	859.36	919.28	-	919.28	983.38	-	983.38	1,051.95	-	1,051.95	1,125.29	-	1,125.29
HT I: HT-Industry	1,086.24	-	1,086.24	1,140.55	-	1,140.55	1,197.58	-	1,197.58	1,257.46	-	1,257.46	1,320.33	-	1,320.33
EHT II: - Commercial	100.28	-	100.28	100.28	-	100.28	100.28	-	100.28	100.28	-	100.28	100.28	-	100.28
HT II: HT- Commercial	412.05	0.25	412.30	412.05	0.25	412.30	412.05	0.25	412.30	412.05	0.25	412.30	412.05	0.25	412.30
HT III: HT-Group Housing Society	45.49	-	45.49	50.04	-	50.04	55.04	-	55.04	60.54	-	60.54	66.60	-	66.60
HT Railways, Metro & Monorail (Total)	169.51	-	169.51	186.46	-	186.46	205.11	-	205.11	225.62	-	225.62	248.18	-	248.18
HT IV - HT Railways, Metro & Monorail	123.34	-	123.34	135.68	-	135.68	149.25	-	149.25	164.17	-	164.17	180.59	-	180.59
EHT IV - Railways, Metro & Monorail	46.17	-	46.17	50.78	-	50.78	55.86	-	55.86	61.45	-	61.45	67.59	-	67.59
HT VI - Public Services	190.41	-	190.41	194.81	-	194.81	199.34	-	199.34	203.98	-	203.98	208.75	-	208.75
HT V (A): Public Service - Government Hospitals & Educational Institutions	29.03	-	29.03	29.90	-	29.90	30.80	-	30.80	31.72	-	31.72	32.67	-	32.67
EHT V (B): Public Service - Others	65.45	-	65.45	66.10	-	66.10	66.76	-	66.76	67.43	-	67.43	68.11	-	68.11
HT V (B): Public Service - Others	95.93	-	95.93	98.81	-	98.81	101.77	-	101.77	104.83	-	104.83	107.97	-	107.97
HT VI: Electric Vehicle Charging Stations	15.32	-	15.32	15.78	-	15.78	16.25	-	16.25	16.74	-	16.74	17.24	-	17.24

Consumer Category & Consumption Slab	FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29			FY 2029-30		
	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total	Direct	C/O	Total
Sub-total	2,878.66	0.25	2,878.91	3,019.26	0.25	3,019.51	3,169.03	0.25	3,169.28	3,328.62	0.25	3,328.87	3,498.73	0.25	3,498.98
LT Category															
LT -I (B) Residential															
0-100	860.04	1,486.94	2,346.98	981.40	1,492.89	2,474.29	1,120.11	1,498.96	2,619.07	1,278.69	1,505.14	2,783.83	1,460.02	1,511.46	2,971.48
101-300	219.62	567.13	786.75	251.62	567.13	818.75	288.29	567.13	855.41	330.29	567.13	897.42	378.42	567.13	945.55
301-500	259.70	622.38	882.07	297.64	622.38	920.02	341.13	622.38	963.50	390.96	622.38	1,013.34	448.09	622.38	1,070.46
501 and above	106.07	188.99	295.06	124.35	192.77	317.12	145.77	196.63	342.40	170.89	200.56	371.45	200.34	204.57	404.91
LT II - Commercial	274.65	108.44	383.10	307.79	110.61	418.40	344.93	112.82	457.75	386.54	115.08	501.62	433.18	117.38	550.56
LT II(A) - Commercial upto 20 kW	682.40	98.06	780.45	750.63	99.81	850.44	825.70	101.59	927.29	908.27	103.41	1,011.68	999.09	105.27	1,104.36
LT II(B) - Commercial 20 to 50 kW	140.78	72.90	213.68	154.86	74.35	229.21	170.35	75.84	246.19	187.38	77.36	264.74	206.12	78.91	285.02
LT II(C) - Commercial > 50 kW	104.70	10.60	115.30	115.17	10.60	125.77	126.69	10.60	137.29	139.36	10.60	149.95	153.29	10.60	163.89
LT III (A) - LT Industry upto 20 kW	436.91	14.56	451.48	480.61	14.85	495.46	528.67	15.15	543.82	581.53	15.45	596.99	639.69	15.76	655.45
LT III (B) - LT Industrial > 20 kW	23.36	13.20	36.57	24.35	13.47	37.81	25.37	13.73	39.11	26.44	14.01	40.45	27.55	14.29	41.84
LT IV – Public Services	231.99	5.25	237.24	240.82	5.30	246.12	249.99	5.36	255.35	259.52	5.41	264.93	269.40	5.46	274.86
LT IV(A) - Government Hospitals & Educational Institutions	43.05	3.82	46.87	47.04	3.86	50.90	51.42	3.90	55.32	56.22	3.94	60.16	61.49	3.98	65.46
LT IV(B) - Others	6.19	1.86	8.05	6.50	1.88	8.38	6.82	1.90	8.72	7.16	1.92	9.08	7.52	1.94	9.46
LT VI: Electric Vehicle Charging Stations	36.86	1.96	38.82	40.54	1.98	42.53	44.60	2.00	46.60	49.06	2.02	51.08	53.96	2.04	56.01
Sub-total	11.05	0.07	11.12	13.81	0.07	13.89	17.27	0.08	17.35	21.58	0.08	21.67	26.98	0.09	27.07
15 day	1,851.89	1,607.34	3,459.23	2,058.06	1,615.40	3,673.46	2,289.86	1,623.61	3,913.48	2,550.72	1,631.99	4,182.71	2,844.53	1,640.54	4,485.07
Total	4,730.55	1,607.59	6,338.14	5,077.31	1,615.65	6,692.96	5,458.89	1,623.87	7,082.75	5,879.34	1,632.25	7,511.58	6,343.26	1,640.79	7,984.05

5.3.24 Accordingly, the Open Access Sales are estimated based on 3 Year CAGR whereby 10% is considered for HT Industry and 5% is considered for the balance category of consumers. Hence, the Commission has approved the estimated OA sales for FY 2025-26 to FY 2029-30 as shown in the Table below:

Table 5-17: Open Access consumption for FY 2025-26 to FY 2029-30 approved by the Commission (MU)

<i>Consumer Category</i>	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT I – Industry	339.92	373.91	411.31	452.44	497.68
HT II – Commercial	45.44	47.71	50.09	52.60	55.23
HT III - Group Housing Society (Resi)	7.71	8.10	8.50	8.93	9.37
LT III(B) - Industrial > 20 kW	8.45	8.88	9.32	9.79	10.27
Total	401.52	438.59	479.22	523.75	572.55

5.3.25 The Commission would like to state that TPC-D has submitted that it has considered the number of consumers based on the new upcoming projects HT and LT load based on the past year trends of consumers, and upcoming residential projects. Further, for Contract Demand, it has been estimated in proportion of the ratio of present sales and the corresponding contract demand and the estimated sales growth in the MYT Period. However, as stated above, the addition of consumers related to new upcoming project may not be a fair view at present considering the competitive scenario and hence CAGR approach has been considered for the projection of the number of the consumers for the MYT Control Period. With respect to Contract demand, the same cannot increase in proportion to the sales as the growth in sales is due to inherent growth as well whereby consumer may not increase the Contract Demand and another leg of growth is where the Contract Demand is increased.

5.3.26 The CAGR approach provides a stable and reliable methodology for projecting consumer growth and contract demand over the MYT Control Period, as it smooths out short-term fluctuations and accounts for historical trends. This approach ensures consistency in demand forecasting by mitigating the uncertainties associated with new project additions in a competitive market. Additionally, CAGR-based projections align with regulatory principles by maintaining a balanced approach to load forecasting, preventing overestimation or underestimation that could impact tariff determination and system planning. Moreover, as contract demand does not necessarily increase in direct proportion to sales growth, using CAGR helps differentiate between organic sales growth and actual increases in contracted demand, ensuring a fair and technically sound estimation for regulatory and operational planning.

5.3.27 Hence, the Commission has considered the similar CAGR approach for projection of Contract Demand for the 5th MYT Control Period.

5.4 DISTRIBUTION LOSSES AND ENERGY BALANCE

TPC-D's Submission

5.4.1 TPC-D submitted that in addition to the Sales projected for the 5th MYT Control Period, it has also considered return of power banked in the past in FY 2025-26. Further, considering the above sales, Distribution loss of 1.24%, and Transmission Loss as submitted in the InSTS Petition filed by State Transmission Utility, TPC-D has estimated the energy requirement for 5th Control Period as shown in the following Table:

Table 5-18: Energy Input requirement for FY 2025-26 to FY 2029-30 as submitted by TPC-D (MU)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Direct Sales	5332.82	5795.72	6245.19	6736.31	7248.55
Open Access Sales	418.78	460.66	506.73	557.40	613.14
Direct Sales for Power Purchase Planning	4914.03	5335.06	5738.46	6178.91	6635.41
110 KV Billed Units	1281.83	1489.64	1571.77	1667.54	1772.49
Net Sale	3632.20	3845.42	4166.69	4511.38	4862.92
Distribution Loss	1.24%	1.24%	1.24%	1.24%	1.24%
Net Sale after Distribution Loss	3677.97	3893.87	4219.19	4568.22	4924.19
Direct Sales including 110 KV	4959.80	5383.51	5790.96	6235.76	6696.69
CO Sales	1637.10	1669.84	1703.24	1737.30	1772.05
Total Sales	6596.90	7053.36	7494.20	7973.06	8468.73
InSTS Requirement	6820.62	7291.04	7745.15	8237.48	8745.08
Banking Return	158.76				
InSTS Requirement after Banking return	6979.38	7291.04	7745.15	8237.48	8745.08
Transmission Loss as per InSTS Petition	3.28%	3.26%	3.24%	3.21%	3.16%

Commission's Analysis and Ruling

5.4.2 The Commission sought justification from TPC-D for projecting Distribution Loss of 1.24% for the 5th Control Period. TPC-D submitted that the Distribution loss is very minimal and may increase with spread of LT Network in future. Further, the collection efficiency is more than 100% and the billing efficiency is 100% there by leaving no scope for improving of commercial loss. Moreover, there is no efficiency gain/loss that has been passed on to consumer for variation in the Distribution Loss. Therefore, considering the past trend of Distribution loss and the present loss of 1.24%, TPC-D while projecting has considered a Distribution Loss of 1.24%. The Commission may consider revision of this loss figure at the time Mid-term review.

5.4.3 The Commission in Truing up section of FY 2023-24 has observed negative distribution loss as per Energy Input data at T<>D interface from SLDC and has

sought reconciliation for the same whereby TPC-D replied that the input data as provided by MSLDC is on provisional basis and the reconciliation is still pending. Accordingly, the Commission has directed TPC-D to submit the detailed justification for the negative Distribution Loss in the next Tariff Petition. Since, the justification of the negative distribution loss is yet to be reviewed by the Commission, it has continued with the Distribution Loss of 1.02% approved for the 4th Control Period in the 5th Control Period. The Commission may revisit this at the time of MTR considering the facts available at that time.

Table 5-19: Distribution Loss for FY 2025-26 to FY 2029-30 as approved by the Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss	1.02%	1.02%	1.02%	1.02%	1.02%

5.4.4 Further, the Regulation 110.2 of the MYT Regulation, 2024 provides as under:

“110.2 The Distribution Licensee as a part of its MYT Petition shall submit the AT&C Loss trajectory agreed by the State Governments and approved by the Central Government under any National Scheme or Programme, or otherwise:

Provided that the Commission may stipulate trajectory for AT&C losses in its Order on the MYT Petition filed by Distribution Licensee.”

5.4.5 TPC-D has proposed its AT&C losses at 1.24% across the entire 5th Control Period considering Collection Efficiency at 100% and Billing Efficiency at 98.98% same over the entire 5th Control Period. The Commission for the purpose of estimating the AT&C loss trajectory for the 5th Control Period has considered the following formula

$$\text{AT\&C Losses (\%)} = \{1 - (\text{Billing Efficiency} \times \text{Collection Efficiency})\} \times 100$$

5.4.6 Accordingly, the Commission has approved the AT&C loss trajectory for the 5th Control Period, which is summarised in the Table below:

Table 5-20: AT&C Loss Trajectory for FY 2025-26 to FY 2029-30, as approved by the Commission (%)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Collection Efficiency (%)	100.00%	100.00%	100.00%	100.00%	100.00%
Billing Efficiency (%)	98.98%	98.98%	98.98%	98.98%	98.98%
AT&C Loss (%)	1.02%	1.02%	1.02%	1.02%	1.02%

5.4.7 Further, as submitted by TPC-D, the Commission has observed that TPC-D has purchased power under banking arrangement from the Month of October -2024 to March 2025 from Kreate Energy (I) Pvt. Ltd. ‘KEIPL’ and the same is required to

be returned under the same banking arrangement from July to September 2025. As per the contract the Net Energy to be returned is 5% more the actual energy supplied by the Other Utility and accordingly, TPC-D has grossed up this energy with loss of 5% and adjusted in the Energy Balance in FY 2025-26. The Commission noted the submission made by TPC-D and has observed that the power banking of 151.20 MU has been projected in FY 2024-25 and has been approved by the Commission in this order. Accordingly, the Commission approves the grossed up energy by 5% and provisionally adjusted in the Energy Balance in FY 2025-26. However, TPC-D to provide the details regarding the banking power along with the contract during the next MTR petition for final approval in the Truing up of FY 2025-26.

5.4.8 Further, the Commission directs TPC-D to approach the Commission within three months of issuance of this Order and submit the list of energy efficient schemes that are proposed to be undertaken in the next Control Period. Further, TPC-D is directed to conduct the study for assessment of self-consumption and submit the findings of such study. The Commission has considered FY 2024-25 as base year for self-consumption. During the Control Period, TPC-D shall reduce its self-consumption by 0.5% each year, which translates to 2.5% over the control period.

5.4.9 For computation of Energy balance for the Control Period from FY 2025-26 to FY 2029-30, the Commission has considered intra-State Transmission Loss as approved in the InSTS Order in Case No. 208 of 2024 and approved Direct and Change-over Sales for the 5th Control Period.

5.4.10 Accordingly, the Energy Balance approved by the Commission for FY 2025-26 to FY 2029-30 is shown in the Table below:

Table 5-21: Energy Input requirement for FY 2025-26 to FY 2029-30 as approved by the Commission (MU)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
TPC-D-Sales	4625.52	4965.42	5339.56	5751.95	6207.13
110 kV Billed Units	1043.82	1107.31	1175.31	1248.15	1326.20
Bill Credit given to OA consumers					
Total Sale excluding 110 kV Sales	3581.70	3858.11	4164.25	4503.79	4880.93
Distribution Losses	1.02%	1.02%	1.02%	1.02%	1.02%
ABT meter readings @ T <> D Interface	3618.61	3897.87	4207.16	4550.20	4931.23
OA Wind Credit @ T <> D Interface	0.00	0.00	0.00	0.00	0.00
Sales to Changeover consumers	1606.27	1614.32	1622.52	1630.88	1639.41
Energy Sales at 110/132 kV level	1043.82	1107.31	1175.31	1248.15	1326.20
Total Energy Requirement at T<>D	6268.71	6619.49	7004.99	7429.24	7896.84
Transmission Loss	3.28%	3.26%	3.24%	3.22%	3.20%
Total Energy Requirement at G<>T	6481.29	6842.56	7239.55	7676.42	8157.89
Banking Return	158.76				

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Energy Requirement at G<T Interface	6640.05	6842.56	7239.55	7676.42	8157.89

5.5 POWER PURCHASE QUANTUM AND COST

TPC-D's Submission

5.5.1 TPC-D has proposed the purchase the Power from the following sources during the Control Period

- a) Power purchase from Tata Power -G
- b) Power Purchase from Renewable - Existing Sources
- c) Power Purchase from Renewable - Tied up sources
- d) Power Purchase from Renewable - Short Term
- e) Power Purchase from source identified through Medium-Term Competitive Bidding
- f) Power Purchase from Renewable - Firm Dispatchable Renewable Energy (FDRE)
- g) Power Purchase from Pumped Storage Unit

A. Procurement from TPC-G

5.5.2 TPC-D submitted that, it has tied up capacity with Thermal and Hydro units of TPC-G for a period up to FY 2028-29 and the arrangement has been approved by the Commission under Case No. 39 of 2023. For the projections up to FY 2029-30, TPC-D has considered that such arrangement would be available for one more year i.e., in FY 2029-30 also except for Unit 5 which would have lived a life of about 45 years by the end of FY 2028-29. In view of the above, for the purpose of projections, TPC-D have not considered any power from Unit No 5 in FY 2029- 30.

5.5.3 Further, TPC-G, in its Petition under Case No. 189 of 2024, has submitted MYT projections for FY 2025-26 to FY 2029-30, including Fixed/Capacity Charges and Energy Charge Rates (ECR). In line with the same, TPC-D has considered the power purchase cost in alignment to the projection submitted by TPC-G.

5.5.4 Further, TPC-D submitted that, for projection purposes it has minimized dispatch from high-cost units, particularly Unit 5 and Unit 8. It has further submitted that Unit 7, which operates on APM Gas, has demonstrated consistent availability in recent years, and this trend is assumed to continue for FY 2025-26 to FY 2029-30. Accordingly, generation and sales from Unit 7 have been factored into projections. Power purchase projections from Hydro Units are based on their estimated

generation capacity.

5.5.5 Based on the above, the estimated power purchase cost from Tata Power -G over the period FY 2025-26 to FY 2029-30 is as shown in the Table below

Table 5-22: Cost of Power Purchase from TPC-G for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<u>Tata Power-G</u>						
Unit 5	MU	1105.74	1105.74	1105.74	1105.74	0.00
Unit 7	MU	515.95	515.95	517.36	515.95	515.95
Unit 8	MU	661.27	661.27	661.27	661.27	661.27
Bhira	MU	439.91	439.91	439.91	439.91	439.91
Bhivpuri	MU	140.87	140.87	140.87	140.87	140.87
Khopoli	MU	136.05	136.05	136.05	136.05	136.05
Total	MU	2999.79	2999.79	3001.20	2999.79	1894.05
<u>Rate</u>						
Unit 5	Rs/kWh	5.84	6.02	6.20	6.39	6.58
Unit 7	Rs/kWh	5.25	5.41	5.57	5.74	5.91
Unit 8	Rs/kWh	5.71	5.88	6.06	6.24	6.42
Bhira	Rs/kWh	1.01	1.04	1.06	1.09	1.11
Bhivpuri	Rs/kWh	1.84	1.88	1.93	1.98	2.03
Khopoli	Rs/kWh	2.84	2.92	3.01	3.10	3.19
Weighted Average Variable Cost	Rs/kWh	4.68	4.82	4.96	5.11	4.49
Variable Charges	Rs Crore	1403.73	1445.28	1488.93	1532.36	850.64
Capacity Charges	Rs Crore	507.88	517.60	531.84	547.57	360.62
Total Cost of TPC-G	Rs Crore	1911.61	1962.88	2020.77	2079.93	1211.26
Weighted Average Cost	Rs/kWh	6.37	6.54	6.73	6.93	6.40

Commission's Analysis and Ruling

5.5.6 The Commission by its Order dated 28 November, 2023 in Case No. 39 of 2023 has extended the duration of the PPA between TPC-D and TPC-G for the period of 5 years from FY 2024-25 to FY 2028-29. The Commission notes that TPC-D has considered the same arrangement to be continued for the remaining year of the Control Period, i.e., FY 2029-30 except for TPC-G Unit No 5. For the purpose of ARR for 5th MYT Control Period, the Commission has accepted TPC-D's submission in this regard and considered the procurement of power from TPC-G for each year of the Control Period accordingly. However, it is clarified that such consideration is for the purpose of this Order and it does not amount to explicit or implicit approval of the Commission for any extension of the Power Purchase

Arrangement between TPC-D and TPC-G beyond 31 March, 2029. TPC-D has to approach separately to the Commission for approval of its power procurement plan for FY 2029-30 well in time, considering the prevalent situation and the process time required for procuring power through the competitive bidding process.

- 5.5.7 For the purpose of this Order, the Commission has considered the cost of power purchase from TPC-G as approved in TPC-G's MYT Order in Case No. 189 of 2024. However, for the purpose of this MYT Order, the Commission has considered the quantum of purchase from TPC-G's thermal sources equal to the Minimum Technical Requirement of thermal power plant. The purchase from the hydro sources of TPC-G has been considered based on the available quantum as approved in TPC-G's MYT in Case No. 189 of 2024 for 5th MYT Control Period. Accordingly, TPC-source wise power purchase cost as approved by the Commission for FY 2025-26 to FY 2029-30 with breakup of energy charges and fixed cost is outlined in the following Table:

Table 5-23: Capacity Charges from TPC-G for FY 2025-26 to FY 2029-30 as approved by Commission (Rs. Crore)

Particulars	Capacity Charges of TPC-G submitted by TPC-D					Capacity Charges of TPC-G approved in this Order				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Unit 5	183.38	186.42	192.44	198.33	0.00	156.00	159.31	164.23	168.97	-
Unit 7	106.43	109.63	112.90	116.35	119.97	97.00	100.45	103.10	105.88	108.76
Unit 8	130.41	131.17	133.26	136.63	141.23	126.89	127.63	129.72	133.05	137.29
Bhira	35.00	36.02	37.09	38.22	39.41	35.05	36.13	36.99	37.90	38.85
Bhivpuri	20.21	20.81	21.45	22.12	22.83	19.26	19.90	20.41	20.95	21.51
Khopoli	32.46	33.55	34.70	35.92	37.19	32.46	33.57	34.50	35.48	36.50
Total	507.88	517.60	531.84	547.57	360.62	466.66	476.98	488.96	502.23	342.91

Table 5-24: Variable Charges from TPC-G for FY 2025-26 to FY 2029-30 as approved by Commission (Rs./kWh)

Particulars	Variable Charge of TPC-G submitted by TPC-D					Variable Charge of TPC-G approved in this Order				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Unit 5	5.84	6.02	6.20	6.39	6.58	5.64	5.81	5.98	6.16	6.35
Unit 7	5.25	5.41	5.57	5.74	5.91	5.26	5.42	5.58	5.75	5.92
Unit 8	5.71	5.88	6.06	6.24	6.42	5.51	5.67	5.85	6.02	6.20
Bhira	0.97	1.00	1.03	1.06	1.10	0.96	0.99	1.02	1.04	1.07
Bhivpuri	2.17	2.23	2.30	2.37	2.45	2.04	2.11	2.16	2.22	2.28
Khopoli	3.85	3.98	4.12	4.26	4.41	3.81	3.94	4.05	4.16	4.28

Table 5-25: Variable Cost for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net Generation (MU)	2,894.61	2,894.61	2,894.61	2,894.61	1,788.87
Rate of Purchase (Rs./kWh)	4.58	4.72	4.86	5.01	4.42
Variable Cost (Rs. Crore)	1,327.07	1,367.21	1,407.73	1,449.51	790.61

Table 5-26: Total Cost of Power Purchase from TPC-G for FY 2025-26 to FY 2029-30 as approved by Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	TPC-D					Approved				
Variable Cost	1403.73	1445.28	1488.93	1532.36	850.64	1,327.07	1,367.21	1,407.73	1,449.51	790.61
Fixed Cost	507.88	517.60	531.84	547.57	360.62	466.66	476.98	488.96	502.23	342.91
Total Cost	1,911.61	1,962.88	2,020.77	2,079.93	1,211.26	1,793.72	1,844.19	1,896.69	1,951.74	1,133.52
Net Generation (MU)	2999.79	2999.79	3001.20	2999.79	1894.05	2,894.61	2,894.61	2,894.61	2,894.61	1,788.87
Per Unit cost (Rs. /kWh)	6.37	6.54	6.73	6.93	6.40	6.20	6.37	6.55	6.74	6.34

B. Power Purchase from Renewable – Existing Sources

TPC-D's Submission

- 5.5.8 TPC-D has been purchasing power from various renewable sources which have been tied up in the past. Some of the PPAs will expire during the term of the 5th Control Period. The purchase of power from such sources have been considered for continuation of Power Purchase Cost for the period FY 2025-26 to FY 2029-30. At the same time, the term of the PPA with 50 MW Wind Project at Agaswadi will be completed on 5 March, 2025, prior to commencement of 5th Control Period, and therefore, no power purchase from the Agaswadi plant has been considered. Similarly, no purchase has been considered from Visapur (6 MW), whose PPA expired in FY 2024-25.
- 5.5.9 Similarly, the Power Purchase Agreement for the Visapur 24 MW and Visapur 8 MW wind projects is set to expire on 31 December, 2027. Post-expiry, TPC-D has considered a power purchase rate of Rs 2.65/kWh for cost projections, in accordance with the rate approved by the Commission for renewable energy sources with expired PPAs. For FY 2027-28, upon the expiry of the PPA, the rate for Visapur 24 MW has been computed at Rs. 5.39/kWh, based on the weighted average generation from April 2023 to December 2023 and January 2024 to March 2024. Similarly, the rate for Visapur 8 MW has been determined at Rs. 5.29/kWh
- 5.5.10 In addition to above, TPC-D has signed PPAs with several Wind/Solar/Hybrid Project, where the PPA term is beyond FY 2029-30. TPC-D has considered such rate in the PPA for projections.
- 5.5.11 Based on the above, the quantum of energy purchase and the cost of power purchase for the 5th Control period is as shown in the table below:

Table 5-27: Power Purchase from Renewable Existing Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
A- Sources Other than Visapur					
Total RE Purchase (MU)	1094.79	1094.79	1094.79	1094.79	1094.79
Rate (Rs. /kWh)	3.01	3.01	3.01	3.01	3.01
Cost of RE Purchase (Rs. Crore)	329.41	329.41	329.41	329.41	329.41
B. Visapur 24 MW					
Total RE Purchase (MU)	33.90	33.90	33.90	33.90	33.90
Rate (Rs. /kWh)	5.81	5.81	5.39	2.65	2.65
Cost of RE Purchase (Rs.Crore)	19.70	19.70	18.26	8.98	8.98
C. Visapur 8 MW					
Total RE Purchase (MU)	16.91	16.91	16.91	16.91	16.91
Rate (Rs. /kWh)	5.70	5.70	5.29	2.65	2.65

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of RE Purchase (Rs.Crore)	9.64	9.64	8.95	4.48	4.48
D. Total RE Existing Sources					
Total RE Purchase (MU)	1145.60	1145.60	1145.60	1145.60	1145.60
Rate (Rs. /kWh)	3.13	3.13	3.11	2.99	2.99
Cost of RE Purchase (Rs. Crore)	358.7	358.7	356.6	342.9	342.9

C. Power Purchase from Renewable– Identified Sources

TPC-D's Submission

5.5.12 TPC-D submitted that it has considered the procurement of 375 MW from Hybrid Power Plants developed by TPREL and Juniper Green Energy Pvt. Ltd., scheduled for commissioning from FY 2026-27 onwards. The Commission, in its Order in Case No. 195 of 2023 dated 28 February, 2024, has approved 75 MW from Juniper at Rs. 3.27/kWh, 150 MW from TPREL at Rs. 3.28/kWh, and an additional 150 MW under the Green Shoe Option at Rs. 3.28/kWh. As the Power Purchase Agreements for these projects have been executed and duly approved, these sources qualify as Identified Sources. Based on an average Capacity Utilization Factor (CUF) of 30%, TPC-D has projected the power purchase cost from these sources accordingly.

Table 5-28: Power Purchase from Renewable Identified Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total RE Purchase	MU	0.00	985.50	985.50	985.50	985.50
Rate	Rs. /kWh	0.00	3.27	3.27	3.27	3.27
Cost of RE Purchase	Rs. Crore	0.00	322.65	322.65	322.65	322.65

D. Power Purchase from Renewable Sources – Short Term Sources

TPC-D's Submission

5.5.13 For FY 2024-25, TPC-D has been purchasing power from various Wind resources where the PPA has expired. At present it has purchased about 350 MW from Group II and Group IV projects at a tariff of Rs. 2.65/kWh respectively. TPC-D proposes to continue to purchase the power from such sources as per availability at an economical rate. However, it is estimated that for future period, such large quantum may not be available. Accordingly, TPC-D has considered only 265 MW for the period FY 2025-26 to FY 2029-30 as against the present 350 MW being done. For the purpose of projections, TPC-D has considered a CUF of 20% and a rate of Rs 2.65/ kWh. Based on this, the projected cost of power purchase from Short Term Tie up from Renewable Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D is provided in the Table below:

Table 5-29: Power Purchase from Renewable Short-Term Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Quantum of Purchase	MW	265	265	265	265	265
CUF	%	20%	20%	20%	20%	20%
Total RE Purchase	MU	464.28	464.28	464.28	464.28	464.28
Rate	Rs/kWh	2.65	2.65	2.65	2.65	2.65
Cost of RE Purchase	Rs Crore	123.03	123.03	123.03	123.03	123.03

Commission's Analysis and Ruling

- 5.5.1 The Commission has notified amendment to RPO-REC Regulations 2019 on 23 February, 2024 and has amended the RPO and aligned the same with the notification issued by MoP. Accordingly, the Commission has considered RPO based as specified in the said Regulations. Infact, TPC-D in their submissions had also considered RPO as per MoP notification.
- 5.5.2 The purchase from tied-up Non-Solar and Solar sources have been considered as proposed by TPC-D as the same are based on the rates adopted by the Commission except for Short Term RE purchase of 464.28 MU considering 265 MW @20%CUF. The Commission notes that TPC-D has been purchasing wind power under short term at Rs 2.65/kWh as approved by the Commission for past period from Group II and Group IV. Accordingly, the Commission has considered the said rate of Rs 2.65/kWh for short term RE purchase of 464.28 MU.
- 5.5.3 With respect to the power to be procured from the Existing sources, the Commission has approved the quantum as approved in MTR Order considering the sources to be same and cost of RE purchase has been considered as submitted by TPC-D as the same are approved by the Commission in different Order of Adoption of Tariff. However, the Commission observed that with respect to LT Hybrid Solar Power, in Case No. 152 of 2020 dated 10 August 2020, the rate approved was Rs. 2.59/kWh, however, there is a variance in the rate on account of including the Impact of Change in Law on account of increase in GST as approved in the Order in Case no. 34 of 2023 dated 28.11.2023 resulting in the revised rate of Rs. 2.70/kWh. The Commission noted the said increase in the price and considered the same for LT Hybrid Solar Power.
- 5.5.4 Further, for the Visapur 24 MW and Visapur 8 MW, since the Power Purchase Agreement of the said wind projects is set to expire on 31 December, 2027, TPC-D has considered to continue the PPA at a power purchase rate of Rs 2.65/kWh for cost projections, in accordance with the rate approved by the Commission for renewable energy sources with expired PPAs. The Commission, for the projection purpose has considered the rate of Rs. 2.65/kWh from January 2028 to March 2030, however, directs TPC-D to accord approval from the Commission in line with MYT

Regulations 2024 for entering the PPA for extended term. The Commission considers Rs. 5.02/kWh and Rs. 4.94/kWh for Visapur 24 MW and Visapur 8 MW respectively, for FY 2027-28 which is calculated on Weighted average basis and for the balance term and for FY 2027-28 upon expiry of PPA, has considered the rate of Rs. 2.65/kWh which is equivalent to the rate approved by the Commission for renewable energy sources with expired PPAs.

- 5.5.5 Accordingly, the quantum and cost as approved by the Commission for Renewable power from the existing sources is outlined as below:

Table 5-30: Quantum and Cost from Existing Renewable Sources for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	Capacity	Power Quantum	Variable Cost
	MW	MU	Rs./kWh
Non-Solar Purchase (A)			
Visapur (GSW)	24.00	33.91	
Visapur (GSW)	8.00	16.91	5.81
Visapur	6.00	-	5.70
Bramanvel	11.30	18.25	2.59
Khandke	50.40	101.00	2.59
Sadawaghapur	17.50	26.00	2.59
Supa	19.00	29.17	2.59
Solar Purchase (B)			
Mulshi Solar	3.00	3.68	17.91
Solar Rooftop		0.02	18.41
Palaswadi Solar	25.00	41.52	8.98
Chhayan Solar	150.00	360.00	2.98
Hybrid	225.00	515.18	2.70
Total	539.20	1,145.65	

*- Power Quantum for FY 2027-28 is calculated considering 366 days in a year

- 5.5.6 With respect to Power Purchase from Renewable– Identified Sources, in line with the submission made by TPC-D, it has considered the procurement of 375 MW from Hybrid Power Plants developed by TPREL and Juniper Green Energy Pvt. Ltd., scheduled for commissioning from FY 2026-27 onwards at the rate of Rs. 3.27/kWh for 75 MW from Juniper and Rs. 3.28/kWh for 150 MW from TPREL, and an additional 150 MW under the Green Shoe Option at Rs. 3.28/kWh, as approved in Case No. 195 of 2023 dated 28 February, 2024. Based on this, the projected cost of power purchase from Identified Renewable Sources for FY 2025-26 to FY 2029-30 is provided in the Table below:

Table 5-31: : Quantum and Cost from Identified Renewable Sources for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Quantum of Purchase	MW	-	375	375	375	375
CUF	%	-	20%	20%	20%	20%
Total RE Purchase	MU	-	985.50	988.20	985.50	985.50
Rate	Rs/kWh	-	3.28	3.28	3.28	3.28
Cost of RE Purchase	Rs Crore	-	323.05	323.93	323.05	323.05

5.5.7 Further, in line with the submission made by TPC-D, the Commission has considered only 265 MW, to be procured under short term for the period FY 2025-26 to FY 2029-30, at a CUF of 20% and a rate of Rs 2.65/ kWh. However, the Commission has noted that due to various capacities such as Medium-Term Hybrid, Firm Dispatchable Renewable Energy (FDRE), Pump Storage Power Plant, being proposed by TPC-D to be commissioned in 5th MYT Control Period, there may be a resultant surplus of power within the energy balance computation in FY 2029-30. However, the Commission based on the practise has not considered any surplus sales and is also not constraining TPC-D to procure Short Term Renewable power but has adjusted such surplus power within the short term renewable energy for projection purpose. However, the Commission directs TPC-D to procure such power as may be required considering the demand supply requirement and MoD principle so as to optimise the power purchase cost.

5.5.8 Based on this, the projected cost of power purchase from Short Term Tie up from Renewable Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D is provided in the Table below:

Table 5-32: : Quantum and Cost from Short Term Renewable Sources for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Quantum of Purchase	MW	265	265	265	265	265
CUF	%	20%	20%	20%	20%	20%
Total RE Purchase	MU	464.28	464.28	465.55	464.28	230.18
Rate	Rs/kWh	2.65	2.65	2.65	2.65	2.65
Cost of RE Purchase	Rs Crore	123.03	123.03	123.37	123.03	61.00

5.5.9 Accordingly, the Commission has approved the quantum and cost of RE purchase as submitted by TPC-D except for short term RE Purchase for 5th Control Period as shown in the Table below:

Table 5-33: : Quantum and Cost from Renewable Sources for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total RE Purchase	MU	1,609.93	2,595.43	2,602.54	2,595.43	2,361.32
Rate	Rs/kWh	3.03	3.11	3.06	3.06	3.10
Cost of RE Purchase	Rs Crore	487.66	806.74	797.02	794.84	732.80

E. Power Purchase from Medium Term Source**TPC-D's Submission**

5.5.10 TPC-D proposed to tie up about 200 MW from FY 2025-26 onwards. Also, TPC-D proposed to purchase on RTC basis with an availability of 85%. TPC-D has filed a petition before the Commission for approval of the purchase of 200 MW. The petition is under consideration with the Commission. Subsequent to approval from the Commission, TPC-D initiate the tendering process for procurement power.

5.5.11 Further, TPC-D has sought bids for the period from November 2024 to March 2025 and discovered an average rate of Rs 4.72 /kWh. The highest rate of Rs. 5.08 /kWh was discovered for the month of March 2025. For the period of 2 years of supply commencing 1st April 2025, TPC-D has considered a rate of Rs 5.08 /kWh. Based on the RTC quantum of 200 MW and an availability of 85 %, the cost of power purchase from Medium Term Power Purchase is as worked out in the table below:

Table 5-34: Power Purchase from Medium Term Source for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
200 MW Case 1 Bidding BL	MU	1489.20	1489.20	0	0	0
Rate	Rs/kWh	5.08	5.08	5.08	5.08	5.08
Cost of Purchase	Rs Crore	756.61	756.61	0	0	0

Commission's Analysis and Ruling

5.5.1 TPC-D in its additional submission dated 8 March, 2024 has submitted that reverse auction for the medium-term power purchase was conducted on 11 February, 2025 on DEEP portal in which M/s JPL – 70 MW and M/S Dhariwal – 100 MW were the successful bidders. As the offered prices were higher, TPC-D has negotiated with the bidders for reduction of prices and have now finalized the prices. Further, considering the rates discovered which were higher than the expected price, TPC -D is not tying up the entire capacity of 200 MW and issuing a Letter of Award 'LOA' for only 145 MW at weighted average rate of Rs 5.46/kWh instead of 200 MW. Further, the period of supply will be from 1 May, 2025 to 30 April, 2027 and not from 1 April, 2025 to 31 March, 2027 as considered in the MYT Petition

5.5.2 Accordingly, the Commission has considered the aforesaid power purchase subject

to adoption of tariff for the purpose of projections for the 5th Control Period.

Table 5-35: Power Purchase from Medium Term Source for FY 2025-26 to FY 2029-30 as approved by the Commission

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
145 MW Case 1 Bidding	MU	989.70	1079.67	89.97	-	-
Rate	Rs/kWh	5.46	5.46	5.46	-	-
Cost of Purchase	Rs Crore	540.41	589.54	49.13	-	-

F. Power Purchase from Renewable – Firm Dispatchable Renewable Energy (FDRE)

TPC-D's Submission

5.5.3 In order to increase the share of RE in its portfolio and at the same time have a dependable (i.e. firm) supply, there is a need to tie up power from FDRE from FY 2027-28 onwards on Long Term Basis. Such FDRE would also meet the Storage Obligation. For the purpose of projections, TPC- D has relied on the bidding process recently conducted by SJVN Ltd, the results of which were announced in October 2024, whereby rate of Rs. 4.25/kWh was discovered for 1200 MW FDRE projects with Energy Storage Systems. Further the bidder as per bidding document was required to have a CUF of 80%.

5.5.4 Based on the above, the projections of the Power Purchase Costs from FDRE-I and FDRE-II are shown in the table below:

Table 5-36: Power Purchase from FDRE Sources for FY 2025-26 to FY 2029-30 as submitted by TPC-D

FDRE-1	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capacity Tie up	MW	0	0	250	250	250
Availability	%	80%	80%	80%	80%	80%
Energy from Tie-up	Mus	0	0	1752	1752	1752
Rate of FDRE	Rs/kWh	4.25	4.25	4.25	4.25	4.25
Cost of Purchase from FDRE -1	Rs Crore	0	0	744.6	744.6	744.6

FDRE-2	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capacity Tie up	MW	0	0	0	0	300
Availability	%	80%	80%	80%	80%	80%
Energy from Tie-up	Mus	0	0	0	0	2102.4
Rate of FDRE	Rs/kWh	4.25	4.25	4.25	4.25	4.25
Cost of Purchase from FDRE -2	Rs Crore	0	0	0	0	893.52

Commission's Analysis and Ruling

5.5.5 The Commission notes that TPC-D has proposed to tie up power from FDRE from FY 2027-28 onwards on Long Term Basis to increase the share of renewable energy

in its portfolio and at the same time have a dependable (i.e. firm) supply, Such FDRE would also meet the Storage Obligation. The Commission also notes that rate considered by TPC-D is based on bidding process conducted by Ms SJVN Ltd.

- 5.5.6 Considering the fact that power from FDRE being schedulable, it will be able to supply in accordance with the load and certainly aid in optimising the power purchase cost. Accordingly, the Commission has considered the power from FDRE as proposed by TPC-D. However, the Commission directs TPC-D to timely initiate the process of competitive bidding for procurement of FDRE power so that said power is available from FY 2027-28 onwards as projected by TPC-D.

G. Power Purchase from Renewable – Pumped Storage schemes

TPC-D's Submission

- 5.5.7 TPC-D submitted that, the Pumped Storage scheme is envisaged for purchase in FY 2029-30 post expiry of the PPA with 500 MW TPC-G Unit 5 from that year to provide power during the peak period.
- 5.5.8 In order to meet the demand and gap created by possible non availability of TPC-G Unit 5, TPC-D is of the view that storage scheme in the form of Pump Storage Scheme (PSP) would be necessary. It is therefore proposed to purchase power from PSP from FY 2029-30 onwards on Long Term basis. Such PSP meet the peak load of TPC-D.
- 5.5.9 Further TPC-D submitted that the Commission in its order in Case No. 156 of 2024 had approved the purchase of 3000 MW (including Green Shoe Option of 2000 MW) of purchase from PSP by MSEDCL. In the corresponding tender floated by MSEDCL for PSP energy procurement, an Annual Fixed Charge or "Tolling Charge" of approximately Rs. 85 lakh per MW per annum was discovered. The tender further stipulated an 8-hour discharge per day with a cycle efficiency of 75%. TPC-D has relied on these parameters for projecting the energy procurement from PSP, as shown in the Table below:

Table 5-37: Power Purchase from Pumped Storage Scheme for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capacity Tie up	MW	0	0	0	0	150
No of Hrs of Operation	Hrs/Day	8	8	8	8	8
No of Hrs of Operation	Hrs/Year	2920	2920	2920	2920	2920
Availability	% per Year	90%	90%	90%	90%	90%
Energy Available from PSP	MU	0	0	0	0	394.2
Turn around Efficiency	%	75%	75%	75%	75%	75%
Energy for pumping	MU	0	0	0	0	525.6
Energy Charge for Pumping	Rs/kWh	2.75	2.75	2.75	2.75	2.75

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of Pumping	Rs. Crore	0	0	0	0	144.54
Tolling Charges of PSP	Rs Lakh/MW/Year	85	85	85	85	85
Tolling Charges	Rs Crore	0	0	0	0	127.5
Total Power Purchase Cost form PSP	Rs Crore	0	0	0	0	272.04
Average Rate of Power Purchase	Rs/kWh	0	0	0	0	6.90

Commission's Analysis and Ruling

5.5.10 The Commission notes that TPC-D has proposed the Pumped Storage Scheme for purchase in FY 2029-30 post expiry of the PPA with 500 MW TPC-G Unit 5 from that year to provide power during the peak period. The Commission also notes that rate considered by TPC-D is based on bidding process conducted by MSEDCL.

5.5.11 The power from Pumped Storage scheme will be utilised to meet the peak demand. Accordingly, the Commission has considered the power from Pumped Storage Scheme as proposed by TPC-D. However, the Commission directs TPC-D to timely initiate the process of competitive bidding for procurement of power from PSP so that said power is available from FY 2029-30 onwards as projected by TPC-D.

H. Purchase from Bilateral Sources

TPC-D's Submission

5.5.12 TPC-D submitted that the balance requirement after arranging power from the proposed / tied up sources would be met from Bilateral Sources. The estimated purchase of Power from Bilateral Sources is as shown in the table below:

Table 5-38: Estimated Energy Purchase from Bilateral Sources FY 2025-26 to FY 2029-30 as submitted by TPC-D (in MU)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Requirement	6979	7291	7745	8237	8745
Purchase/Availability of Energy	6099	7084	7349	7347	8738
Gap/(Surplus)	881	207	397	890	7

5.5.13 For the purpose of projection of Cost of Power Purchase from Bilateral Sources, TPC-D has considered the highest discovered rate of Rs. 5.08/kWh, rate discovered recently in the Short-Term tender. TPC-D has escalated the 3% per annum to enable a room for variation in the power purchase cost and not levy the FAC. The estimated cost of power purchase from Bilateral Sources is as shown in the table below:

Table 5-39: Power Purchase from Bilateral Sources FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Bilateral Power Purchase	MU	880.51	206.67	396.57	890.31	7.04
Rate	Rs/kWh	5.08	5.23	5.39	5.55	5.72
Cost of Purchase	Rs Crore	447.35	108.15	213.75	494.28	4.03

Commission's Analysis and Ruling

5.5.14 The Commission has considered the power purchase from TPC-G, RE sources including FDRE, PSP and MTPP as detailed in the earlier paragraphs, and the remaining requirement has been considered from short-term sources. The Commission has considered procurement from short-term sources through bilateral Trade at Rs. 4.33/kWh based on the average DAM rates prevailing on Power Exchange from April 2024 to January 2025.

Table 5-40: Power Purchase from Bilateral Sources FY 2025-26 to FY 2029-30 as approved by the Commission

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Bilateral Power Purchase	MU	1,145.82	272.86	5.43	543.89	-
Rate	Rs/kWh	4.33	4.33	4.33	4.33	-
Cost of Purchase	Rs Crore	496.14	118.15	2.35	235.50	-

I. Transmission Charges and MSLDC Charges**TPC-D's Submission**

5.5.15 TPC-D submitted that it has considered Transmission Charges as per the share in the Intra-state Transmission Network as provided in the InSTS Petition. Also, after implementation of GNA Framework, TPC-D has considered for its share in the Inter State Transmission network for procuring power on Long Term basis from Outside Maharashtra.

5.5.16 TPC-D submitted that it has considered as InSTS charges as projected by STU for the 5th Control Period. Also, MSLDC and STU Charges are projected as per their respective MYT Tariff Petition filed for the 5th Control Period before the Commission. Additionally, TPC-D has considered an escalation of 3% per annum for the Transmission Charges at Interstate Transmission Charges (GNA Charges) with base of FY 2024-25.

5.5.17 Accordingly, the charges considered by TPC-D is as shown in the Table below:

Table 5-41: Transmission Charges and MSLDC Charges for FY 2025-26 to FY 2029-30, as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Transmission Charges	468.46	429.31	507.80	576.31	633.89
MSLDC +STU Charges	1.58	2.10	2.93	3.50	3.91
Interstate Transmission Charges (GNA Charges)	101.84	104.39	107.00	109.67	112.41

Commission's Analysis and Ruling

5.5.18 The Commission has considered the Transmission Charges, MSLDC Charges and STU Charges for TPC-D for the 5th Control Period as approved in the InSTS Tariff Order, MSLDC Order and STU Fees and Charges Order in Case No. 208 of 2024, Case No 186 of 2024 and 183 of 2024.

5.5.19 The Commission notes that TPC-D has projected Interstate Transmission Charges with escalation of 3% each year with base year as FY 2024-25. The Commission, accordingly, accepts the Interstate Transmission Charges as projected by TPC-D.

5.5.20 The Charges approved by the Commission are as shown in the following Table:

Table 5-42: Transmission Charges and MSLDC Charges for TPC-D approved by the Commission for FY 2025-26 to FY 2029-30 (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Transmission Charges	469.28	368.28	396.50	408.86	416.52
MSLDC Charges	1.13	1.15	1.31	1.44	1.55
STU Charges	0.32	0.34	0.34	0.33	0.32
Interstate Transmission Charges (GNA Charges)	101.84	104.39	107.00	109.67	112.41

A. Standby Charges**TPC-D's Submission**

5.5.21 TPC-D has paid the standby Charges to MSEDCL till October 2023 and thereafter it has discontinued payment of such Charges. Further, TPC-D has also filed a petition before the Commission as Case No 136 of 2024, challenging the requirement of Standby from MSEDCL and the payment of Charges arising therefrom. The decision in this regard is pending from the Commission. Further, for provisional true of FY 2023-24 and for FY 2024-25, the Commission has not considered any payment of Standby Charges to MSEDCL. It is not proposed to continue the payment of Standby Charges to MSEDCL for the period FY 2025-26 to FY 2029-30. Hence for the projections of the Power Purchase costs for the 5th Control period, no standby charges have been considered by TPC-D

Commission's Analysis and Ruling

5.5.22 TPC-D has filed Case No 136 of 2024 in respect of discontinuance of Standby arrangement with MSEDCL. All Distribution Licensees in Mumbai are required to be heard in the matter. The Commission will decide the matter after hearing all the parties. The Commission in the present order has not considered Standby Charges for the Control Period. However, the same will be subject to outcome of Case No 136 of 2024 pending before the Commission.

B. Total Power Purchase Cost**TPC-D's Submission**

5.5.23 The summary of power purchase quantum and cost for FY 2025-26 to FY 2029-30 as projected by TPC-D is shown in the Table below:

Table 5-43: Total Power Purchase Quantum and Cost for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase from Tata Power-G	Rs Crore	1911.61	1962.88	2020.77	2079.93	1211.26
Renewable Purchase- Existing Sources	Rs Crore	358.75	358.75	356.62	342.88	342.88
Renewable Purchase- Short Term Sources	Rs Crore	123.03	123.03	123.03	123.03	123.03
Renewable Purchase- Identified Sources	Rs Crore	0.00	322.65	322.65	322.65	322.65
Renewable Purchase- FDRE-1	Rs Crore	0.00	0.00	744.60	744.60	744.60
Renewable Purchase - FDRE -2	Rs Crore	0.00	0.00	0.00	0.00	893.52
Renewable Purchase- PSP	Rs Crore	0.00	0.00	0.00	0.00	272.04
Total Renewable Purchase	Rs Crore	481.78	804.44	1546.91	1533.17	2698.73
Medium Term Case I Bidding	Rs Crore	756.61	756.61	0.00	0.00	0.00
Bilateral + UI Purchase	Rs Crore	447.35	108.15	213.75	494.28	4.03
Transmission + SLDC Charges Draft InSTS Order	Rs Crore	470.04	431.41	510.73	579.81	637.80
Interstate Transmission Charges	Rs Crore	101.84	104.39	107.00	109.67	112.41
Total Cost of Power Purchase	Rs Crore	4169.23	4167.87	4399.16	4796.86	4664.23
Total Requirement @ InSTS	MU	6979.38	7291.04	7745.15	8237.48	8745.08
Per Unit Cost of Power Purchase	Rs/kWh	5.97	5.72	5.68	5.82	5.33

Commission's Analysis and Ruling

5.5.24 The summary of power purchase quantum, cost and rate approved by the Commission for FY 2025-26 to FY 2029-30 is as shown in the Table below:

Table 5-44: Total Power Purchase Quantum and Cost for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	UoM	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase from Tata Power-G	Rs Crore	1,793.72	1,844.19	1,896.69	1,951.74	1,133.52
Renewable Purchase- Existing Sources	Rs Crore	364.63	360.66	349.71	348.76	348.76
Renewable Purchase- Short Term Sources	Rs Crore	123.03	123.03	123.37	123.03	61.00
Renewable Purchase- Identified Sources	Rs Crore	-	323.05	323.93	323.05	323.05
Renewable Purchase- FDRE-1	Rs Crore	-	-	699.98	698.06	698.06
Renewable Purchase - FDRE -2	Rs Crore	-	-	-	-	837.68
Renewable Purchase- PSP	Rs Crore	-	-	-	-	272.04
Total Renewable Purchase	Rs Crore	487.66	806.74	1,496.99	1,492.90	2,540.58
Medium Term Case I Bidding	Rs Crore	540.38	589.50	49.12	-	-
Bilateral + UI Purchase	Rs Crore	496.14	118.15	2.35	235.50	-
Transmission + SLDC Charges InSTS Order	Rs Crore	470.73	369.78	398.15	410.64	418.39
Interstate Transmission Charges	Rs Crore	101.84	104.39	107.00	109.67	112.41
Total Cost of Power Purchase	Rs Crore	3,890.47	3,832.74	3,950.30	4,200.45	4,204.91
Total Requirement @ InSTS	MU	6640.05	6842.56	7239.55	7676.42	8157.89
Per Unit Cost of Power Purchase	Rs/kWh	5.86	5.60	5.46	5.47	5.15

5.6 OPERATION AND MAINTENANCE EXPENSES

TPC-D's Submission

5.6.1 TPC-D has projected the number of consumers and the addition to gross Assets for the period FY 2025-26 to FY 2029-30. Further for projections of O&M Expenditure, TPC- D has considered the norms as applicable and as provided in the MYT Regulations, 2024.

5.6.2 Based on the number of consumers as well as the estimated addition to GFA, the projected O&M expenditure for Wire Business is as follows:

Table 5-45: O&M Expenses for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

O & M Norms		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Rs. Lakhs/'000 Consumers	1	9.72	10.16	10.62	11.09	11.59
GFA	2	5.16%	5.40%	5.64%	5.89%	6.16%
Number of Consumers - Nos	3	276281	300638	328521	358474	389527
Average GFA	4	3535	3781	4062	4360	4660
O & M Cost based number of Consumers	5=1*3/10^5	26.85	30.54	34.89	39.75	45.15

O & M Norms		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O & M cost based on Average GFA	6=2*4	182.43	204.18	229.11	256.81	287.03
Total O & M Cost for Wire Business	7=5+6	209.28	234.73	264.00	296.56	332.17

5.6.3 Based on the number of consumers as well as the estimated addition to GFA, the projected O&M Expenditure for Supply Business is as follows:

Table 5-46: O&M Expenses for Retail Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

O & M Norms		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Rs. Lakhs/'000 Consumers	1	11.39	11.90	12.43	12.99	13.57
GFA	2	3.26%	3.40%	3.56%	3.72%	3.88%
Number of Consumers - Nos	3	813309	838631	867514	898367	930270
Average GFA	4	363	458	522	568	621
O & M Cost based number of Consumers	5=1*3/10^5	92.64	99.80	107.83	116.70	126.24
O & M cost based on Average GFA	6=2*4	11.83	15.58	18.58	21.11	24.10
Total O & M Cost for Supply Business	7=5+6	104.47	115.38	126.41	137.81	150.33

5.6.4 TPC-D requested the Commission to approve the O&M Expenditure for FY 2025-26 to FY 2029-30 for Wire and Supply Business.

Commission's Analysis and Ruling

5.6.5 Regulations 93 and 103 of the MYT Regulations, 2024 specify the methodology for determination of O&M expenses for the Control Period from FY 2025-26 to FY 2029-30 for the Wires Business and Supply Business, respectively

5.6.6 The Commission has projected the number of consumers for the Control Period by comparing the CAGR of 3 Year, 2 Year and YoY basis and has considered a rational view for considering the growth rate so as to avoid any abnormality. The Commission accordingly has considered the same for computing Normative O&M expenses for Wires and Supply Business. Further, the Commission has also considered GFA based on the capitalisation approved in this Order for the 5th Control Period.

5.6.7 For approving the normative O&M expenses for the Control Period from FY 2025-26 to FY 2029-30, the Commission has considered the norms in terms of

“percentage of Average GFA” and “INR Lakhs/ 000 Consumers” as specified in the MYT Regulations, 2024.

5.6.8 In view of the above, the O&M expenses approved by the Commission for the 5th Control Period are shown in the Table below:

Table 5-47: Normative O&M Expenses for Wire Business FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

O & M Norms		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Rs. Lakhs/'000 Consumers	1	9.72	10.16	10.62	11.09	11.59
GFA	2	5.16%	5.40%	5.64%	5.89%	6.16%
Number of Consumers - Nos	3	264235	283518	304297	326691	350835
Average GFA	4	3,518.15	3,722.05	3,932.82	4,129.44	4,316.62
O & M Cost based number of Consumers	$5=1*3/10^5$	25.68	28.81	32.32	36.23	40.66
O & M cost based on Average GFA	$6=2*4$	181.54	200.99	221.81	243.22	265.90
Total O & M Cost for Wire Business	$7=5+6$	207.22	229.80	254.13	279.45	306.57

Table 5-48: Normative O&M Expenses for Retail Supply Business FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

O & M Norms		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Rs. Lakhs/'000 Consumers	1	11.39	11.90	12.43	12.99	13.57
GFA	2	3.26%	3.40%	3.56%	3.72%	3.88%
Number of Consumers - Nos	3	798770	816671	836246	857609	880891
Average GFA	4	362.91	458.21	521.72	567.56	620.97
O & M Cost based number of Consumers	$5=1*3/10^5$	90.98	97.18	103.95	111.40	119.54
O & M cost based on Average GFA	$6=2*4$	11.83	15.58	18.57	21.11	24.09
Total O & M Cost for Supply Business	$7=5+6$	102.81	112.76	122.52	132.52	143.63

5.7 CAPITALISATION

TPC-D's Submission

5.7.1 TPC-D has projected the capitalisation based on the new schemes identified to be carried out in the 5th Control Period as well as on account of the Capitalisation on account of the Ongoing Schemes. For the purpose of projections, TPC-D has considered the schemes as approved by the Commission. In addition, it has also

considered the schemes that have been mentioned in the Rolling Plan submitted to the Commission. TPC-D has also considered certain schemes in addition to the above which are being planned and approval for the same will be sought from the Commission in due course. The summary of the Capitalisation under various heads are as shown in Table below:

Table 5-49: Capitalisation of Schemes for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Nature of Scheme	Wire / Supply	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business						
Approved by Commission	Wire	145.95	99.86	70.95	48.90	67.64
Rolling Plan -DPR Submitted	Wire	14.40	34.50	65.00	79.69	69.20
Rolling Plan	Wire	26.69	82.25	104.71	107.60	76.58
New Schemes	Wire	4.00	9.00	10.00	18.00	40.00
Total DPR	Wire	191.04	225.61	250.66	254.19	253.42
Non DPR	Wire	34.39	40.61	45.12	45.75	45.61
Total	Wire	225.43	266.22	295.78	299.94	299.03
Supply Business						
Approved by Commission	Supply	86.88	74.13	29.20	41.40	40.78
Rolling Plan -DPR Submitted	Supply	0.00	0.00	0.00	0.00	0.00
Rolling Plan	Supply	0.00	0.00	0.00	0.00	0.00
New Schemes	Supply	0.00	0.00	0.00	0.00	0.00
Total DPR	Supply	86.88	74.13	29.20	41.40	40.78
Non DPR	Supply	14.53	15.05	8.65	12.42	12.23
Total	Supply	101.40	89.18	37.85	53.82	53.01

5.7.2 Based on the above capitalisation, the ratio of Non DPR as a fraction of DPR over the period is as shown in the table below:

Table 5-50: Ratio of Non DPR to DPR Capitalisation for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Ratio of Non DPR to DPR	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business	18%	18%	18%	18%	18%
Supply Business	17%	20%	30%	30%	30%

5.7.3 The Capitalisation for Wires Business and Retail Supply Business is given the Table below:

Table 5-51: Capitalisation, Debt and Equity of Wire Business and Retail Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	%	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire		225.43	266.22	295.78	299.94	299.03
Debt	70%	157.80	186.35	207.05	209.96	209.32
Equity	30%	67.63	79.87	88.73	89.98	89.71

Particulars	%	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Supply		101.40	89.18	37.85	53.82	53.01
Debt	70%	70.98	62.43	26.50	37.67	37.11
Equity	30%	30.42	26.75	11.36	16.15	15.90

Commission's Analysis and Ruling

5.7.4 The Commission has undertaken prudence check of the capitalisation considered against approved DPR schemes and Non-DPR Schemes. It is observed that TPC-D has proposed capitalisation of schemes which are approved by the Commission. The Commission also noted that TPC-D has proposed capitalisation in the Control Period against DPR schemes which are submitted to the Commission, but yet to be approved by the Commission.

5.7.5 The Commission while approving the capitalisation has adopted the following approach:

- 100% capitalisation against the approved DPR schemes.
- Restricting DPR approval which are yet to be approved to average of capitalisation approved for past three years i.e., FY 2021-22 to FY 2023-24. Accordingly, the three-year average of approved capitalisation is as given below:

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	Average
DPR - Rs Crore	132.21	153.68	146.05	143.98

The limit of approval of Rs 143.98 Crore also includes the approved DPR. For sake of clarity, if approved DPRs are of Rs 100 Crore, then non approved DPRs are restricted to Rs 43.98 Crore.

- Non-DPR Scheme restricted to 30% of the cumulative capitalisation approved under DPR for the Control Period.

5.7.6 It is to be noted that mere consideration of capital expenditure/capitalisation in this Order does not mean that the same is approved. No scheme shall be undertaken unless the same is approved by the Commission under the separate in-principle approval process or qualifies under Non-DPR scheme as provided in the MER (Approval of Capital Investment Schemes) Regulations, 2022.

5.7.7 Further, during the Tariff Proceedings, the Commission has provided the in-principle approval for the Scheme related to “**Distribution Activities of TPC-D in Mumbai City License Area**” amounting to Rs. 237.28 Crore. Accordingly, the said scheme was shifted from “Rolling Plan -DPR Submitted” to “DPR Approved by Commission”. Accordingly, the revised details of capitalisation based on DPR Approved and Yet to be approved revised as follows:

Table 5-52: Revised Capitalisation details for 5th MYT Control Period

Nature of Scheme	Wire / Supply	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business						
Approved by Commission	Wire	157.95	174.86	160.95	107.12	69.80
Rolling Plan -DPR Submitted	Wire	3.90	5.50	9.00	10.50	9.44
Rolling Plan	Wire	26.69	82.25	104.71	107.60	76.58
New Schemes	Wire	4.00	9.00	10.00	18.00	40.00
Total DPR	Wire	192.54	271.61	284.66	243.22	195.81
Non DPR	Wire	34.39	40.61	45.12	45.75	45.61
Total	Wire	227.20	320.50	335.90	287.00	231.06
Supply Business						
Approved by Commission	Supply	86.88	74.13	29.20	41.40	40.78
Rolling Plan -DPR Submitted	Supply	0.00	0.00	0.00	0.00	0.00
Rolling Plan	Supply	0.00	0.00	0.00	0.00	0.00
New Schemes	Supply	0.00	0.00	0.00	0.00	0.00
Total DPR	Supply	86.88	74.13	29.20	41.40	40.78
Non DPR	Supply	14.53	15.05	8.65	12.42	12.23
Total	Supply	101.40	89.18	37.85	53.82	53.01

5.7.8 The capitalisation approved by the Commission for FY 2024-25 is summarised in the Table below:

Table 5-53: Capitalisation for Wires Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
DPR	157.95	174.86	160.95	107.12	69.80
DPR yet to be submitted	0.00	0.00	0.00	36.86	74.18
Total Approval against DPR	157.95	174.86	160.95	143.98	143.98
Non-DPR	34.39	40.61	43.19	43.19	43.19
Total Capitalisation	192.34	215.47	206.07	187.17	187.17
<i>Non-DPR as % of DPR</i>	22%	23%	28%	30%	30%
<i>Non-DPR as % of DPR Cumulative</i>	22%	23%	24%	26%	26%

Table 5-54: Capitalisation for Retail Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
DPR	86.88	74.13	29.20	41.40	40.78
Non-DPR	14.53	15.05	8.65	12.42	12.23
Total Capitalisation	101.40	89.18	37.85	53.82	53.01
<i>Non-DPR as % of DPR</i>	17%	20%	30%	30%	30%
<i>Non-DPR as % of DPR Cumulative</i>	17%	18%	20%	22%	23%

5.8 DEPRECIATION

TPC-D's Submission

- 5.8.1 TPC-D submitted that the MYT Regulations, 2024, prescribe two separate depreciation rates, one for existing assets and another for new assets.
- 5.8.2 TPC-D has considered the Depreciation Rates for as the actual Depreciation Rate for FY 2023-24 for the Wire Business and Supply Business. TPC-D requested the Commission to consider the Same. TPC-D submitted that it will incorporate the Depreciation at different rates for Existing Assets and New Assets in its system and present it at the time of Truing up for the respective years.
- 5.8.3 TPC-D requested to the Commission to provide necessary clarification on the letter submitted to the Commission, to enable TPC-D to implement the necessary changes in their system.
- 5.8.4 On the basis of the projected capitalisation, the depreciation is projected for Wire Business and Supply Business is as given in the Table below:

Table 5-55: Depreciation for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	3422.66	3648.09	3914.31	4210.09	4510.03
Addition	225.43	266.22	295.78	299.94	299.03
Retirement	0	0	0	0	0
Closing	3648.09	3914.31	4210.09	4510.03	4809.06
% Depreciation worked out	4.53%	4.51%	4.49%	4.48%	4.46%
Average GFA	3535.38	3781.20	4062.20	4360.06	4659.55
Depreciation	160.12	170.60	182.58	195.27	208.04

Table 5-56: Depreciation for Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	312.26	413.67	502.85	540.70	594.52
Addition	101.40	89.18	37.85	53.82	53.01
Retirement	0	0	0	0	0
Closing	413.67	502.85	540.70	594.52	647.52
% Depreciation worked out	7.19%	6.76%	6.57%	6.45%	6.34%
Average GFA	362.96	458.26	521.77	567.61	621.02
Depreciation	26.11	31.00	34.26	36.61	39.35

Commission's Analysis and Ruling

- 5.8.5 In the Provisional True-up of FY 2024-25, the Commission had approved the closing GFA for FY 2024-25. The Commission has considered the same as the opening GFAs for FY 2025-26. The approved additional capitalisation for Control Period has been considered as the GFA addition during the respective year.
- 5.8.6 As regards the rates of depreciation, Regulation 28(1)(b) and 28(1)(c) of MYT Regulations, 2024 specify separate depreciation rates for existing assets and new capital schemes or assets to be created during Control Period. The Commission has computed the depreciation accordingly.
- 5.8.7 Further, Regulation 28(c) of MYT Regulations, 2024 specifies that the Licensee shall ensure that once the individual asset is depreciated to the extent of seventy percent, remaining depreciable value as on 31st March of the year closing after the period of fifteen years from the Commercial Operation Date or the date of assets capitalised shall be spread over the balance Useful Life of the asset including the Extended Life, as provided in this Regulation. With regard to this proviso, the Commission understands that there is ambiguity in interpretation of this Regulation as rate of depreciation of 4.22% considered for 15 years translates into 63.3% and not 70%. In this regard, the Commission notes that, Annexure II specifies the depreciation rates for different class of assets. The depreciation rates for some of assets are higher than 4.22%, which can achieve the cumulative depreciation up to 70% before 15 years. Hence, in this regard, the Commission clarifies that the above said provision shall be interpreted as under:

“The generating company / licensee shall ensure that once the individual asset is depreciated to the extent of seventy percent or upto 15 years, whichever comes earlier, remaining depreciable value as on 31st March of the year closing after such period from the Commercial Operation Date or the date of assets capitalised shall be spread over the balance Useful Life of the asset including the Extended Life.”

- 5.8.8 The depreciation approved by the Commission for 5th Control Period is as shown in the Table below.

Table 5-57: Depreciation for Wires Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	3,421.98	3,614.31	3,829.79	4,035.86	4,223.03
Addition	192.34	215.47	206.07	187.17	187.17
Closing GFA	3,614.31	3,829.79	4,035.86	4,223.03	4,410.20
Average GFA	3,518.15	3,722.05	3,932.82	4,129.44	4,316.62

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Depreciation	157.01	165.79	174.87	183.34	191.40
Average Depreciation Rate	4.46%	4.45%	4.45%	4.44%	4.43%

Table 5-58: Depreciation for Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	312.21	413.62	502.80	540.65	594.47
Addition	101.40	89.18	37.85	53.82	53.01
Closing GFA	413.62	502.80	540.65	594.47	647.47
Average GFA	362.91	458.21	521.72	567.56	620.97
Depreciation	26.19	30.87	34.01	36.27	38.91
Average Depreciation Rate	7.22%	6.74%	6.52%	6.39%	6.27%

5.9 INTEREST ON LONG-TERM LOAN

TPC-D's Submission

5.9.1 TPC-D has considered capitalisation as provided in its submission above and the addition to loan has been considered as 70% of the proposed capitalisation for the year. Accordingly, it has considered the interest rates of FY 2024-25 for the Wire Business and Supply Business as shown in the Table below:

Table 5-59: Interest on Long-Term Loan for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	782.31	779.99	795.74	820.21	834.90
Addition to loans	157.80	186.35	207.05	209.96	209.32
Repayment	160.12	170.60	182.58	195.27	208.04
Closing balance	779.99	795.74	820.21	834.90	836.18
Effective interest rate	9.02%	9.02%	9.02%	9.02%	9.02%
Interest on loan	70.44	71.05	72.86	74.62	75.34

Table 5-60: Interest on Long-Term Loan for Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	65.44	110.32	141.74	133.98	135.04
Addition to loans	70.98	62.43	26.50	37.67	37.11
Repayment	26.11	31.00	34.26	36.61	39.35

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Closing balance	110.32	141.74	133.98	135.04	132.79
Effective interest rate	9.02%	9.02%	9.02%	9.02%	9.02%
Interest on loan	7.92	11.36	12.43	12.13	12.08

Commission's Analysis and Ruling

- 5.9.2 TPC-D has considered a normative debt: equity ratio of 70:30 for capitalised assets during FY 2025-26 to FY 2029-30 of the 5th MYT Control Period, in accordance with the MYT Regulations, 2024
- 5.9.3 The Commission has approved interest on loan capital as per Regulation 30 of MYT Regulations, 2024. The closing loan for FY 2024-25 as approved in the Provisional Truing-up, in earlier Section of this Order has been considered as the opening loan for FY 2025-26.
- 5.9.4 The loan repayments have been considered equal to the depreciation approved for the respective years, in accordance with Regulation 30 of the MYT Regulations, 2024.
- 5.9.5 The interest rate has been considered equal to the rate of interest considered for FY 2023-24 and the interest on long-term loan has been computed on the normative average loan for each year of the 5th Control Period.
- 5.9.6 The interest on long-term loans approved by the Commission for the 5th Control Period is summarised in the Table below

Table 5-61: Interest on Long-Term Loan for Wires Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	786.38	764.01	749.04	718.42	666.10
Addition to loans	134.63	150.83	144.25	131.02	131.02
Repayment	157.01	165.79	174.87	183.34	191.40
Closing balance	764.01	749.04	718.42	666.10	605.71
Effective rate of interest	9.02%	9.02%	9.02%	9.02%	9.02%
Interest on loan	69.90	68.22	66.16	62.42	57.34

Table 5-62: Interest on Long-Term Loan for Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	65.09	109.89	141.44	133.92	135.32
Addition to loans	70.98	62.43	26.50	37.67	37.11

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Repayment	26.19	30.87	34.01	36.27	38.91
Closing balance	109.89	141.44	133.92	135.32	133.52
Effective interest rate	9.02%	9.02%	9.02%	9.02%	9.02%
Interest on loan	7.89	11.33	12.42	12.14	12.12

5.10 INTEREST ON WORKING CAPITAL

TPC-D's Submission

5.10.1 TPC-D has computed the Interest on Working Capital Loans in accordance with Regulations 32.3 and 32.4 of the MYT Regulations, 2024. The rate of interest of 10.50% has been considered, which is the interest rate prevalent on the date of filing of Petition. Accordingly, the estimated IoWC for the Wire Business and Supply Business for FY 2025-26 to FY 2029-30 is given in the Table below:

Table 5-63: Interest on Working Capital for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One-twelfth of the amount of Operations Maintenance Expenses	17.44	19.56	22.00	24.71	27.68
Maintenance spares at 1% of the opening GFA of the year	34.23	36.48	39.14	42.10	45.10
One and a Half Months equivalent of expected revenue from sale of electricity at the prevailing tariff	81.71	78.60	85.29	92.55	100.02
<u>Less</u>					
Amount of Security Deposit from Retail Supply Consumers	0.00	0.00	0.00	0.00	0.00
Total Working Capital	133.38	134.64	146.43	159.36	172.80
Rate of Interest (% p.a.)	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	14.00	14.14	15.38	16.73	18.14

Table 5-64: Interest on Working Capital for Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One-twelfth of the amount of Operations Maintenance Expenses	8.71	9.61	10.53	11.48	12.53
Maintenance spares at 1% of the opening GFA of the year	3.12	4.14	5.03	5.41	5.95
One and a Half Months equivalent of expected revenue from sale of electricity at the prevailing tariff	538.26	546.91	578.45	630.40	615.94
<u>Less</u>					
Amount of Security Deposit from Retail Supply Consumers	361.89	367.71	388.91	423.84	414.12

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One month equivalent of cost of power purchase, transmission charges and MSLDC Charges (Excl. TPC-G cost)	188.14	183.75	198.20	226.41	287.75
Total Working Capital	0.06	9.21	6.91	-2.95	-67.45
Rate of Interest (% p.a.)	10.50%	10.50%	11%	10.50%	10.50%
Interest on Working Capital	0.01	0.97	0.7251	0.00	0.00

Commission's Analysis and Ruling

5.10.2 The Commission has computed the IoWC for the Wires Business and Supply Business in accordance with Regulations 32.3 and 32.4 of the MYT Regulations, 2024.

5.10.3 The Commission has considered the rate of interest for computation of IoWC as 10.50% considering the applicable MCLR of SBI plus 150 basis points, in accordance with the MYT Regulations, 2024. The amount of CSD for Retail Supply consumers has been considered based on the CSD estimated based on two months revenue approved, as per Supply Code Regulations and deducting the same by CSD given in the form of Bank Guarantee in proportion to the bank guarantee submitted for FY 2023-24 against the total CSD amount.

5.10.4 Further, it was observed that TPC-D has allocated the entire security deposit amount to the supply business, even though there is an Open Access availed by the consumers based on which the energy is wheeled through their distribution network and is not a part of Supply business. On the query raised by the Commission, TPC-D replied that because all open access consumers are partial Open access consumers and hence, their security deposit has been considered as a part of Supply Business. However, the Commission is of the view that since the open access is availed by the partial open access consumer, the power being wheeled is not supplied by TPC-D, certain amount needs to be allocated to Wire business. Accordingly, the Commission has allocated 10% of the security deposit to Wire Business in line with the Allocation Matrix as specified in Regulation 89.2 of MYT Regulations 2024.

5.10.5 The IoWC as approved by the Commission for the Wires and the Supply Business for 5th Control Period is shown in the Table below:

Table 5-65: Interest on Working Capital for Wires Business for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One-twelfth of the amount of Operations Maintenance Expenses	17.27	19.15	21.18	23.29	25.55
Maintenance spares at 1% of the opening GFA of the year	34.22	36.14	38.30	40.36	42.23

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One and a Half Months equivalent of expected revenue from sale of electricity at the prevailing tariff	80.99	77.35	82.43	87.09	91.83
Less					
Amount of Security Deposit from Retail Supply Consumers	62.39	70.16	70.67	74.83	78.04
Total Working Capital	70.09	62.49	71.24	75.91	81.56
Rate of Interest (% p.a.)	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	7.36	6.56	7.48	7.97	8.56

Table 5-66: Interest on Working Capital for Supply Business for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
One-twelfth of the amount of Operations Maintenance Expenses	8.57	9.40	10.21	11.04	11.97
Maintenance spares at 1% of the opening GFA of the year	3.12	4.14	5.03	5.41	5.94
One and a Half Months equivalent of expected revenue from sale of electricity at the prevailing tariff	588.63	573.87	597.13	642.76	650.44
Less					
Amount of Security Deposit from Retail Supply Consumers	561.50	631.40	636.02	673.43	702.39
One month equivalent of cost of power purchase, transmission charges and MSLDC Charges (Excl. TPC-G cost)	174.73	165.71	171.13	187.39	255.95
Total Working Capital	(135.91)	(209.71)	(194.78)	(201.62)	(289.98)
Rate of Interest (% p.a.)	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	-	-	-	-	-

5.11 INTEREST ON CONSUMER SECURITY DEPOSIT (CSD)

TPC-D's Submission

- 5.11.1 TPC-D has computed the Interest on Security deposit in accordance with Regulations 30.11 of the MYT Regulations, 2024.
- 5.11.2 TPC-D has estimated the quantum of Security Deposit required. For the same TPC-D has relied on the past data and worked out the ratio of Security Deposit to Revenue for three years FY 2022-23, FY 2023-24 and FY 2024-25 and have noted that the Security Deposit is about 8% of the Revenue as shown in the table below:

Table 5-67: Ratio of Security Deposit for previous years as submitted by TPC-D (Rs. Crore)

Particulars	Revenue	Security Deposit	Ratio
FY 2022-23	3421.31	272.42	8%
FY 2023-24	3487.00	348.37	10%
FY 2024-25	4774.59	361.05	8%
Average	3894.30	327.28	8%

5.11.3 TPC-D has considered proportion of 8% and applied this to the projected Revenue from Supply Business. Further, TPC-D has considered the rate of interest equal to the RBI Bank Rate at the time of filing the Petition, which is 6.75%. Accordingly, considering the CSD amount and the applicable Interest Rate, the estimated Interest on CSD has been computed for FY 2025-26 to FY 2029-30, as shown in the Table below:

Table 5-68: Interest on CSD for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Projected revenue	4306.06	4375.30	4627.61	5043.22	4927.56
Ave Ratio of SD to Revenue	8%	8%	8%	8%	8%
Security Deposit	361.89	367.71	388.91	423.84	414.12
Interest Rate on Security Deposit	6.75%	6.75%	6.75%	6.75%	6.75%
Interest on Security deposit	24.43	24.82	26.25	28.61	27.95

Commission's Analysis and Ruling

5.11.4 For approving the Interest on CSD, the Commission has taken the interest rate of 6.50%, which is the RBI Bank Rate as on 1 April, 2024, as specified in the MYT Regulations, 2024. The Commission has considered increase of 10% Y-0Y in actual CSD amount of FY 2024-25 for the 5th Control Period.

5.11.5 As specified in para 5.10.4, the Commission has allocated 10% of the Security deposit amount to Wire business and accordingly, the interest on consumer Security deposit is also allocated to Wire business to that extent and balance is allocated to Supply business.

5.11.6 Accordingly, the Interest on CSD approved by the Commission for the 5th Control Period is shown in the Table below:

Table 5-69: Interest on CSD for Wire Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business					
Security Deposit	39.72	43.69	48.06	52.86	58.15
Interest Rate on Security Deposit	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	2.58	2.84	3.12	3.44	3.78
Supply Business					
Security Deposit	357.44	393.19	432.51	475.76	523.33
Interest Rate on Security Deposit	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	23.23	25.56	28.11	30.92	34.02

5.12 RETURN ON EQUITY

TPC-D's Submission

5.12.1 TPC-D has computed the Return on Equity for the Distribution Wire Business and the Retail Supply Business according to the provisions of Regulation 29 of the MYT Regulations, 2024.

5.12.2 TPC-D submitted that the Commission has not trued-up any Income Tax at the time of Truing-up of FY 2022-23. Hence the actual tax rate has been considered as Nil. The equity for the period FY 2025-26 to FY 2029-30 has been considered as per capitalisation projected for the Control Period. Accordingly, TPC-D projected the Return on Equity for FY 2025-26 to FY 2029-30 for the Wire Business and Supply Business as given in the Table below:

Table 5-70: Return on Equity for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Regulatory Equity	1031.83	1099.46	1179.32	1268.06	1358.04
Capitalisation during the year	225.43	266.22	295.78	299.94	299.03
Equity portion of capitalisation during the year	67.63	79.87	88.73	89.98	89.71
Closing Regulatory Equity	1099.46	1179.32	1268.06	1358.04	1447.75
Rate of RoE	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Regulatory Equity at the beginning of the year	159.93	170.42	182.80	196.55	210.50
Return on Equity portion of capitalisation during the year	5.24	6.19	6.88	6.97	6.95
Total Return on Regulatory Equity	165.17	176.61	189.67	203.52	217.45

**Table 5-71: Return on Equity for Retail Supply Business for FY 2025-26 to FY 2029-30
as submitted by TPC-D (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Regulatory Equity	93.87	124.29	151.05	162.40	178.55
Capitalisation during the year	101.40	89.18	37.85	53.82	53.01
Equity portion of capitalisation during the year	30.42	26.75	11.36	16.15	15.90
Closing Regulatory Equity	124.29	151.05	162.40	178.55	194.45
Rate of RoE	17.50%	17.50%	17.50%	17.50%	17.50%
Return on Regulatory Equity at the beginning of the year	16.43	21.75	26.43	28.42	31.25
Return on Equity portion of capitalisation during the year	2.66	2.34	0.99	1.41	1.39
Total Return on Regulatory Equity	19.09	24.09	27.43	29.83	32.64

Commission's Analysis and Ruling

- 5.12.3 The Commission has computed the RoE for the Control Period in accordance with Regulation 29 of the MYT Regulations, 2024. The Closing Equity of FY 2024-25 has been considered as Opening Equity of FY 2025-26.
- 5.12.4 Addition to equity is considered equal to 30% of the capitalization approved in this Order for respective year of the Control Period, as specified in the MYT Regulations, 2024.
- 5.12.5 Further, Regulation 34 of the MYT Regulations, 2024 provides for pre-tax RoE to be computed for the Control Period. The MYT Regulations, 2024 specify that the effective tax rate as per latest truing up year shall be considered for grossing up the RoE for MYT Control Period.
- 5.12.6 The rate of RoE has to be grossed up by the effective tax rate. The effective tax rate of '0%' considered for FY 2023-24, i.e., the latest year of Truing up and same has been considered for grossing up the rate of RoE for 5th Control Period.
- 5.12.7 The rate of RoE has been considered as 15.5% and 17.5% for the Wires Business and Supply Business, respectively as per Regulation 29.2 of MYT Regulations, 2024.
- 5.12.8 Accordingly, the approved RoE for 5th Control Period is given in the Table below:

Table 5-72: Return on Equity for Wire Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Regulatory Equity	1,031.62	1,089.32	1,153.97	1,215.79	1,271.94
Capitalisation during the year	192.34	215.47	206.07	187.17	187.17
Equity portion of capitalisation during the year	57.70	64.64	61.82	56.15	56.15
Closing Regulatory Equity	1,089.32	1,153.97	1,215.79	1,271.94	1,328.09
Grossed up Rate of RoE	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Regulatory Equity at the beginning of the year	159.90	168.85	178.86	188.45	197.15
Return on Equity portion of capitalisation during the year	4.47	5.01	4.79	4.35	4.35
Total Return on Regulatory Equity	164.37	173.86	183.66	192.80	201.50

Table 5-73: Return on Equity for Retail Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Regulatory Equity	93.86	124.28	151.03	162.39	178.53
Capitalisation during the year	101.40	89.18	37.85	53.82	53.01
Equity portion of capitalisation during the year	30.42	26.75	11.36	16.15	15.90
Closing Regulatory Equity	124.28	151.03	162.39	178.53	194.43
Grossed up Rate of RoE	17.50%	17.50%	17.50%	17.50%	17.50%
Return on Regulatory Equity at the beginning of the year	16.42	21.75	26.43	28.42	31.24
Return on Equity portion of capitalisation during the year	2.66	2.34	0.99	1.41	1.39
Total Return on Regulatory Equity	19.09	24.09	27.42	29.83	32.63

5.13 PROVISION FOR BAD AND DOUBTFUL DEBTS

TPC-D's Submission

5.13.1 TPC-D has computed the Provisions for Doubtful Debt as per provisions of Regulation 94.1 of the MYT Regulations, 2024.

5.13.2 Based on the past trend, TPC-D has computed the proportion of Provision for Doubtful Debt that can be provided for FY 2025-26 to FY 2029-30. The past trend has been shown in the Table below:

Table 5-74: Past Trend of Provision for Doubtful Debts

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	Average
Wire Business						
Revenue from Power Supply	419.48	405.66	359	334.25	571.43	
Provision for Doubtful Debts	5.65	-4.08	-2.35	2.48	3.1	
Ratio of Doubt Debts to Revenue	1.3%	-1.0%	-0.7%	0.7%	0.5%	0.19%
Supply Business						
Revenue from Power Supply	3487.00	3421.31	2671.02	2340.68	2743.25	
Provision for Doubtful Debts	4.75	0.46	0.01	6.94	-1.76	
Ratio of Doubt Debts to Revenue	0.14%	0.01%	0.00%	0.30%	-0.06%	0.08%

5.13.3 TPC-D has computed the provision for Doubtful Debts based on 5 year average as shown in the Table below:

Table 5-75: Provision for Doubtful Debts for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025- 26	FY 2026- 27	FY 2027- 28	FY 2028- 29	FY 2029- 30
Wire Business					
Revenue	580.13	628.77	682.33	740.38	800.14
Provision for Doubtful Debts	0.19%	0.19%	0.19%	0.19%	0.19%
Provision for Doubtful Debts	1.13	1.22	1.32	1.44	1.55
Supply Business					
Revenue	4351.41	4375.30	4627.61	5043.22	4927.56
Provision for Doubtful Debts	0.08%	0.08%	0.08%	0.08%	0.08%
Ratio of Doubt Debts to Revenue	3.33	3.35	3.54	3.86	3.77

Commission's Analysis and Ruling

5.13.4 As per Regulations 94.1 and 105.1 of MYT Regulations 2024, the Commission may allow a provision for writing off bad and doubtful debts up to 1.5% of the Trade Receivables as per latest Audited Accounts of the Distribution Licensee. Further, third proviso of the said Regulations also states that no such provisioning may be allowed if the cumulative provisioning for write-off of bad and doubtful debts allowed by the Commission exceeds five per cent of such Trade Receivables, duly allocated to Wire and Supply business.

5.13.5 The Commission observed that TPC-D has computed a provision for doubtful debts based on the past trend and has allocated 0.19% and 0.08% (total 0.27%) of the Revenue of the Wire and Supply business. The approach adopted by TPC-D to compute Provision for doubtful debts is considering allocation from the Revenue of Wire and Supply business and is not linked Receivable as stipulated in the MYT Regulations 2024. However, TPC-D has submitted that the audited trade receivable amount as per audited statement for FY 2023-24 is Rs 418.13 Crores for Wires and Supply business together and hence the maximum provision for doubtful debt

accordingly works out to Rs 6.2 Crores. Accordingly, the amount as claimed by TPC-D is within the limit. The following calculation was provided by TPC-D to substantiate their claim:

Table 5-76: Provision of Doubtful debts by within Regulations by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Provision for Doubtful Debts Wire Business	1.13	1.22	1.32	1.44	1.55
Provision for Doubtful Debts Supply Business	3.33	3.35	3.54	3.86	3.77
Total	4.45	4.57	4.86	5.29	5.32
Trade receivable	418.13	418.13	418.13	418.13	418.13
Maximum doubtful debt can be considered as per latest Audited accounts	1.50%	1.50%	1.50%	1.50%	1.50%
Maximum Limit	6.27	6.27	6.27	6.27	6.27

5.13.6 As outlined in the above table, TPC-D has allocated less than 1.5% of the trade receivables amount for Provision for doubtful debts in each year of the 5th Control Period. However, with respect to cumulative provisioning, it was noticed that cumulative claim under Provision for doubtful debt is higher than 5% of the receivable amount as depicted below:

Table 5-77: Cumulative Provision of doubtful debts as per TPC-D (Rs. Crore)

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Receivables for the year	418.13	418.13	418.13	418.13	418.13	418.13
Opening Balance of Provision for bad and doubtful debts	-	6.35	10.80	15.37	20.23	25.53
Provision for bad & doubtful debts during the year	6.35	4.45	4.57	4.86	5.29	5.32
Closing Balance of Provision for bad and doubtful debts	6.35	10.80	15.37	20.23	25.53	30.85
% of Provision of bad and doubtful debt of Receivables	1.52%	1.07%	1.09%	1.16%	1.27%	1.27%
% of cumulative Provision of bad and doubtful debt of Receivables	1.52%	2.58%	3.68%	4.84%	6.11%	7.38%

5.13.7 As observed from the above table, the cumulative provision at the end of the control period i.e. FY 2029-30 is 7.38% which exceeds the stipulated limit of 5% as specified in the MYT Regulations 2024. Accordingly, the Commission has recomputed the Provision for Doubtful debts, subject to maximum provision of 5% of the Receivables:

Table 5-78: Cumulative Provision of doubtful debts approved by Commission (Rs. Crore)

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Receivables for the year	418.13	418.13	418.13	418.13	418.13	418.13

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Provision for bad and doubtful debts		6.27	10.73	15.30	20.19	20.91
Provision for bad & doubtful debts during the year	6.27	4.45	4.58	4.89	0.72	-
Closing Balance of Provision for bad and doubtful debts	6.27	10.73	15.30	20.19	20.91	20.91
% of Provision of bad and doubtful debt of Receivables	1.50%	1.07%	1.09%	1.17%	0.17%	0.00%
% of cumulative Provision of bad and doubtful debt of Receivables	1.50%	2.57%	3.66%	4.83%	5.00%	5.00%

5.13.8 Based on the above provision as approved by the Commission, the provision for doubtful debt is allocated to Wire and Supply business in the similar ratio of that allocated by TPC-D in the Petition linked to Revenue of Wire and Supply Business:

Table 5-79: Provision of doubtful debts approved by Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business	1.13	1.23	1.35	0.20	0.00
Supply Business	3.33	3.35	3.54	0.52	0.00
Distribution Business	4.45	4.58	4.89	0.72	-

5.13.9 Accordingly, the Commission approves the Provisioning for Doubtful Debts for the 5th Control Period.

5.14 CONTRIBUTION TO CONTINGENCY RESERVE

TPC-D's Submission

5.14.1 TPC-D has computed the Contribution to Contingency Reserves under Regulation 35 of the MYT Regulations, 2024. Accordingly, the estimated Contribution to Contingency Reserves for FY 2025-26 to FY 2029-30 is provided in the Table below:

Table 5-80: Contribution to Contingency Reserve for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	3422.66	3648.09	3914.31	4210.09	4510.03
% Contingency Reserve	0.25%	0.25%	0.25%	0.25%	0.25%
Opening Balance of Contingency Reserve	58.16	66.72	75.84	85.63	96.15
Maximum Permissible Reserves	171.13	182.40	195.72	210.50	225.50
Contingency Reserve	8.56	9.12	9.79	10.53	11.28
Closing Balance	66.72	75.84	85.63	96.15	107.43

Table 5-81: Contribution to Contingency Reserve for Retail Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	312.26	413.67	502.85	540.70	594.52
% Contingency Reserve	0.25%	0.25%	0.25%	0.25%	0.25%
Opening Balance of CR	6.06	6.84	7.88	9.14	10.49
Maximum Permissible Reserves	15.61	20.68	25.14	27.03	29.73
Contingency Reserve	0.78	1.03	1.26	1.35	1.49
Closing Balance	6.84	7.88	9.14	10.49	11.97

Commission's Analysis and Ruling

5.14.2 Regulation 35 of the MYT Regulations, 2024 specifies that the provision for Contingency Reserves for a year shall be between 0.25% and 0.5% of the original cost of fixed assets. TPC-D has considered the provision of 0.25%.

5.14.3 The Commission observed that in the past, TPC-D has not considered Contribution to Contingency Reserve for the Wires Business but has claimed the same for 5th MYT Control Period FY 2025-26 to FY 2029-30. TPC-D has submitted that at present wheeling sales have been projected to increase considerably and the Wheeling Charges are proposed to go down and hence it has decided to contribute to Contingency Reserve again during the next Control Period.

5.14.4 Accordingly, The Commission has computed the Contribution to Contingency Reserves at 0.25 % of the opening GFA in accordance with the MYT Regulations, 2024 and based on the capitalisation approved for FY 2025-26 to FY 2029-30, as shown in the Table below:

Table 5-82: Contribution to Contingency Reserve for Wire Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	3421.98	3614.31	3829.79	4035.86	4223.03
% Contingency Reserve	0.25%	0.25%	0.25%	0.25%	0.25%
Opening Balance of Contingency Reserve	58.16	66.72	75.75	85.33	95.42
Contingency Reserve	8.55	9.04	9.57	10.09	10.56
Closing Balance	66.72	75.75	85.33	95.42	105.98
Closing Balance as % of Opening GFA	1.95%	2.10%	2.23%	2.36%	2.51%

Table 5-83: Contribution to Contingency Reserve for Retail Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	312.21	413.62	502.80	540.65	594.47
% Contingency Reserve	0.25%	0.25%	0.25%	0.25%	0.25%
Opening Balance of Contingency Reserve	6.06	6.84	7.88	9.14	10.49
Contingency Reserve	0.78	1.03	1.26	1.35	1.49
Closing Balance	6.84	7.88	9.14	10.49	11.97
Closing Balance as % of Opening GFA	2.19%	1.90%	1.82%	1.94%	2.01%

5.15 DSM EXPENDITURE

TPC-D's Submission

5.15.1 TPC-D submitted that the Commission has notified the MERC (Demand Flexibility and DSM Implementation Framework, Cost Effectiveness Assessment; and Evaluation Measurement and Verification) Regulations 2024 or “DF Regulations”. In the said DF Regulations, the Commission has directed a Distribution Licensee submit the timelines for “DF/DSM Programme portfolio and implementation action plan”.

5.15.2 Based on the peak load that has been estimated by TPC-D for the period FY 2025-26 to FY 2029-30 the Demand Flexibility Portfolio Obligation (DFPO) is as follows:

Table 5-84: Demand Flexibility Portfolio Obligation (DFPO) for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Year	Relevant Year for considering peak load	Peak Experienced/ Projected (MW)	Demand Flexibility Portfolio Obligation (DFPO)	DFPO in MW
FY 2025-26	FY 2024-25	1063	1.50%	16
FY 2026-27	FY 2025-26	1070	1.50%	16
FY 2027-28	FY 2026-27	1131	2.00%	23
FY 2028-29	FY 2027-28	1201	2.50%	30
FY 2029-30	FY 2028-29	1265	3.50%	44

5.15.3 TPC-D has proposed to achieve the target projected above through various schemes/ measures and programmes, some of which are already approved by the Commission in the past and would be implemented in the above period to meet the DFPO. Additionally, it has proposed to implement some more schemes which will enable TPC-D to reduce its peak and met the DFPO. The programmes planned in the 5th Control Period are as follows:

A. Programmes already approved by the Hon'ble Commission**i. DSM Energy Efficient Appliance Program & Energy Audit Program**

5.15.4 The Commission had approved several DSM programmes towards implementation of lower energy consumption devices like Fans, AC, Refrigerators and programmes for implementation of Energy Audit. TPC-D has expended a certain amount from the various programmes. Considering the expenditure of the past under these programmes, TPC-D has projected the expenditure under this head for the period FY 2025-26 to FY 2029-30 . The amount approved, spent and proposed to be spent under this programme are as follows:

Table 5-85:Expenditure under DSM Programmes (Rs. Crore)

Programme	Approved	Amount Spent	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total Spent
Energy Audit Programmes	1.50	1.27						
Installation of BLDC Fans	1.76	1.09						
Installation of Energy Efficiency Refrigerators	4.74	1.25						
Installation of Energy Efficient ACs	5.21	0.6						
Total	13.21	4.21	0.66	0.69	0.73	0.77	0.80	7.87

ii. DSM EV Charger Program

5.15.5 With reference to the Commission's approval vide its letter MERC/DSM/2022-23/0249 for the installation of Electric Vehicle AC slow chargers, TPC-D had floated an open tender for empanelling vendors for the EV charger program in FY 22-23. However, TPC-D had received a quote by the bidders which was higher when compared with the price considered by the Hon'ble commission in approval DSM program budget. TPC-D had also completed the reverse auction and held multiple rounds of discussions and negotiations with the vendors for further price reduction, but the price of per unit remained high.

5.15.6 Subsequently, TPC-D has consulted with several experts in the EV charger industry and it was found that prices for EV chargers have decreased due to increased competition among manufacturers, technological advancements, reduced manufacturing cost, etc. Consequently, TPC-D floated a new tender for the installation of EV chargers in accordance with the Commission approval. Additionally, TPC-D has made several modifications to the scope of work, which has helped us in obtaining better quotes compared to the previous tender. Based on the price discovered during the tender process, TPC-D has now planned the EV

Charging Station programme as provided in the Table below:

Table 5-86: Expenditure under EV Charging Station Programme (Rs. Crore)

Particulars		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
No of Charging Points-4 W	No.	200	225	275	400	500
No of Charging Points- 2 W	No.	400	600	700	900	900
Budget-4 W	Rs Cr	0.84	0.94	1.15	1.67	2.09
Budget-2 W	Rs Cr	0.87	1.30	1.52	1.95	1.95
Total Budget	Rs Cr	1.70	2.24	2.67	3.63	4.04

5.15.7 TPC-D submitted that in the approval for the above programme, the Commission had stipulated that the Charging of Vehicles would be carried out in the time period between 24 hrs to 6 Hrs i.e during the night hours presumably with a view to shift the demand from Peak to Off peak. TPC-D expected that such timings would not encourage the consumers to charge vehicles and there may be a need to provide more convenient hours. In this regard, the MYT Regulations 2024 have also changed the ToD slots to encourage consumers to avail of lower tariff during certain periods.

5.15.8 TPC-D noted that the period from 00 Hrs to 6 Hrs when the EV charging was permissible had a low tariff earlier. However now in addition to the above period, the period between 9 Hrs to 16 Hrs has been included when the low tariff would be applicable. TPC-D also noted the ToD Slots considered in MYT Regulations are applicable for load 10 KW and above, it has requested the Commission to approve Vehicles under this scheme to be charged between 00 Hrs to 6 Hrs and also between 9 Hrs to 16 Hrs. TPC-D anticipated that the such revised timings would encourage EV Charging.

iii. Installation of Heat Pump

5.15.9 TPC-D submitted that the Commission vide their letter no MERC/Tech/DSM/TPC-D/2018-19 /1234 approved Installation of Heat Pumps for a total cost of Rs 26 lakhs.

5.15.10 TPC-D further submitted that, it has adequately done the publicity of this scheme, the response to the same was lukewarm. In the period between FY 2025-26 to FY 2029-30 TPC-D proposed to rejuvenate the programme and implement the same. Further, TPC-D submitted that such approval was for the scope of work to be undertaken in one year. TPC-D proposed to continue such scheme for the entire 5th Control Period. Accordingly, a budget of Rs 0.21 Crore every year has been proposed in MYT period.

5.15.11 With reference to the Commission's approval vide its letter MERC/DSM/2022-23/0249 for the installation of Electric Vehicle AC slow chargers, TPC-D had floated an open tender for empanelling vendors for the EV charger program in FY

22-23. However, TPC-D had received a quote by the bidders which was higher when compared with the price considered by the Hon'ble commission in approval DSM program budget. TPC-D had also completed the reverse auction and held multiple rounds of discussions and negotiations with the vendors for further price reduction, but the price of per unit remained high.

B. Programmes yet to be approved by the Hon'ble Commission

i. Demand Response

5.15.12 TPC-D vide its letter dated 27 September, 2022 had filed a proposal for Demand Response which incentivises the consumers in the category of Residential, Commercial and Industrial for load curtailment when requested by TPC-D. Such demand curtailment will be implemented by the consumers and would be implemented through Smart Meters, Smart Switches and devices. The proposal submitted to the Commission is broadly as follows:

Table 5-87: Demand Response budget submitted by TPC-D (Rs. Crore)

Details	Year 1	Year 2	Total
DR Service Provider & Consumer incentive Cost	Rs. 1.13 Cr	Rs. 1.13 Cr	Rs. 2.25 Cr
DR Infra Cost (Smart devices & switches, smart meters, IT Work, DR Platform, etc)	Rs. 0.75 Cr	Rs. 0.75 Cr	Rs. 1.50 Cr
Admin Cost, 1% of program cost	Rs. 0.08 Cr	Rs. 0.08 Cr	Rs. 0.15 Cr
Promotion & M&V cost (each 1% of Program)	Rs. 0.04 Cr	Rs. 0.04 Cr	Rs. 0.08 Cr
Total	Rs. 1.99 Cr	Rs. 1.99 Cr	Rs. 3.98 Cr

5.15.13 As seen from the above table, the proposal of TPC-D was for Rs 1.99 Crores per year for two years. The above DR programme would be continued for all the five years. Accordingly, the budget for 5th Control Period has been projected by TPC-D.

ii. Shifting of Water Pumping load.

5.15.14 The primary aim of this project is to understand and utilise the “water pumping loads” in Industrial, Commercial, Group housing and public utility (PWW) consumers as flexible demand, shifting to solar generation and non-peak period and help utility to optimise the power purchase cost. Large Pumping stations have storage facility, which can help shifting of pumping hours to other time slots also in large industrial, commercial and group housing consumers can schedule their pumping operation to solar or non-peak hours to help increase in solar penetration in the grid. The estimated expenditure under this scheme is as shown in the table below:

Table 5-88: Expenditure for shifting of Pumping load (Rs. Crore)

Details	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Consumer Incentive Cost	2	3	4.13	4.13	4.13	17.4
Cost of Communication and Measurement infrastructure and NOC	1.5					1.5
Marketing and administrative cost	0.03					0.03
Cost of M&V	0.03					0.03
O&M Cost	0.02	0.02	0.02	0.02	0.02	0.1
Total	3.58	3.02	4.15	4.15	4.15	19.04

iii. Load Research (Aggregator, Administration, Setting on OMS, NOC, Online Monitoring).

5.15.15 TPC-D submitted that it has proactively initiated the Load Research (LR) Activity in line with the new DF Regulations, ensuring alignment with the DFPO targets. The key actions undertaken so far are as follows:

- The scope of the Load Research activity has been finalized as per the new regulations to achieve the specified DFPO targets.
- A draft questionnaire for consumer surveys has been prepared.
- Market surveys, including consumer feedback and quaternary data collection, are planned to commence tentatively in the first week of January 2024.
- The sampling process is underway and considers multiple parameters, including Consumption patterns, Consumer categories and Smart Metering Infrastructure.

5.15.16 An expenditure of about Rs 7 Lakhs per year has been estimated for the above activity.

iv. Summary of Budget required for meeting the DFPO

5.15.17 Based on the above programmes, the proposed expenditure for meeting the DPFO is as follows:

Table 5-89: Expenditure proposed for DSM and for meeting the DFPO (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
DSM Energy Efficient Appliance Program & Energy Audit Program.	0.66	0.69	0.73	0.77	0.80
DSM EV Charger Program.	1.764	2.304	2.734	3.694	4.104
Behavioural Demand Response & Demand Flexibility	1.99	1.99	1.99	1.99	1.99
Various initiatives for meeting DFPO targets like water pumping load shift, solar hour incentive, behind the meter solution battery, shifting demand, heat pump, thermal storage etc.	3.79	3.23	4.36	4.36	4.36

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Expenses for Conducting Load Research	0.07	0.07	0.08	0.08	0.09
Total Expenses.	8.27	8.29	9.89	10.89	11.34

Commission's Analysis and Ruling

5.15.18 The Commission notes that TPC-D has given detailed submission for meeting DFPO as specified by MERC (Demand Flexibility and DSM -Implementation Framework, Cost Effectiveness Assessment; and Evaluation Measurement and Verification) Regulations, 2024.

5.15.19 Accordingly, the Commission approves the DSM Expenses for each year of the Control Period as submitted by TPC-D, subject to prudence check at the time of final truing up of the respective year of the 5th MYT Control Period, as shown in the following Table

***Table 5-90: DSM Expenses for FY 2025-26 to FY 2029-30 as approved by Commission
(Rs. Crore)***

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total DSM Expenses	8.27	8.29	9.89	10.89	11.34

5.16 NON-TARIFF INCOME

TPC-D's Submission

5.16.1 TPC-D has projected the Non-Tariff Income on the basis of the estimated Non-Tariff Income for FY 2024-25 and escalating the same by 5%. The projected Non-Tariff Income for FY 2025-26 to FY 2029-30 is as shown in the Table below:

***Table 5-91: Non-Tariff Income for FY 2025-26 to FY 2029-30 as submitted by TPC-D
(Rs. Crore)***

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business	5.52	5.80	6.09	6.39	6.71
Supply Business	7.45	7.82	8.21	8.63	9.06

Commission's Analysis and Ruling

5.16.2 The Commission has projected the Non-Tariff Income on the basis of the approved Non-Tariff Income for FY 2024-25 and escalating the same by 5% as submitted by TPC-D.

5.16.3 The projected Non-Tariff Income for FY 2025-26 to FY 2029-30 is as shown in the Table below:

Table 5-92: Non-Tariff Income for FY 2025-26 to FY 2029-30 as approved by Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business	5.98	6.28	6.59	6.92	7.27
Supply Business	7.51	7.88	8.28	8.69	9.13

5.17 AGGREGATE REVENUE REQUIREMENT FOR FY 2025-26 TO FY 2029-30**TPC-D's Submission**

5.17.1 The summary of the ARR for the Wire and the Supply Business for FY 2025-26 to FY 2029-30 is given in the Tables below:

Table 5-93: ARR for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses	209.28	234.73	264.00	296.56	332.17
Depreciation	160.12	170.60	182.58	195.27	208.04
Interest on Loan Capital + Other Finance Charges	70.44	71.05	72.86	74.62	75.34
Interest on Working Capital	14.00	14.14	15.38	16.73	18.14
Provision for bad and doubtful debt	1.13	1.22	1.32	1.44	1.55
Contribution to Contingency Reserve	8.56	9.12	9.79	10.53	11.28
DSM Expenses					
Total Revenue Expenditure	463.52	500.85	545.92	595.16	646.53
Add: Return on Equity Capital	165.17	176.61	189.67	203.52	217.45
Aggregate Revenue Requirement	628.70	677.46	735.59	798.68	863.98
Less: Non-Tariff Income	5.52	5.80	6.09	6.39	6.71
Less: Income from OA consumers	43.05	42.88	47.17	51.91	57.13
Aggregate Revenue Requirement from Wire Business	580.13	628.77	682.33	740.38	800.14

Table 5-94: ARR for Supply Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Expenses	3597.35	3632.08	3781.43	4107.38	3914.01
Intra-State Plus Inter State Transmission Charges + MSLDC Fees & Charges	571.88	535.80	617.72	689.48	750.21
O&M Expenses	104.47	115.38	126.41	137.81	150.33
Depreciation	26.11	31.00	34.26	36.61	39.35
Interest on Loan Capital + Other Finance Charges	7.92	11.36	12.43	12.13	12.08
Interest on Working Capital	0.01	0.97	0.73	0.00	0.00
Interest on Security Deposit	24.43	24.82	26.25	28.61	27.95
Provision for bad and doubtful debt	3.33	3.35	3.54	3.86	3.77
Contribution to Contingency Reserve	0.78	1.03	1.26	1.35	1.49
DSM Expenses	8.27	8.29	9.89	10.89	11.34
Total Revenue Expenditure	4344.55	4364.07	4613.91	5028.12	4910.54

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Add: Return on Equity Capital	19.09	24.09	27.43	29.83	32.64
Aggregate Revenue Requirement	4363.64	4388.16	4641.34	5057.95	4943.17
Less: Non-Tariff Income	7.45	7.82	8.21	8.63	9.06
Less: Income from OA consumers	4.78	5.04	5.51	6.11	6.56
Aggregate Revenue Requirement from Retail Supply	4351.41	4375.30	4627.61	5043.22	4927.56

Commission's Analysis and Ruling

5.17.2 Based on the components of the ARR approved in the above paragraphs, the Commission has approved the ARR for the Wire and the Supply Business for FY 2025-26 to FY 2029-30 as shown in the Tables below:

Table 5-95: ARR for Wire Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Operation & Maintenance Expenses	207.22	229.80	254.13	279.45	306.57
Depreciation	157.01	165.79	174.87	183.34	191.40
Interest on Loan Capital	69.90	68.22	66.16	62.42	57.34
Interest on Working Capital	7.36	6.56	7.48	7.97	8.56
Interest on deposit from Consumers and Distribution System Users	2.58	2.84	3.12	3.44	3.78
Provision for bad and doubtful debts	1.13	1.23	1.35	0.20	-
Contribution to contingency reserves	8.55	9.04	9.57	10.09	10.56
Total Revenue Expenditure	453.76	483.48	516.69	546.91	578.21
Add: Return on Equity Capital	164.37	173.86	183.66	192.80	201.50
Aggregate Revenue Requirement	618.13	657.33	700.35	739.71	779.72
Less: Non-Tariff Income	5.98	6.28	6.59	6.92	7.27
Less: Income from OA consumers	33.73	32.22	34.29	36.10	37.84
Aggregate Revenue Requirement from Distribution Wire Business	578.43	618.84	659.47	696.69	734.60

Table 5-96: ARR for Supply Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Expenses	3,317.91	3,358.58	3,445.16	3,680.14	3,674.10
Operation & Maintenance Expenses	102.81	112.76	122.52	132.52	143.63
Depreciation	26.19	30.87	34.01	36.27	38.91
Interest on Loan Capital+ Other Finance Charges	7.89	11.33	12.42	12.14	12.12
Interest on Working Capital	-	-	-	-	-
Interest on Consumer Security Deposit	23.23	25.56	28.11	30.92	34.02
Provision for bad and doubtful debt	3.33	3.35	3.54	0.52	-

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Contribution to contingency reserves	0.78	1.03	1.26	1.35	1.49
Intra-State and Inter-State Transmission Charges	571.12	472.67	503.50	518.53	528.94
MSLDC Fees & STU Charges	1.45	1.49	1.65	1.77	1.87
DSM Expense	8.27	8.29	9.89	10.89	11.34
Total Revenue Expenditure	4,062.97	4,025.94	4,162.04	4,425.06	4,446.41
Add: Return on Equity Capital	19.09	24.09	27.42	29.83	32.63
Aggregate Revenue Requirement	4,082.06	4,050.03	4,189.47	4,454.89	4,479.04
Less: Non-Tariff Income	7.51	7.88	8.28	8.69	9.13
Less: Receipts on account of Cross-Subsidy Surcharge	0.19	0.38	0.60	0.83	1.03
Aggregate Revenue Requirement from Retail Supply Business	4,074.36	4,041.77	4,180.59	4,445.37	4,468.89

Table 5-97: ARR for Distribution Business for FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	Combined Business				
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Expenses	3,317.91	3,358.58	3,445.16	3,680.14	3,674.10
Operation & Maintenance Expenses	310.03	342.56	376.65	411.97	450.20
Depreciation	183.20	196.67	208.89	219.61	230.31
Interest on Loan Capital+ Other Finance Charges	77.79	79.55	78.58	74.56	69.46
Interest on Working Capital	7.36	6.56	7.48	7.97	8.56
Interest on Consumer Security Deposit	25.82	28.40	31.24	34.36	37.80
Provision for bad and doubtful debt	4.45	4.58	4.89	0.72	-
Contribution to contingency reserves	9.34	10.07	10.83	11.44	12.04
Intra-State and Inter-State Transmission Charges	571.12	472.67	503.50	518.53	528.94
MSLDC Fees & STU Charges	1.45	1.49	1.65	1.77	1.87
DSM Expense	8.27	8.29	9.89	10.89	11.34
Total Revenue Expenditure	4,516.73	4,509.41	4,678.73	4,971.97	5,024.62
Add: Return on Equity Capital	183.46	197.94	211.08	222.63	234.14
Aggregate Revenue Requirement	4,700.19	4,707.36	4,889.81	5,194.60	5,258.76
Less: Non-Tariff Income	13.49	14.16	14.87	15.61	16.39
Less: Income from OA consumers	33.73	32.22	34.29	36.10	37.84
Less: Receipts on account of Cross-Subsidy Surcharge	0.19	0.38	0.60	0.83	1.03
Aggregate Revenue Requirement from Distribution Business	4,652.79	4,660.60	4,840.06	5,142.06	5,203.49

6 CUMULATIVE REVENUE GAP, TARIFF PHILOSOPHY AND CATEGORY-WISE TARIFFS FOR 5TH CONTROL PERIOD

6.1 CUMULATIVE PAST RECOVERIES OF ARR TILL FY 2024-25

TPC-D's Submission

a) Incremental gap / (Surplus) for FY 2023-24

- 6.1.1 TPC-D has submitted the Gap/(Surplus) for FY 2023-24 on the basis of the Stand Alone ARR and stated that since the provisional True up of FY 2023-24 was carried out in the Order in Case No 237 of 2023, it is necessary to work out the Incremental Gap for this year as outlined below:

Table 6-1: Incremental Revenue Gap / (Surplus) for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire		Supply		Distribution	
	MTR Order	TPC-D	MTR Order	TPC-D	MTR Order	TPC-D
Standalone Net ARR	460.91	488.57	3511.57	3592.37	3972.48	4080.94
Impact of Corrigendum Order in Case No 225 of 2022 / Review Petition			(247.96)	(247.96)		(247.96)
Less: Standalone Revenue from Tariff	424.03	419.48	3235.41	3487.00	3659.44	3906.48
Revenue Gap/(Surplus)	36.88	69.09	28.20	(142.59)	65.08	(73.50)
Gap already approved in MTR Order		36.88		28.20		65.08
Net Incremental Revenue Gap/(Surplus)		32.21		(170.79)		(138.58)

- 6.1.2 In MTR Order, the Commission has allowed recovery of the above Rs 36.88 Crore in the Wire business and Rs 28.20 Crore related to Standalone Gap/(Surplus) of FY 2023-24. The recovery of the above amount was permitted by the Commission in FY 2024-25 along with the applicable carrying cost. Hence, for carrying cost, TPC-D has considered only the incremental Gap/(Surplus), computed as shown in the Table below:

Table 6-2: Carrying Cost on the Incremental Revenue Gap / (Surplus) for FY 2023-24 as submitted by TPC-D (Rs. Crore)

Particulars	Wire	Supply	Distribution
Opening Balance	0.00	0.00	0.00
Addition of revenue gap/(surplus) during year	32.21	(170.79)	(138.58)
Recovery of revenue gap/(surplus) during year	0.00	0.00	0.00
Closing Balance	32.21	(170.79)	(138.58)
Rate of Interest (%)	10.07%	10.07%	10.07%
Incremental Carrying cost	1.62	(8.60)	(6.97)

b) Gap / (Surplus) for FY 2024-25 along with past recovery

- 6.1.3 Similarly, the Provisional Gap/(Surplus) of FY 2024-25 has been worked out and the carrying cost for the average period has been worked out for further recovery in the period FY 2025-26 to FY 2029-30. The computation also includes the recovery of Past Gap/(Surplus) as approved by the Commission in the Order dated 6 March, 2024 in Case No 237 of 2023. The Gap/(Surplus) for FY 2024-25 is as follows:

Table 6-3: Gap / (Surplus) for FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire		Supply		Distribution	
	MTR Order	TPC-D	MTR Order	TPC-D	MTR Order	TPC-D
Net ARR approved	474.21	461.80	3,692.82	3,760.54	4,167.03	4,222.34
Past Gap Recovery	339.82	339.82	1,034.26	1,034.26	1,374.08	1,374.08
Total ARR to be recovered	814.04	801.62	4,727.08	4,794.80	5,541.11	5,596.42
Less: Revenue from Tariff		770.57		4,774.59		5,545.17
Revenue Gap/(Surplus)		31.05		20.21	-	51.25

Commission's Analysis and Ruling

- 6.1.4 As elaborated in Chapter 3 of this Order, the Commission had determined provisional Revenue Gap of Rs. 36.88 Crore for the Wires Business and provisional Revenue Surplus of Rs. 28.20 Crore for the Supply Business for FY 2023-24 in the MTR Order dated 06 March, 2024. The Commission has now approved Revenue Gap of Rs. 67.73 Crore for the Wires Business and Surplus of Rs. 157.94 Crore for the Supply Business, after adjusting Rs. 247.97 Crore, the Impact of Corrigendum Order in Case No 225 of 2022 and approved in Case No. 237 of 2023, while Truing up for FY 2023-24 in this Order.

- 6.1.5 The following Table shows the Incremental Revenue Gap/(Surplus) approved by the Commission after truing up for FY 2023-24:

Table 6-4: Incremental Revenue Gap/(Surplus) approved for FY 2023-24

Particulars	Wire		Supply		Distribution	
	MTR Order	Approved	MTR Order	Approved	MTR Order	Approved
Standalone Net ARR	460.91	480.36	3,511.57	3,511.57	3,972.48	4,094.24
Impact of Corrigendum Order in Case No 225 of 2022 / Review Petition			(247.96)	(247.96)		(247.96)
Less: Standalone Revenue from Tariff	424.03	419.48	3,235.41	3,487.00	3,659.44	3,906.48
Revenue Gap/(Surplus)	36.88	60.87	28.20	(166.08)	65.08	(105.20)
Gap already approved in MTR Order		36.88		28.20		65.08
Net Incremental Revenue Gap/(Surplus)		24.00		(194.28)		(170.28)

- 6.1.6 As elaborated in Section 4 of this Order, the Commission has approved Revenue Surplus of Rs. 303.15 Crore and Rs. 939.34 Crore for the Wires Business and Supply Business, respectively, after provisional Truing up for FY 2024-25 in this Order resulting in the cumulative surplus of Rs. 1242.50 Crore of Distribution business. Further, the Commission has approved the cumulative gap till FY 2023-24 along with the gap to be recovered in the tariff of FY 2024-25 vide Order dated 6 March, 2024 in Case No. 237 of 2023. The approved Revenue Gap/(Surplus) after provisional True-up for FY 2024-25, along with the adjustment of the past gap as approved in MTR Order is shown in the Table below:

Table 6-5: Provisional Standalone Revenue Gap/(Surplus) approved for FY 2024-25

Particulars	Wire		Supply		Distribution	
	MTR Order	Approved	MTR Order	Approved	MTR Order	Approved
Net ARR approved	474.21	458.70	3,692.82	3,690.23	4,167.03	4,148.94
Past Gap Recovery	339.82	339.82	1,034.26	1,034.26	1,374.08	1,374.08
Total ARR to be recovered	814.04	798.52	4,727.08	4,724.49	5,541.11	5,523.02
Less: Revenue from Tariff	814.04	761.86	4,727.08	4,629.58	5,541.11	5,391.43
Revenue Gap/(Surplus)	-	36.67	-	94.42	-	131.59

- 6.1.7 The computation of the carrying / holding cost on the gap approved for FY 2023-24 and FY 2024-25 has been provided in the subsequent section of this Order.

6.2 ADDITIONAL GAP

1. Review Petition and Appeal filed by TPC-D

TPC-D's Submission

- 6.2.1 TPC-D has filed a Review Petition in Case No 227 of 2023 against which the Commission has issued order dated 31 December 2024. Based on the observations and directions of the Commission in the said order, TPC-D has considered the impact of the same in the Gap/(Surplus) Computations to be brought forward for inclusion in the Tariff for FY 2025-26 to FY 2029-30.
- 6.2.2 Additionally, TPC-D has filed an appeal against the Tariff Order in Case No 225 of 2022 and the appeal has been registered as Appeal No 191 of 2024. The judgement from the Hon'ble ATE is awaited in the matter. However, based on the reply submitted by the Commission with the Hon'ble ATE, where in some of the issues have been admitted as being an error apparent, TPC-D has in the present filings considered the impact of such issues too while working out the Cumulative Gap/(Surplus) up to FY 2024-25. TPC-D requested the Commission to consider the above impact in the present tariff proceedings.

A. Review Petition of Tata Power -D – Case No 67 of 2024 – Standby Charges

- 6.2.3 The Commission in its order dated 31st December 2024 had given the judgment on the various issues raised. One of the issues relating to Double Accounting of Standby Charges has been presented for consideration of its impact in the ARR based on the following ruling of the Commission:

However, the Commission notes that, prima facie, it appears that there has been double accounting in respect of amount related to refund of standby charges. The Commission, accordingly, directs TPC-D to make detailed submissions in respect of double counting of amount related to Standby Charges in the upcoming MYT proceedings.

- 6.2.4 In the MYT Order dated 30 March 2020 in Case No 326 of 2019, the Commission had approved the share of TPC-G Gap to the extent of Rs 39.79 Crore to be passed on to TPC-D. TPC-D submitted that the share of Gap of TPC- G to the extent of Rs 39.79 Crore was comprising several elements, one of them being payment to TPC- G towards the share of Standby Charges after the order of the Hon'ble Supreme Court. The relevant computations for evidencing that Standby Charges formed the total Gap of Rs 39.79 Crore. However, thereafter, the Commission in its order dated 21 December 2020 in Case No 163 of 2020 had ruled as under:

“2. In light of the Clarificatory Order dated 20 August 2019 by the Hon'ble Supreme Court and discussions made at Para. 10 to Para. 21 of this Order, the Commission revises its decision of allowing Tata Power Company Ltd.-Generation to recover the amount determined towards Standby Charges in its Multi Year Tariff Order dated 30 March 2020 in Case No. 300 of 2019 from BEST Undertaking, Adani Electricity Mumbai Ltd.- Distribution and Tata Power Company Ltd.-Distribution.

- 3. Tata Power Company Ltd.-Generation is directed not to recover the component of Standby Charges in the balance instalments from the above Distribution Licensees. Also, the amount refundable to BEST Undertaking, Adani Electricity Mumbai Ltd.- Distribution and Tata Power Company Ltd.- Distribution by Tata Power Company Ltd.- Generation on account of component of Standby Charges already paid in the past instalments by them, may be claimed, alongwith the associated holding cost in the respective forthcoming Mid-Term Review Petitions by these Distribution Licensees which would be adjusted in the respective Mid-Term Review Orders of these utilities.”*

- 6.2.5 Based on the direction of the Commission, TPC-G in its MTR petition alongwith the carrying cost, whereby in the Order of Case No 237of 2023, the Commission had considered the refund of the Standby Charges of Rs 22.65 Crore while working out the Cumulative Gap/(Surplus) till FY 2022-23. The refund of Rs. 22.65 Crore from TPC-G towards standby Charges was considered by the Commission while

working the Gap up to FY 2022-23 but at the same time, TPC-D submitted that the Gap of Rs 28.20 Crores adjusted in ARR computation of FY 2023-24 includes the impact of “Corrigendum Order in Case No 225 of 2022” to the extent of Rs 247.96 Crores as highlighted in Table below:

Table 6-6: Consideration of Standby Charges in ARR of FY 2023-24 (Rs. Crore)

Table 6-5 - Provisional Revenue Gap / (Surplus) approved for FY 2023-24 (Rs. Crore)								
Particulars	Wire Business				Supply Business			
	MYT	MTR	TPC-D	Approved	MYT	MTR	TPC-D	Approved
Net ARR Approved	487.89	478.93	461.42	460.91	2886.54	4,011.93	3621.32	3511.57
Gap as approved in MTR		44.92				127.49		
Impact of Corrigendum Order in Case No. 225 of 2022						21.78	(247.96)	(247.96)
Total ARR allowed	487.89	523.85	461.42	460.91	2886.54	4,161.20	3373.35	3263.61
Less Standalone Revenue from Tariff	446.89	425.27	435.78	424.03	2919.62	4260.28	3674.97	3235.41
Net Incremental Revenue Gap / (Surplus)	41.00	98.58	25.64	36.88	(33.08)	(99.08)	(301.61)	28.20

*-Above table is in reference to Table 6-5 of the Tariff Order - Provisional Revenue Gap / (Surplus) approved for FY 2023-24 (Rs. Crore)

Table 6-7: Consideration of Standby Charges in ARR of FY 2023-24 (Rs. Crore)

Table 6-4: Impact of Corrigendum issued in Case No. 225 of 2022 as approved by the Commission (Rs. Crore) - Extract 5: Inclusion of Standby Charges in “Corrigendum Order”		
Sr. No.	Particulars	Rs. Crore
1	TPC-G refund as per MTR Order dated 31 March 2023 issued in Case No. 221 of 2022 for TPC-G	215.61
2	Overstated amount of Standby Charges to the tune of Rs. 26.50 Crore to be considered in FY 2020-21	26.50
3	Carrying Cost on the Standby Charges	5.85
4=1+2+3	Total Impact	247.96

6.2.6 In summary the refund of Standby Charges has been considered twice and hence has been deducted twice in the computation of Gap which has been used further for fixation of tariff and needs to be corrected. Therefore, it is requested to allow the quantum of Rs 22.65 Crore in this present petition on account of the double deduction along with carrying cost is as given in the table below:

Table 6-8: Impact of Standby Charges along with the Carrying Cost (Rs. Crore)

Particulars	Rs. Crore
Double accounting of Standby Charges from Tata Power-G considered in Case No 237 of 2023	22.65
Carrying Cost up to FY 2024-25	4.66
Total	27.31

B. Reply of the Hon'ble Commission in Appeal No. 191 of 2024

6.2.7 TPC-D had the appeal with the Hon'ble ATE against certain issues, whereby the Commission in its reply on 17 May 2024 in the above appeal has made the following observations:

3. *That the appellant has challenged the findings of the commission in the Order under challenge in respect of following issues:*

- i. *Erroneously considered the normative security deposit for computation of working capital requirement and interest thereon in True-up of ARR for FY 2019-20, FY 2020-21 and FY 2021-22;*
- ii. *Arbitrarily disallowed income tax on return on equity by considered effective tax rate as zero for FY 2022-21 to FY 2022-23;*
- iii. *Incorrectly computed revenue gap/surplus for FY 2020-21;*
- iv. *Erred in verification of RPO status for FY 2020-21 and FY 2021-22;*
- v. *Erroneous computation of net entitlement of operation and maintenance expenses for FY 2020-21 and FY 2021-22.*

4. *That the commission denies the submission made against the findings in respect of issues (A), (B), (C)(ii), (C)(iii) and (D) and would like to make its submissions in reply to each of the aforesaid issues hereunder:- ”*

6.2.8 TPC-D further submitted that, the Commission has not denied the submissions made in C (i) and in (E). TPC-D therefore has considered the impact of the same in the present petition. The two issues along with impact are presented as below:

a) Issue No. 1 –The following are relevant extracts from the submissions made by the Commission with regards to this issue:

“TPC-D has submitted that the amount of Rs. 41.92 Crore on account of additional energy charges paid by ARML-D to TPC, should be added back and should be considered as part of TPC-G's revenue. However, there is no Order of the Commission on this issue and the adjustment has not been done in TPC-G's ARR either. Hence, the Commission does not allow TPC-

D's request to add back the amount of Rs. 41.92 Crore to the ARR of FY 2020-21.

Based on this, the approved net Revenue Gap/ (Surplus) for FY 2020-21 is shown in the Table below”

Table 6-2: Net Revenue Gap / (Surplus) approved for FY 2020-21(Rs. Crore)

Particulars	Wire Business		Supply Business	
	TPC-D Petition	Approved After Truing-up	TPC-D Petition	Approved After Truing-up
Revenue Gap / (Surplus)	153.09	126.33	(35.42)	(38.48)
Additional Energy Charges received in FY 2019-20			41.92	-
Double accounting of FBSM Charges			(257.94)	(257.94)
Net Revenue Gap / (Surplus) for FY 2020-21			(251.44)	(296.42)

It is submitted that at the time of the MYT Petition neither the Appellant has submitted the letter dated 13.08.2019 written by TPC-G to AEML-D for payment towards additional Energy Charges in pursuance to the said order of the Hon'ble Apex Court nor TPC-G in its MTR Petition has referred to the said letter for adjustment in its revenue. It is submitted that in terms of the said judgement of the Hon'ble Supreme Court in take or pay issue, as the amount pertains to TPC-G and not TPC-D, the Respondent Commission will review the said issue and when the Appellant will approach the Respondent Commission as there is an error apparent on the face of record.”

- 6.2.9 TPC-D submitted that, since there is an error apparent on the face of record, it has requested the Commission to consider the impact of the same in the present submission. Based on this, TPC-D has submitted that the computations as provided in Case No 225 of 2022 needs to be restated as follows:

Table 6-9: Impact of Additional Energy Charges- Restatement of Table as submitted by TPC-D (Rs. Crore)

Particulars	Wire		Supply		Distribution	
	Tariff Order	Approved	Tariff Order	Approved	Tariff Order	Revised
Revenue Gap /(Surplus)	153.09	126.33	-35.42	-38.48	-35.42	-38.48
Additional Energy Charge Received			41.92		41.92	41.92

Particulars	Wire		Supply		Distribution	
	Tariff Order	Approved	Tariff Order	Approved	Tariff Order	Revised
Double Accounting of FBSM Charges			-257.94	-257.94	-257.94	-257.94
Revenue Gap/(Surplus)			-251.44	-296.42	-251.44	-254.5
Gap already approved in MTR Tariff Order						-296.42
Net Incremental Revenue Gap/(Surplus)						41.92

Table 6-10: Computation of Carrying Cost on the above incremental Gap (Rs. Crore)

Particulars	Supply Business				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Opening Balance	0.00	41.92	41.92	41.92	41.92
Addition of revenue gap/(surplus) during year	41.92	0.00	0.00	0.00	0.00
Recovery of revenue gap/(surplus) during year	0.00	0.00	0.00	0.00	0.00
Closing Balance	41.92	41.92	41.92	41.92	41.92
Rate of Interest (%)	8.57%	8.50%	9.30%	10.07%	10.50%
Carrying cost	1.80	3.56	3.90	4.22	4.40

b) Issue No 2: The following are the relevant submissions made by the Hon'ble Commission with regards to this issue

6.2.10 TPC-D has submitted the submission made by the Commission to Hon'ble APTEL with respect to the computation of net entitlement of O&M expenses for FY 2020-21 and FY 2021-22 as outlined below:

“E INCORRECT COMPUTATION OF NET ENTITLEMENT OF OPERATION AND MAINTENANCE FOR FY 2020-21 AND FY 2021-22

The contention of the Appellant is that the Respondent Commission in the impugned Order erroneously computed the net entitlement of the O&M Expenses for the Appellant in FY 2020-21 and FY 2021-22 by incorrectly deducting the efficiency loss passed on to the consumers from the actual O&M Expenses the Supply business for the Appellant instead of adding the same to the normative O&M Expenses for the Supply business of the Appellant which has led to a disallowance of Rs. 3.47 Crore i.e. Rs. 2.62 Crores for FY 2020-21 and Rs. 0.85 Crores for FY 2021-22.

The Respondent Commission submits that there is an error apparent on the face of the Record in the impugned order dated 31.03.2023.....”

6.2.11 In the said submission to the Hon'ble ATE, the Commission has acknowledged that

there is an error apparent on the face of the record in the impugned order dated 31.03.2023. Therefore TPC-D has computed Additional Entitlement on account of O&M Expenditure in FY 2020-21 and FY 2021-22.

Table 6-11: Additional Entitlement on account of O&M Expenditure in FY 2020-21 and FY 2021-22 as submitted by TPC-D (Rs. Crore)

Particulars	Tariff Order		Total
	FY 2020-21	FY 2021-22	
Normative O&M Expenses	106.56	111.95	
Actual O&M Expenses	116.63	124.47	
Efficiency Gain/(Loss)	-10.07	-12.52	
Efficiency Gain/(Loss) shared with Consumers	-3.36	-4.17	
Net Entitlement	109.92	116.12	
Approved in the Truing Up	107.30	115.27	
Incremental Impact	2.62	0.85	3.47

Table 6-12: Carrying Cost for above additional Entitlement as submitted by TPC-D (Rs. Crore)

Particulars	Supply Business				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Opening Balance	0.00	2.62	3.47	3.47	3.47
Addition of revenue gap / (surplus) during year	2.62	0.85	0.00	0.00	0.00
Recovery of revenue gap / (surplus) during year	0.00	0.00	0.00	0.00	0.00
Closing Balance	2.62	3.47	3.47	3.47	3.47
Rate of Interest (%)	8.57%	8.50%	9.30%	10.07%	10.50%
Incremental Carrying cost	0.11	0.26	0.32	0.35	0.36

2. Revenue gap / (Surplus) of TPC-G

6.2.12 Based on the submissions made by TPC-G in Case No 189 of 2024, the Gap/(Surplus) that has been passed on to TPC-D is as shown in the table below follows:

Table 6-13: Impact of TPC-G (Rs. Crore)

Particulars	Total
Proposed Past Gap Recovery for TPC-G with Carrying Cost in Case No. 189 of 2024	40.98

Commission's Analysis and Ruling**A. Review Petition of Tata Power -D – Case No 67 of 2024 – Standby Charges**

- 6.2.13 The Commission noted the submission made by TPC-D in relation to the double deduction of Rs. 22.65 Crore, while determining the gap in Case No. 225 of 2022. Based on the review petition filed by TPC-D, the Commission had issued Corrigendum pursuant to issuance of MTR Order and has allowed TPC-D to claim the overstated amount of Standby Charges along with Carrying Cost. Further in the Order seeking review of the Tariff Order dated 6 March, 2024 in Case No. 237 of 2023 issued by the Commission on 31 December 2024, the Commission directed TPC-D as follows:

However, the Commission notes that, prima facie, it appears that there has been double accounting in respect of amount related to refund of standby charges. The Commission, accordingly, directs TPC-D to make detailed submissions in respect of double counting of amount related to Standby Charges in the upcoming MYT proceedings.

- 6.2.14 Accordingly, based on the Review Order in Case No. 67 of 2024, the Commission has considered that there is an error on account of double accounting in respect of refund of standby charges and the same is allowed along with the associated carrying cost, as detailed in the computations subsequently.

B. Appeal No. 191 of 2024 - Additional Energy Charges

- 6.2.15 TPC-D in the submission to Hon'ble APTEL in Appeal No. 191 of 2024 has stated that amount of Rs. 41.92 Crore on account of additional energy charges paid by AEML-D to TPC need to be considered as a Revenue of TPC-G, however, such adjustment was not undertaken in TPC-G's ARR. Due to this, the Hon'ble Commission has not allowed TPC-D's request to add back the amount in ARR of FY 2020-21 resulting in error in computation of Revenue Gap / (Surplus). However, the Commission in its submission has stated that TPC-G has not submitted such reference in the said MTR Petition for adjustment of revenue. In terms of the judgement of Hon'ble Supreme Court, in take or pay issue, as the amount pertains to TPC-G and not TPC-D, the Commission will review the said issue as and when TPC-D will approach as there is an error apparent on the face of the record.
- 6.2.16 Since TPC-D in the current MYT Petition has claimed the said amount alongwith the carrying cost from FY 2020-21 and considering that there is an error apparent on the face of the record, the Commission has accepted the claim of TPC-D of Rs. 41.92 Crore on account of additional energy charges.
- 6.2.17 The computation of the carrying / holding cost on the said claim has been provided in the subsequent chapter of this order.

C. Appeal No. 191 of 2024 - Incorrect computation of Net Entitlement of O&M expenses for FY 2020-21 and FY 2021-22

- 6.2.18 TPC-D in its appeal has stated that the Commission has erroneously computed the net entitlement of O&M Expenses in FY 2020-21 and FY 2021-22 by incorrectly deducting the efficiency loss passed on to the consumers from the actual O&M expenses for the supply business instead of the same adding to the normative O&M expenses of supply business resulting in disallowance of Rs. 3.47 Crore i.e. Rs. 2.62 Crore for FY 2020-21 and Rs. 0.85 Crore for FY 2021-22.
- 6.2.19 The Commission in its submission to the Hon'ble APTEL has submitted that there is an error apparent on the face of the record in the impugned order dated 31 March 2023 and the same will be reviewed as and when TPC-D will approach. Since TPC-D in the current MYT Petition has claimed the said amount alongwith the carrying cost from FY 2020-21 and considering that there is an error apparent on the face of the record, the Commission has accepted the claim of TPC-D of Rs. 3.47 Crore on account of error in computation of net entitlement of O&M expenses.

D. Revenue Gap / Surplus of TPC-G in Case No. 189 of 2024.

- 6.2.20 The Commission, in the MYT Order of TPC-G in Case No. 189 of 2024, has approved the Revenue Surplus of Rs. 91.81 Crore to be recovered from TPC-D. Accordingly, the Commission has considered the same amount for determining the cumulative Revenue Gap / (Surplus) for recovery through tariff.
- 6.2.21 Based on the above submissions, the total cumulative past Gap / (Surplus) related to review order, pending appeals and impact of TPC-G MYT order is adjusted in the Supply business as shown in the Table below:

Table 6-14: Cumulative Impact of Review Petition, APTEL Appeal and TPC-G as approved by the Commission (Rs. Crore)

Sr. No.	Particulars	w.e.f	Supply
1	Double accounting of Standby Charges from Tata Power-G considered in Case No 237 of 2023	2023-24	22.65
2	Additional Energy Charge Received in FY 2019-20 from AEML-D	2020-21	41.92
3	Impact of ATE Appeal - O & M	2020-21	2.62
4	Impact of ATE Appeal - O & M	2021-22	0.85
5	Proposed Recovery of Revenue Surplus as per Case No. 189 of 2024 for TPC-G including Carrying Cost	2025-26	(91.81)
	Total Gap related to impact of Review Petition, APTEL and TPC-G order		(23.77)

6.3 CARRYING COST ON PAST GAP

Commission's Analysis and Ruling

- 6.3.1 Based on the incremental Revenue Gap / (Surplus) of FY 2023-24, Provisional Revenue Gap / (Surplus) of FY 2024-25 and cumulative impact of Review Petition, APTEL Appeals and Revenue Surplus of TPC-G, past gap as approved by the Commission in the above section of this Order, the carrying / holding cost has been computed.
- 6.3.2 The Commission has considered the interest rate for computation of Carrying/(Holding) cost on the amount of Gap/(Surplus) of any year based on the applicable rate of interest on working capital for that year, in accordance with the applicable MYT Regulations. Further, the Commission has considered the Carrying/(Holding) cost till FY 2025-26, as it is assumed that the recovery of these amounts will happen in the middle of FY 2025-26.
- 6.3.3 The Computation of the associated Carrying/(Holding) cost for Wire and Supply business, is shown in the Tables below:

Table 6-15: Computation of Carrying / (Holding) cost for Wire Business (Rs. Crore)

Sr.	Particulars	2023-24	2024-25	2025-26
1	Opening Balance	-	30.85	60.66
2	Addition of revenue gap/(surplus) during year	24.00	36.67	-
A	<i>Incremental Carrying Cost for FY 2023-24 on above Incremental Gap</i>	24.00		
B	<i>Revenue Gap / (Surplus) of provisional True-up of FY 2024-25</i>		36.67	
3	Recovery of revenue gap/(surplus) during year			60.66
4	Closing Balance	24.00	60.66	-
5	Rate of Interest (%)	10.07%	10.50%	10.50%
6	Incremental Carrying cost	1.21	4.44	3.18
7	Total Carrying Cost	8.84		

Table 6-16: Computation of Carrying / (Holding) cost for Supply Business (Rs. Crore)

Sr. No.	Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Opening Balance	-	44.54	45.39	45.39	(118.10)	(23.18)
2	Addition of revenue gap/(surplus) during year	44.54	0.85	-	(171.63)	94.92	(91.81)
a	<i>Incremental Carrying Cost for FY 2023-24 on above Incremental Gap</i>				(194.28)		
b	<i>Revenue Gap / (Surplus) of provisional True-up of FY 2024-25</i>					94.92	

Sr. No.	Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
c	Double accounting of Standby Charges from Tata Power-G considered in Case No 237 of 2023				22.65		
d	Additional Energy Charge Received in FY 2019-20 from AEML-D	41.92					
e	Impact of ATE Appeal - O & M	2.62	0.85				
f	Proposed Recovery of Revenue Surplus as per Case No. 189 of 2024 for TPC-G including Carrying Cost						(91.81)
3	Recovery of revenue gap / (surplus) during year						(123.13)
4	Closing Balance	44.54	45.39	45.39	(126.24)	(31.32)	-
5	Rate of Interest (%)	8.57%	8.50%	9.30%	10.07%	10.50%	10.50%
6	Incremental Carrying cost	1.91	3.82	4.22	(2.93)	(8.27)	(1.64)
7		(2.89)					

6.4 TOTAL GAP UPTO FY 2024-25

TPC-D's Submission

6.4.1 Considering the above working, the Gap / (Surplus) at the end of FY 2024-25 is as follows:

Table 6-17: Gap / (Surplus) of TPC-D up to FY 2024-25 as submitted by TPC-D (Rs. Crore)

Particulars	Wire	Supply	Total
Impact of Review Petition- Standby		27.31	27.31
Impact of Review Petition	0.00	27.31	27.31
Incremental Gap / (Surplus) for FY 2023-24	32.21	(170.79)	(138.58)
Incremental Carrying Cost for FY 2023-24 on above Incremental Gap	5.00	(26.53)	(21.52)
Gap / (Surplus) for FY 2024-25	31.05	20.21	51.25
Carrying Cost for FY 2024-25 on the above Gap/(Surplus)	1.63	1.06	2.69
Impact of ATE Appeal - Take or Pay		41.92	41.92
Carrying Cost upto FY 2024-25 on the above impact		17.88	17.88
Impact of ATE Appeal - O & M for FY 2020-21 and FY 2021-22		3.47	3.47
Carrying Cost upto FY 2024-25 on the above Impact		1.41	1.41
Impact of Tata Power-G		40.98	40.98
Total	69.89	(43.09)	26.80

Commission's Analysis and Ruling

6.4.2 The Cumulative Gap/(Surplus) approved by the Commission for TPC-D till FY 2024-25, along with the associated Carrying/(Holding) cost, is shown in the Tables below:

Table 6-18: Gap / (Surplus) of TPC-D up to FY 2024-25 approved by Commission (Rs. Crore)

Sr.	Particulars	Wire	Supply	Total
1	Incremental Gap / (Surplus) for FY 2023-24	24.00	(194.28)	(170.28)
2	Gap / (Surplus) for FY 2024-25	36.67	94.92	131.59
3	Impact of Review Petition, APTEL and TPC-G Order in Case No. 189 of 2024	-	(23.77)	(23.77)
4	Carrying Cost on the above Revenue Gap / Surplus and impact	8.84	(2.89)	5.94
5	Total	69.50	(126.03)	(56.52)

6.5 PROPOSED RECOVERY OF GAP / (SURPLUS) FOR FY 2025-26 TO FY 2029-30

TPC-D's Submission

6.5.1 TPC-D has presented the requirement for the 5th Control Period i.e. from FY 2025-26 to FY 2029-30 on "Stand Alone" basis. In addition to the Stand Alone ARR for the year, the gap needs to be recovered. The proposed recovery of the Gap/(Surplus) is given in the following table:

Table 6-19: Recovery of Gap / (Surplus) of Wire Business in 5th Control Period as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	69.89	0.00	0.00	0.00	0.00
Recovery during the period	69.89				
Closing Balance	0.00	0.00	0.00	0.00	0.00
Rate of Interest (%)	10.50%	10.50%	10.50%	10.50%	10.50%
Carrying Cost	3.67				
Net Recovery including carrying cost	73.56	0.00	0.00	0.00	0.00

Table 6-20: Recovery of Gap / (Surplus) of Supply Business in 5th Control Period as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance	(43.09)	0.00	0.00	0.00	0.00
Recovery during the period	(43.09)				
Closing Balance	0.00	0.00	0.00	0.00	0.00
Rate of Interest (%)	10.50%	10.50%	10.50%	10.50%	10.50%
Carrying Cost	(2.26)				
Net Recovery including carrying cost	(45.36)	0.00	0.00	0.00	0.00

Table 6-21: Total Recovery with Past Arrears of Wire Business in 5th Control Period as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	580.13	628.77	682.33	740.38	800.14
Past Recovery including carrying cost	73.56	0.00	0.00	0.00	0.00
Total ARR Requirement	653.69	628.77	682.33	740.38	800.14

Table 6-22: Total Recovery with Past Arrears of Supply Business in 5th Control Period as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	4351.41	4375.30	4627.61	5043.22	4927.56
Past Recovery including carrying cost	(45.36)	0.00	0.00	0.00	0.00
Total ARR Requirement	4306.06	4375.30	4627.61	5043.22	4927.56

6.5.2 Based on the ARR of 5th MYT Control Period FY 2025-26 to FY 2029-30 and the recovery of the Past Gap alongwith the carrying cost, TPC-D has the Gap/(Surplus) to be recovered from the consumers at the existing tariff as follows:

Table 6-23: Projected Revenue Gap at Existing Tariff – FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total ARR Requirement	4306.06	4375.30	4627.61	5043.22	4927.56
Carrying cost on adjustment/deferment	0.00	0.00	0.00	0.00	0.00
Revised ARR	4306.06	4375.30	4627.61	5043.22	4927.56
Revenue from existing tariff	5134.02	5484.14	5830.22	6206.37	6592.01
Revenue Gap / (Surplus) at existing tariff	(827.96)	(1108.84)	(1202.61)	(1163.16)	(1664.45)

Commission's Analysis and Ruling

- 6.5.3 The Commission has computed the Revenue Gap/(Surplus) at the existing Tariff based on the approved ARR of the Distribution Wires and Retail Supply Business, and the revenue estimated by it from approved sale of electricity at the existing Tariff. Also, the past accumulated revenue gap of FY 2022-23 to FY 2024-25 along with the gap related to Review and APTEL petition and surplus of TPC-G as per Order in Case No. 189 of 2024 along with the carrying cost is required to be adjusted in ARR and tariff of FY 2025-26 .
- 6.5.4 However, in its Judgment dated 26 November, 2024 in Appeal No. 294 OF 2013 and Batch, the Hon'ble APTEL has directed the Commission to use same methodology for parallel distribution companies in future for maintaining level playing field between the competing distribution licensees. Accordingly, the similar treatment of Revenue Gap / (Surplus) is required to be provided by the State Commission while determining the tariff for TPC-D and AEML-D. Considering the cumulative huge surplus in Supply business till FY 2024-25, the Commission has decided to defer the adjustment of such surplus equally in FY 2026-27 and FY 2027-28 so as to smoothen the tariff relaxation to the consumers in AEML-D Tariff Order. Similar treatment is provided in the instant Order by the Commission for TPC-D for calculation of the tariff hike / relaxation to the consumers whereby the Surplus of Rs. 116.20 Crore is deferred equally in FY 2026-27 and FY 2027-28 along with the holding cost, for the respective year of the 5th MYT Control Period i.e. FY 2025-26 to FY 2029-30, Accordingly, the Revenue Gap/(Surplus) approved for the Control Period with Revenue from Existing tariff is as shown below:

Table 6-24: Projected Revenue Gap at Existing Tariff – FY 2025-26 to FY 2029-30 approved by Commission (Rs. Crore)

Sr.	Particulars	2025-26	2026-27	2027-28	2028-29	2029-30
Wire Business						
1	ARR of Wire Business	612.15	651.05	693.76	732.79	772.45
2	Past Recovery including carrying cost	69.50	-	-	-	-
3	Total ARR of Wire Business	681.65	651.05	693.76	732.79	772.45
4	Revenue from Existing Tariff	832.19	907.00	990.44	1,083.62	1,187.81
5	Revenue Gap / (Surplus)	(150.53)	(255.94)	(296.68)	(350.83)	(415.36)
Supply Business						
1	ARR of Supply Business	4,074.55	4,042.14	4,181.19	4,446.20	4,469.91
2	Past Recovery including carrying cost*	(13.23)	(69.63)	(63.01)	-	-
3	Total ARR of Supply Business	4,061.32	3,972.51	4,118.18	4,446.20	4,469.91
4	Revenue from Existing Tariff	4,942.79	5,226.14	5,535.25	5,873.88	6,245.66
5	Revenue Gap / (Surplus)	(881.47)	(1,253.63)	(1,417.07)	(1,427.69)	(1,775.74)

Sr.	Particulars	2025-26	2026-27	2027-28	2028-29	2029-30
Distribution Business						
1	ARR of Distribution Business (without OA Income)	4,686.70	4,693.20	4,874.95	5,178.99	5,242.36
2	Past Recovery including carrying cost	56.27	(69.63)	(63.01)	-	-
3	Total ARR of Distribution Business	4,742.97	4,623.57	4,811.93	5,178.99	5,242.36
4	Revenue from Existing Tariff	5,774.97	6,133.14	6,525.69	6,957.50	7,433.47
5	Revenue Gap / (Surplus)	(1,032.00)	(1,509.57)	(1,713.75)	(1,778.51)	(2,191.10)

*-deferment of Rs. 126.03 Crore resulting in Rs. 63.01 crore equally in FY 2026-27 and FY 2027-28

6.6 OVERALL TARIFF PHILOSOPHY AND AVERAGE COST OF SUPPLY

TPC-D's Submission

6.6.1 TPC-D has presented the ARR summary along with the past arrears. Based on the standalone ARR along with the past recoveries for Wheeling as well as Supply, the Average Cost of Supply for TPC- D for the future period i.e. FY 2025- 26 to FY 2029-30 is as given in the table below:

Table 6-25: Average Cost for Wire Business for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Recovery for Wire Business	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire Business					
Total ARR Requirement - Rs Crore	653.69	628.77	682.33	740.38	800.14
Total Sale – MU	4914.03	5335.06	5738.46	6178.91	6635.41
Average Cost - Rs/kWh	1.33	1.18	1.19	1.20	1.21
Supply Business					
Total ARR Requirement - Rs Crore	4306.06	4375.30	4627.61	5043.22	4927.56
Total Sale – MU	6551.13	7004.90	7441.70	7916.22	8407.46
Retail Average Cost of Supply - Rs/kWh	6.57	6.25	6.22	6.37	5.86
Distribution Business					
Total ARR Requirement - Rs Crore	4959.75	5004.08	5309.95	5783.59	5727.70
Total Sale – MU	6551.13	7004.90	7441.70	7916.22	8407.46
Average Cost - Rs/kWh	7.57	7.14	7.14	7.31	6.81
Average Tariff Hike / Reduction (%)	-16%	-20%	-21%	-19%	-25%
Average Tariff Hike / Reduction (%) – YoY	-16%	-4%	-1%	2%	-6%

Commission's Analysis and Ruling

6.6.2 The Commission has continued with the practice as provided in the MYT Regulations, 2024, of determining Wheeling Charges based on the Wires ARR and

the retail tariff based on the Retail Cost of Supply of the Distribution Business.

- 6.6.3 However, for the comparison purpose, the ACoS of the combined Distribution Business and Retail Average Cost of Supply (RACoS) business as approved by the Commission is shown in the Table below:

Table 6-26: Approved ACoS and RACoS for 5th MYT Control Period (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Supply Business					
Total ARR of Supply Business - Rs. Crore	4,061.13	3,972.14	4,117.58	4,445.37	4,468.89
Sales - MU	6,231.80	6,579.74	6,962.07	7,382.83	7,846.54
Retail AvCoS (Rs./kWh)	6.52	6.04	5.91	6.02	5.70
Distribution Business					
Total ARR of Distribution Business	4,709.06	4,590.97	4,777.04	5,142.06	5,203.49
Total Sales - MU	6,231.80	6,579.74	6,962.07	7,382.83	7,846.54
ACoS (Rs/kWh)	7.56	6.98	6.86	6.96	6.63
ABR (Rs./kWh)	9.17	9.17	9.17	9.17	9.17
Revenue Gap / (Surplus) – Rs./kWh	(1.62)	(2.20)	(2.31)	(2.21)	(2.54)
Average Tariff Hike / Reduction (%)	-18%	-24%	-25%	-24%	-28%
Average Tariff Hike / Reduction (%) – YoY	-17%	-8%	-2%	2%	-5%

6.7 CROSS SUBSIDY STRUCTURE

TPC-D's Submission

- 6.7.1 TPC-D submitted that Section 61(g) of the EA, 2003 specifies the gradual reduction of cross subsidies and cost reflective tariff as a guiding principle for tariff determination. Clause 8.3 of revised Tariff Policy stipulates the guiding principle of tariff being within +20% of the ACoS.

- 6.7.2 Based on the Tariff proposal, the Cross Subsidy worked out for the period FY 2025-26 to FY 2029-30 is as shown in the table below:

Table 6-27: Category wise Cross-Subsidy as submitted by TPC-D (%)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Category					
EHV - Industry	100%	100%	100%	99%	99%
HT I – Industry	101%	101%	102%	102%	104%
EHV- Commercial	107%	108%	108%	108%	109%
HT II – Commercial	115%	117%	117%	118%	120%
HT III - Group Housing Society	105%	109%	110%	110%	106%
HT IV: HT - Mono/Metro/Railways					
HT IV - Railways (22/33 KV)	115%	115%	115%	116%	119%
EHV IV - Railways (Metro & Monorail)	101%	100%	99%	99%	99%

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT V - Public Services					
HT V(A) - Publ Serv Govt Hosp&Edu Inst	120%	119%	119%	120%	118%
HT V(B) - Public Services Others	106%	116%	117%	118%	120%
EHV - Public Services Others	98%	97%	96%	96%	95%
HT VI: Electric Vehicle Charging Stations	101%	100%	101%	100%	100%
Sub-total	104%	104%	104%	105%	106%
LT Category					
LT I A- Residential (BPL)					
LT IB - Residential	108%	108%	109%	109%	112%
LT II - Commercial					
LT II(A) - Commercial upto 20 kW	99%	97%	95%	93%	84%
LT II(B) - Commercial 20 to 50 kW	121%	122%	123%	123%	120%
LT II(C) - Commercial > 50 kW	120%	116%	118%	117%	118%
LT III (A) - Industrial upto 20 kW	87%	84%	83%	82%	80%
LT III (B) - Industrial > 20 kW	106%	106%	107%	106%	104%
LT IV - Public Services					
LT IV(A) - Publ Serv Govt Hosp&Edu Inst	84%	82%	81%	80%	75%
LT IV(B) - Public Services Others	90%	84%	83%	82%	78%
LT VI: Electric Vehicle Charging Stations	101%	100%	100%	101%	100%
LT Sub-total	99%	98%	98%	98%	97%
Total	100%	100%	100%	100%	100%

Commission's Analysis and Ruling

6.7.3 As stated earlier, in line with the earlier approach of the Commission proviso specified in MYT Regulations 2024, the Commission has approved recovery of the Gap/(Surplus) of the Wires Business through the Wires ARR, rather than combining it with the combined ARR of Wires Business and Supply Business. Further, there is no cross-subsidy in the Wheeling Charges and the Wheeling Charges are same for all categories receiving supply at the same voltage level.

6.7.4 The Commission has considered the Average Cost of Supply of Retail Supply Business for determining cross-subsidy of consumer category, so as to ensure reduction of cross-subsidy with respect to existing levels, in accordance with the EA 2003 and as per Regulations 111.4 of MYT Regulations, 2024.

6.7.5 The Commission determines the category-wise tariffs of Distribution Licensees with the following primary objectives:

- Reduction in the cross-subsidies between the Licensee's consumers with respect to the prevalent cross-subsidies;
- No category is subjected to a tariff shock;
- To meet the approved revenue requirement through the revised tariffs;

6.7.6 The Commission has ensured that the same method of determination of tariff based on the combined RACoS is applied for AEML-D and TPC-D, so that there is no

adverse impact on either Licensee on account of the tariff determination methodology adopted. The Commission has continued to rationalise the category-wise tariffs to achieve the primary objectives stated above.

6.7.7 The category-wise cross-subsidy approved by the Commission for TPC-D based on revised tariffs, is presented in the following Table:

Table 6-28: Category wise Cross-Subsidy approved by the Commission (%)

Consumer Categories	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT CONSUMERS					
EHV - Industry	99%	100%	98%	98%	98%
HT I - Industry	100%	101%	99%	99%	100%
EHV- Commercial	103%	106%	108%	108%	109%
HT II - Commercial	107%	111%	113%	112%	114%
HT III - Group Housing Society (Residential)	101%	101%	101%	101%	102%
Railways					
HT V(A) - Railways	101%	102%	103%	102%	102%
EHV V(B) - Metro & Monorail	99%	100%	100%	100%	100%
HT V - Public Services	114%	115%	113%	113%	113%
HT Public Service a) Govt. Edu. Inst. & Hospitals					
HT Public Service b) Others					
EHV- Public Service Others	103%	103%	101%	102%	102%
HT VIII - EV Charging Stations	103%	103%	106%	108%	112%
LT CONSUMERS					
LT I (A) - Residential (BPL)					
LT I (B) - Residential	101%	98%	99%	99%	98%
LT II - Commercial					
(A) - Upto 20 kW	108%	111%	114%	113%	114%
(B) - > 20 kW & < 50kW	106%	109%	111%	110%	111%
(C) - > 50kW	103%	105%	108%	107%	108%
LT III (A) - Industry < 20 kW	96%	98%	99%	99%	99%
LT III (B) - Industry > 20kW	100%	102%	104%	103%	104%
LT IX - Public Services	84%	86%	88%	86%	85%
a) Govt. Edu. Inst. & Hospitals					
b) Others					
EV Charging Stations	82%	84%	88%	91%	95%

6.8 TPC-D'S TARIFF PHILOSOPHY

TPC-D's Submission

6.8.1 TPC-D has proposed the tariffs for the 5th MYT Control Period. In this regard it has submitted that while proposing the Tariff, the following are need to be considered:

- Wheeling Charges to recovered without any Cross Subsidy i.e. HT Consumers

would be levied one uniform HT Wheeling Charge and all LT Consumers would be levied the same LT Wheeling Charges

- b. Recovery of Fixed Costs through Fixed Charges to extent possible
- c. Cross Subsidy to be restricted to +/- 120% of the Average Billing Rate (ABR)
i.e. the ABR for any category would be within the band of +20% and -20 % of the ABR for the distribution licensee
- d. The EV Charging Stations would be levied the Average Cost of Supply based on the “Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure 2024” dated 17 September 2024.

Commission’s Analysis and Ruling

- 6.8.2 The Commission’s views on each aspect of Tariff Philosophy raised by TPC-D as well as on other relevant aspects are detailed below.
- 6.8.3 The Commission has considered the main objectives of the Electricity Act, 2003 (“EA, 2003”) including the protection of the interest of consumers, the supply of electricity to all areas and rationalisation of Tariffs. The EA, 2003 also enjoins the Commission to maintain a healthy balance between the interest of the Utilities and the reasonableness of the cost of power being supplied to consumers. The Commission has also kept in view the principles of tariff determination set out in Sections 61 and Section 62 of the EA, 2003, the Tariff Policy, 2016 and the MYT Regulations, 2024, and also taken into consideration TPC-D’s submissions as well as the Public responses in these MYT proceedings.
- 6.8.4 Apart from tariff levels, the complexity of the tariff structure plays an important role in building transparency and limiting the discretionary power of Distribution Licensees . A simpler tariff structure helps easy understanding by consumers and on the other hand, creation of many different categories gives discretionary power to ‘Distribution Licensee’s while charging Tariffs.
- 6.8.5 As a progressive step towards tariff structure, the Commission intends to calculate the wheeling charges with proper identification of the Assets and cost to the respective voltage level based on Annexure III - Methodology for allocation of Assets and Cost for Distribution Business so as to ensure that network cost is fairly allocated to respective voltages and will ensure fair and comparable determination of Wheeling Charges.
- 6.8.6 As stated above, the Commission has considered the Average Cost of Supply of Retail Supply Business for determining cross-subsidy of consumer category, as the wheeling charges are same for all consumers getting supply at same voltage level. The Commission has made an attempt to reduce Cross subsidy for all categories of

consumers with some exception, based on the Retail Average Cost of Supply.

- 6.8.7 Further, in line with the decision considered by the Commission in MYT Order, the Commission is also implementing the LT kVAH tariff for all categories of consumers except LT Residential, LT Commercial and Industrial category below 20 kW.
- 6.8.8 Also, the Commission is considering the revised ToD structure based on the current demand curve of the State and abundant solar power available during the day time and making ToD tariff applicable to consumers with load above 10 kW. Also, such benefit of such ToD structure can be availed by the LT Residential below 10 kW, post implementation of the smart meter.
- 6.8.9 The Commission has continued to determine separate Wheeling Charges for EHV category. That is the only distinction between EHV and HV categories, and the Demand Charges and Energy Charges are same for EHV and HV categories.
- 6.8.10 Further, as proposed by TPC-D, the EV Charging Stations would be levied equivalent to the Retail Average Cost of Supply based on the “Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure 2024” dated 17 September, 2024.
- 6.8.11 The Commission is aware that TPC-D has not proposed any changes with respect to the category of consumers and hence, no indication has been given to public for any other changes in the tariff structure. The Hon’ble APTEL, vide its Order in Appeal No. 106 of 2008, has ruled that the Commission has the power to design the tariff as per its own wisdom. It also mentions that the Commission does not need to seek public comments before announcement of the tariff. The relevant part of the APTEL Order in Appeal No. 106 of 2008 is reproduced below:

“ ...

14) It is not the case of the appellant that the Commission had no power to create a tariff design different from the one proposed by the licensee. The Commission has the power to design the tariff as per its own wisdom. The Commission need not, before issuing the actual order, publicly announce the tariff it proposed and call for public comments. In fact this is not even the appellant’s contention.

15) The rule of natural justice requires the Commission to issue a public notice about the ARR and Tariff petition of the licensee and to allow the public to make its submissions on the ARR and Tariff proposals. The Commission has, thereafter, to design the scheme for recovery of the ARR keeping in view various relevant factors. If the classification of the

consumers can be supported on any of the grounds mentioned in section 62(3) it would not be proper to say that the tariff fixing was violative of principles of natural justice because the Commission did not issue a public notice of the tariff categories which the Commission had intended to create.

... ”

- 6.8.12 In view of the above, the Commission intends to merge the Public Services (Government Owned and Private) into single Public Service category. Merging or elimination of existing consumer categories can be done considering the End Use, Energy Consumption, Socio-Economic Profile, Consumption Pattern/ Loan Factor, etc. These factors have been examined by the Commission while deciding on merging of categories. The Commission opines that Public Services consumer categories have consumers, which serve the public in general. Considering the similar nature of end use, these categories are merged. Accordingly, the Commission merges the HT & LT Public Services (Government Owned Hospital & Education Institution) with Public Services (Other), as both the category has broader coverage of consumers into providing Public Services. Even after merging, it is ensured that tariff of the said category is not increased.
- 6.8.13 District Cooling Solution (DCS) provide air conditioning services to a cluster of buildings in a centralised manner which are centralised cooling systems. Such systems are already prevalent within the SEZ areas, and are likely to gain more importance, given the environmentally beneficial and more energy efficient utilisation, thereby leading to lower cost of cooling. The Commission is of the view that it is essential to encourage such energy efficient applications, considering the energy conservation goals. As electricity costs shall affect the viability of such units, the Commission has decided to categorise such DCS under the respective Industry category, i.e., HT I Industry and LT III Industry, as applicable depending on the size of the plant.
- 6.8.14 It is clarified that Sewage Treatment Plants/ Common Effluent Treatment Plants are categorized under Public Service category only, irrespective of whether they are used for residential complexes. Therefore, as per the choice of consumers, a Separate connection may be released for such facilities, so as to charge Public Service category tariff.
- 6.8.15 To promote Tourism Industry and in line with Tourism Policy of Maharashtra 2024 dated 18 July 2024, the Commission has decided to categorise certain facilities / services under Industry Category. Accordingly, Hotel / Motels / Youth Clubs, Resorts / Cottages / Service Apartment, Tourist Villas / Tourists Apartment is categorise under LT and HT Industry.

6.8.16 The Commission notes that Regenerative braking is a clean energy source that helps in reducing carbon footprint and aligns with Maharashtra's RE and sustainability goals. Metro trains generate electricity during braking, which can be fed back into the grid after internal consumption. Allowing netting off enables efficient utilization of regenerated power within the metro network. Further, regenerative braking aligns with existing energy policies promoting self-sufficiency and efficiency. Accordingly, the Commission allows netting off facility for excess energy generated by regenerative braking after consumption by other trains and auxiliary load and deduct the same from electricity drawn from TPC-D in the monthly bill. The Commission directs TPC-D to install appropriate meter at incomer meter for energy accounting to provide netting off facility. Such netting of electricity shall be done on monthly basis and in case of surplus after adjusting for energy drawl for the month, such surplus energy be purchased by the Discom at generic tariff approved for purchase of surplus energy from rooftop PV installation.

6.9 FIXED COST VS FIXED CHARGES

TPC-D's Submission

6.9.1 TPC-D has signed PPA with various generators and in addition, it has proposed to tie-up more capacity for meeting the demand. Such capacity entails payment of Fixed Costs to generators even if there is no drawl of energy. Additionally, TPC-D is required to pay Transmission Charges which are fixed in nature. Further, there is a Fixed Cost of Supply Business arising out the Capital Expenditure incurred there as well as on account of the operation of the Supply Business.

6.9.2 At the same time TPC-D levies Fixed Charges (i.e Rs/Connection/Month) and Demand Charges (Rs/KVA/Month). It is desired that Tata Power- D recovers the Fixed Costs through Fixed Charges. Based on the Tariff proposed for the various years, the ratio of Fixed Charges recovered and Fixed Costs paid as given in the table below:

Table 6-29: Ratio of Fixed Costs to Fixed Charges Recovered for FY 2025-26 to FY 2029-30 as submitted by TPC-D (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Charges paid					
Fixed Charges of Tata Power -G	507.88	517.60	531.84	547.57	360.62
Tolling Charges of PSP	0.00	0.00	0.00	0.00	127.50
Intra State Transmission Charges	470.04	431.41	510.73	579.81	637.80
Inter State Transmission Charges	101.84	104.39	107.00	109.67	112.41
Supply Fixed Cost	186.95	212.47	233.97	252.46	269.89
Total	1266.71	1265.86	1383.54	1489.52	1508.23
Recovery from Tariff					
Recovery from Fixed and Demand Charges	653.54	717.74	790.56	896.98	980.98

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Ratio of Recovery to Cost	52%	57%	57%	60%	65%

Commission's Analysis and Ruling

- 6.9.3 The Fixed Costs of the Supply Business includes all expenses, except the variable cost of power purchase. The Commission observes that the fixed charges recovery as proposed by TPC-D is in the range of 52% to 65% with gradual increase due to proposed increase in the fixed charges.
- 6.9.4 However, the Commission in the current MYT order has implemented many new initiatives such as introduction of new ToD slab, introduction of kVAh tariff for LT categories except Residential, Commercial and Industrial category with load below 20 kW, and determination of Cross subsidy considering Retail Average cost of Supply, for all categories with few exceptions. Such attempt may also result in variation in energy charges and hence the Commission has decided to continue with the existing fixed charges with no change for 5th MYT Control period FY 2025-26 to FY 2029-30 except for Commercial and Railway Category of consumers so as to maintain the cross subsidy as the load factor of Commercial category is lower resulting in higher demand charge per unit. However, the Commission may review the same at the time of MTR Tariff Petition to be filed by the Distribution licensee in FY 2027-28.
- 6.9.5 The Commission has always determined all other aspects, i.e., Fixed/Demand Charges, incentive/penalty structure, ToD tariffs, etc., the same for TPC-D and other two parallel licensees and only the Wheeling Charges and Energy Charges, which are directly related to the costs and sales mix of the Licensees are different, so as to facilitate the decision making by the consumers keeping in view the competition.
- 6.9.6 Accordingly, the Fixed Charges as approved in the MTR Tariff Order in Case No. 237 of 2023 except for Commercial and Railway Category of consumers, is considered for all Mumbai licensee. The category-wise Fixed/Demand Charges approved for 5th MYT Control Period for FY 2025-26 to FY 2029-30 are summarised subsequently in this Section, along with other Charges.

6.10 WHEELING CHARGES AND WHEELING LOSS

TPC-D's Submission

- 6.10.1 TPC-D submitted that MYT Regulations, 2024 provided the guidance to determine the wheeling charges.
- 6.10.2 The Wheeling Charges have been worked out separately for EHT, HT and LT Consumers. For working out the Wheeling Charges for the above consumers, the present ratio of GFA for individual categories (i.e EHT, HT and LT) is considered.

The Wheeling ARR for the Wheeling Business of TPC-D is apportioned between EHT, HT and LT in the above ratio of the GFA. Thereafter, the Wheeling Charges are worked out for the Individual Categories on the basis of the Sales of such categories. As a first step the contribution of EHT, HT and LT towards the sales and GFA are as given in the table below:

Table 6-30: Share of EHT, HT and LT in Sales and GFA – FY 2025-26 to FY 2029-30 as submitted by TPC-D

Sales Break up	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Direct +OA	Mus	Mus	Mus	Mus	Mus
EHT	1282	1490	1572	1668	1772
HT Sale	2272	2344	2495	2646	2783
LT Sales	1779	1962	2178	2423	2693
Total Sale	5333	5796	6245	6736	7249

% Sales Break up	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Direct	%	%	%	%	%
EHV Sales Share	24%	26%	25%	25%	24%
HT Sale Share= (HT/(HT+LT))	56%	54%	53%	52%	51%
LT Sale= (LT/(HT+LT))	44%	46%	47%	48%	49%

GFA Break Up

% GFA Break up	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Direct					
EHT GFA	0.95%	1%	1%	1%	1%
HT GFA	57%	57%	57%	57%	57%
LT GFA	42%	42%	42%	42%	42%

6.10.3 After considering the above shares, the Wheeling Charges (Rs/kWh for some categories of LT and Rs/kVAh for some other categories of LT) and (Rs/kVa) for HT are worked as given in the Table below:

Table 6-31: Wheeling Charges Computation for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire ARR in Crore	697	672	730	792	857
Wheeling Cost -EHT in Crore	7	6	7	8	8
Wheeling Cost -HT in Crore	225	210	224	238	250
Wheeling Cost -LT in Crore	466	455	499	547	599

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHT Wheeling Charges in Rs/kWh	0.05	0.04	0.04	0.04	0.05

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Wheeling Charges in Rs/kWh	0.99	0.90	0.90	0.90	0.90
LT Wheeling Charges in Rs/kWh	2.62	2.32	2.29	2.26	2.22

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHT Wheeling Charges in Rs/kVAh	0.05	0.04	0.04	0.04	0.04
HT Wheeling Charges in Rs/kVAh	0.94	0.85	0.85	0.86	0.86
LT Wheeling Charges in Rs/kVAh	2.53	2.25	2.22	2.19	2.15

6.10.4 Further Based on the rolling 12 monthly loss for FY 2023-24, TPC– D proposed the following losses over the various voltages as follows:

Table 6-32: Wheeling Losses for FY 2025-26 to FY 2029-30as submitted by TPC-D

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHV Loss	0.00%	0.00%	0.00%	0.00%	0.00%
HT Loss	0.37%	0.37%	0.37%	0.37%	0.37%
LT Loss	2.29%	2.29%	2.29%	2.29%	2.29%

Commission's Analysis and Ruling

6.10.5 TPC-D has proposed the Wheeling Charges for EHT, HT and LT voltage level based on the asset ratios determined in accordance with the Annexure-III: Methodology for allocation of Assets and Cost for Distribution Business as specified in MYT Regulations, 2024. However, the cost allocation to the different Voltage level viz., EHV, HT and LT are considered based on the old methodology. Accordingly, the Commission has sought the calculation of Wheeling Charges based on the methodology as specified MYT Regulations, 2024. Accordingly, vide additional submission, TPC-D has submitted the revised Wheeling charges as per the said methodology as outlined below:

Table 6-33: Revised Wheeling Charges Computation for FY 2025-26 to FY 2029-30 as submitted by TPC-D

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire ARR in Crore	697	672	730	792	857
Wheeling Cost -EHT in Crore	5	4	5	5	5
Wheeling Cost -HT in Crore	324	309	333	358	384
Wheeling Cost -LT in Crore	511	358	392	429	468

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
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Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHT Wheeling Charges in Rs/kWh	0.04	0.03	0.03	0.03	0.03
HT Wheeling Charges in Rs/kWh	0.80	0.72	0.71	0.71	0.70
LT Wheeling Charges in Rs/kWh	2.87	2.54	2.51	2.48	2.44

6.10.6 The Commission has approved the Net ARR of the Wires Business for 5th MYT Control Period FY 2025-26 to FY 2029-30, as elaborated in the previous Section. The Commission has distributed the total Wires ARR over EHT, HT and LT consumers and computed the Wheeling Charges for EHT, HT and LT category. The Wires ARR is distributed between EHT, HT and LT voltage as specified in Annexure-III: Methodology for allocation of Assets and Cost for Distribution Business GFA at these voltage levels. The ratio of EHT:HT:LT voltage assets has been considered at the level of 0.95%:57.46%:41.59% as derived based on the methodology specified in the MYT Regulations, 2024. Thereafter, the cost allocated to HT is shared between HT and LT by distributing the HT allocated cost in proportion to the sales volume at HT and LT.

6.10.7 As stated in the earlier MYT Order, the Wheeling Charges shall be levied on the EHT consumers depending on the outcome of the pending litigation in respect of levy of Wheeling Charges to EHV consumers.

6.10.8 The Wheeling Charges determined by the Commission for TPC-D's Wire consumers for 5th MYT Control Period for FY 2025-26 to FY 2029-30, is shown in the Table below:

Table 6-34: Wheeling Charges Computation for FY 2025-26 to FY 2029-30 approved by the Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wire ARR in Crore	681.65	651.05	693.76	732.79	772.45
Wheeling Cost -EHT in Crore	4.53	4.25	4.44	4.60	4.74
Wheeling Cost -HT in Crore	318.11	300.84	317.43	331.78	345.77
Wheeling Cost -LT in Crore	359.02	345.97	371.89	396.41	421.93

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHT Wheeling Charges in Rs/kWh	0.04	0.04	0.04	0.04	0.04
HT Wheeling Charges in Rs/kWh	0.80	0.70	0.68	0.66	0.63
LT Wheeling Charges in Rs/kWh	2.76	2.40	2.33	2.23	2.13

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
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Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHT Wheeling Charges in Rs/kVAh	0.04	0.04	0.04	0.04	0.03
HT Wheeling Charges in Rs/kVAh	0.78	0.69	0.67	0.65	0.62
LT Wheeling Charges in Rs/kVAh	2.65	2.31	2.23	2.14	2.05

6.10.9 The Commission while calculating the Wheeling Charges in Rs./kVAh has considered PF of 0.98 for EHV and HT and 0.96 for LT category of consumers.

6.10.10 Further, based on the submission of TPC-D and the rolling 12 monthly loss for FY 2023-24, the Commission approved the following losses over the various voltages as follows:

Table 6-35: Wheeling Losses for FY 2025-26 to FY 2029-30 as approved by Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHV Loss	0.00%	0.00%	0.00%	0.00%	0.00%
HT Loss	0.37%	0.37%	0.37%	0.37%	0.37%
LT Loss	2.29%	2.29%	2.29%	2.29%	2.29%

6.10.11 Further, the Commission noted that there were several representations from the EHV consumers seeking EHV Rebate. In this context, the Commission clarifies that no wheeling charges are applicable for EHV consumers. Thus, non-applicability of wheeling charges is akin to EHV Rebate. Further, EHV consumers are also entitled for other incentives and rebates such as load factor incentive, incremental consumption rebate, bulk supply rebate, prompt payment discount, etc.

6.10.12 Also, in order to attract investments in Data Centres which presents a high consumption and continuous load, and therefore to encourage their electricity consumption through 100% Green Energy either through open access or through Green Tariff or combination thereof, the Commission has approved discount of 10% in Wheeling Charges to such Data Centres.

6.11 CROSS SUBSIDY SURCHARGE (CSS) TO BE MADE APPLICABLE FOR OPEN ACCESS CONSUMERS (NON-CAPTIVE)

TPC-D's Submission

6.11.1 TPC-D submitted as per the National Tariff Policy 2016; the CSS applicable to consumers taking power from Open Access

Surcharge formula:

$$S = T - [C / (1 - L/100) + D + R],$$

Where,

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 charges applicable to the relevant voltage level

L: is the aggregate of Transmission and Distribution Losses, expressed as a percentage applicable to the relevant voltage level.

R: is the per unit carrying Regulatory Assets

.....

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of consumers seeking open access.

6.11.2 Accordingly, the summary of the CSS to be charged in the various years of 5th Control Period is as follows:

Table 6-36: CSS for Open Access Non Captive Consumers as submitted by TPC-D – FY 2025-26 to FY 2029-30

Consumer Categories	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
A. HT CONSUMERS						
EHV - Industry	Rs/ kVAh	0.33	0.29	0.29	0.28	0.27
HT I - Industry	Rs/ kVAh	0.38	0.40	0.44	0.48	0.53
EHV- Commercial	Rs/ kVAh	0.83	0.79	0.80	0.86	0.87
HT II - Commercial	Rs/ kVAh	1.29	1.23	1.22	1.25	1.15
HT III - Group Housing Society (Residential)	Rs/ kVAh	0.69	0.86	0.91	0.98	0.70
HT V(A) - Railways	Rs/ kVAh					
- 22/33 kV	Rs/ kVAh	1.15	1.10	1.09	1.12	1.03
EHV V(B) - Metro & Monorail	Rs/ kVAh	0.39	0.27	0.24	0.23	0.23
HT Public Service a) Govt. Edu. Inst. & Hospitals	Rs/ kVAh	1.29	1.22	1.22	1.25	1.15
HT Public Service b) Others	Rs/ kVAh	0.74	1.22	1.22	1.25	1.15
EHV- Public Service Others	Rs/ kVAh	0.20	0.11	0.10	0.08	0.06
HT VIII - EV Charging Stations	Rs/ kVAh	0.38	0.30	0.38	0.33	0.31
B. LT CONSUMERS						
LT I (A) - Residential (BPL)	Rs/kWh	0.00	0.00	0.00	0.00	0.00
LT I (B) - Residential	Rs/kWh	0.75	0.71	0.76	0.79	0.92
LT II - Commercial						
(A) - Upto 20 kW	Rs/kWh	0.15	0.01	0.00	0.00	0.00
(B) - > 20 kW & < 50kW	Rs/KVAh	1.26	1.20	1.20	1.22	1.13
(C) - > 50kW	Rs/KVAh	1.26	1.16	1.20	1.22	1.13

Consumer Categories	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
LT III (A) - Industry < 20 kW	Rs/kWh	0.00	0.00	0.00	0.00	0.00
LT III (B) - Industry > 20kW	Rs/KVAh	0.59	0.56	0.63	0.61	0.43
LT IX - Public Services						
<i>a) Govt. Edu. Inst. & Hospitals</i>	Rs/ kVAh	0.00	0.00	0.00	0.00	0.00
<i>b) Others</i>	Rs/ kVAh	0.00	0.00	0.00	0.00	0.00
EV Charging Stations	Rs/ kVAh	0.30	0.21	0.19	0.28	0.22

Commission's Analysis and Ruling

6.11.3 The Commission has computed the CSS based on the Formula stipulated in the Tariff Policy, 2016 as detailed below:

$$S = T - [C / (1 - L/100) + D + R],$$

6.11.4 To arrive at the CSS for the various consumer categories, the values considered for the components of the CSS are as below:

- The Transmission Loss has been considered as approved in the InSTS Tariff Order in Case No. 208 of 2024, while Wheeling Losses have been considered as approved in Table 6-32 of this order. The Wheeling Losses have been considered as 0% for EHT voltage.
- Transmission Charges (including Inter and Intra State Charges) have been computed based on the Transmission Charges approved and total sales approved for the respective years of the 5th MYT Control Period FY 2025-26 to FY 2029-30. These Charges have been deducted for computing the CSS. The Transmission Charge and Wheeling Charge considered by the Commission for computing CSS for 5th MYT Control Period FY 2025-26 to FY 2029-30 is as shown in the Table below:

Table 6-37: Transmission and Wheeling Charges and Losses considered by the Commission for 5th MYT Control Period (Rs./kWh)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
EHV Loss	0.00%	0.00%	0.00%	0.00%	0.00%
HT Loss	0.37%	0.37%	0.37%	0.37%	0.37%
LT Loss	2.29%	2.29%	2.29%	2.29%	2.29%
Transmission Loss	3.28%	3.26%	3.24%	3.22%	3.20%
Transmission Charge (Rs./kWh)	0.92	0.72	0.72	0.70	0.67
Wheeling Charge (Rs./kWh)					
EHT	0.04	0.04	0.04	0.04	0.04
HT	0.80	0.70	0.68	0.66	0.63
LT	2.76	2.40	2.33	2.23	2.13

- 6.11.5 The Commission has considered the carrying cost as approved in this Order for the Supply Business, and the Carrying Cost per unit for the purpose of computation of CSS has been considered as shown in the Table below:

Table 6-38: Carrying Cost considered by Commission for 5th MYT Control Period (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Carrying Cost for Past Gap related to Supply Business	5.94				
Holding Cost due to deferment of Surplus of Supply business	(13.23)	(6.62)	-	-	-
Total Carrying / (Holding) Cost	(7.29)	(6.62)	-	-	-
Total Carrying / (Holding) Cost – Rs./kWh	(0.01)	(0.01)	-	-	-

- 6.11.6 The Commission has computed the CSS for the residential category as a whole, as there is no merit in computing the CSS for different consumption slabs, on account of the telescopic nature of tariff applicable for different consumption slabs.

- 6.11.7 However, the Commission further notes that MOP has notified Amendments to the Rules, namely, Electricity (Amendment) Rules, 2022 notified on 29 December 2022, wherein it has stipulated that cross-subsidy surcharge to be determined by the Appropriate Commission shall not exceed twenty percent (20%) of Average Cost of Supply. The relevant extracts of the notified Rule 13 is as under:

“13. Surcharge payable by Consumers seeking Open Access. - The surcharge, determined by the State Commission under clause (a) of sub-section (1) of section 86 of the Electricity Act, 2003 shall not exceed twenty per cent of the average cost of Supply.” (emphasis added)

- 6.11.8 The CSS computed in accordance with the Formula stipulated in the Tariff Policy has been capped at 20% of the ACOS, in accordance with the above quoted Rules notified by the Ministry of Power.

- 6.11.9 Based on the above, the category-wise CSS approved by the Commission for FY 2025-26 to FY 2029-30 in Rs/kWh and Rs/kVAh terms is as given in the Table below:

Table 6-39: Approved CSS for 5th MYT Control Period (Rs/kWh / Rs/kVAh)

Consumer Categories	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	P.F.
	Rs./kWh					Rs./kVAh					
HT Consumers											
EHV - Industry	0.37	0.23	0.13	0.24	0.28	0.37	0.23	0.12	0.24	0.28	0.98

Consumer Categories	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	P.F.
	Rs./kWh					Rs./kVAh					
HT I - Industry	-	-	-	-	-	-	-	-	-	-	0.98
EHV- Commercial	0.63	0.64	0.74	0.83	0.89	0.62	0.64	0.74	0.82	0.88	0.99
HT II - Commercial	0.11	0.21	0.32	0.42	0.50	0.11	0.21	0.32	0.42	0.49	0.99
HT III - Group Housing Society	-	-	-	-	-	-	-	-	-	-	0.98
Railways											
HT V – Railway	-	-	-	-	-	-	-	-	-	-	0.92
EHV V(B) - Metro & Monorail	0.38	0.26	0.28	0.39	0.37	0.35	0.24	0.26	0.35	0.34	0.92
HT V - Public Services	0.55	0.45	0.34	0.45	0.44	0.52	0.43	0.32	0.42	0.41	0.94
EHV- Public Service Others	0.61	0.45	0.35	0.47	0.47	0.57	0.42	0.33	0.45	0.44	0.94
HT VIII - EV Charging Stations	-	-	-	-	-	-	-	-	-	-	0.98
LT CONSUMERS											
LT I (A) - Residential (BPL)	-	-	-	-	-	-	-	-	-	-	-
LT I (B) - Residential	-	-	-	-	-	-	-	-	-	-	-
LT II - Commercial	-	-	-	-	-	-	-	-	-	-	-
(A) - Upto 20 kW	-	-	-	-	-	-	-	-	-	-	
(B) - > 20 kW & < 50kW	-	-	-	-	-	-	-	-	-	-	0.96
(C) - > 50kW	-	-	-	-	-	-	-	-	-	-	0.96
LT III (A) - Industry < 20 kW	-	-	-	-	-	-	-	-	-	-	-
LT III (B) - Industry > 20kW	-	-	-	-	-	-	-	-	-	-	0.97
LT IX - Public Services	-	-	-	-	-	-	-	-	-	-	0.96
EV Charging Stations	-	-	-	-	-	-	-	-	-	-	0.96

6.11.10 Further as highlighted in the above table, the Commission has calculated the CSS for all the categories of the consumers, and based on the same, the CSS approved for LT category of consumers is NIL.

6.12 ADDITIONAL SURCHARGE FOR THE CONTROL PERIOD

Commission's Analysis and Ruling

6.12.1 The Commission has not determined any Additional Surcharge, as TPC-D has not proposed the same.

6.13 DEMAND FOR HT AND LT CONSUMERS

TPC-D's Submission

6.13.1 TPC-D proposed to make the following changes to the billing of HT Consumers with regards to the computation of Monthly Billing Demand

Present Computation for Billing Demand for HT Consumers	Proposed Computation for Billing Demand for HT Consumers
<p>Monthly Billing Demand will be the higher of the following:</p> <ul style="list-style-type: none"> • Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours; • 75% of the highest Billing Demand recorded during the preceding eleven months, subject to the limit of Contract Demand; • 75% of the Contract Demand. 	<p>Monthly Billing Demand will be the higher of the following:</p> <ul style="list-style-type: none"> • Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours; • 80% of the highest Billing Demand recorded during the preceding eleven months for the first 3 years viz FY 2025-26 to FY 2027-28, and 85 % for the balance two years subject to the limit of Contract Demand; • 80 % of the Contract Demand for the first 3 years viz FY 2025-26 to FY 2027-28, and 85 % for the balance two years

6.13.2 Similarly, for LT Consumers TPC-D proposed to make the following changes.

Present Computation for Billing Demand for LT Consumers	Proposed Computation for Billing Demand for LT Consumers
<p>Monthly Billing Demand will be the higher of the following:</p> <ol style="list-style-type: none"> a) 65% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours; b) 40% of the Contract Demand 	<p>Monthly Billing Demand will be the higher of the following:</p> <ol style="list-style-type: none"> a) 70% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours; b) 55% of the Contract Demand

Commission's Analysis and Ruling

6.13.3 As stated in para 2336.9, the Commission has stated that in this Order, it has implemented many new initiatives such as introduction of new ToD slab, introduction of kVAh tariff for LT categories except Residential, Commercial and Industrial category consumers with load below 20 kW, and determination of Cross subsidy considering Retail Average cost of Supply, for all categories with few exclusions. Such attempt may also result in variation in energy charges and hence the Commission has decided to continue with the existing fixed charges with no change for 5th MYT Control Period for FY 2025-26 to FY 2029-30. However, the Commission may review the same at the time of MTR Tariff Petition to be filed by the Distribution licensee in FY 2027-28.

6.13.4 In line with the same principle as mentioned above, the Commission in the current MYT Order has continued with the existing methodology of computation for billing

demand for HT and LT consumers and the same may be reviewed at the time of MTR Petition to be filed by the Distribution licensee in FY 2027-28, considering the impact of all the initiatives considered in this order.

6.14 LOAD FACTOR INCENTIVE (LFI)

TPC-D's Submission

6.14.1 At present, consumers in certain categories are allowed Load Factor Incentive (LFI) in the form of rebate in Energy Charges. The LFI commences when the Load Factor achieved is more than 75%. The rebate is equal to 0.75% of the Energy Charge for every one percent increase in the LFI upto 85% and the rebate is further increased to 1% for LFI above 85%. However, the total Rebate available under this 15%. As there is a ceiling of 15%, based on the computation, there would be no additional rebate beyond 92.5%. As per data submitted by TPC-D, due to the nature of the LFI, the Incremental Energy Charge steeply falls after the Load Factor (LF) of 85% is achieved. Hence a Load Factor of 86% appears to be the most optimum for the consumer. Further there is no incentive for improving the LF beyond 92.5 %.

6.14.2 TPC-D proposed to have the LFI commencing 80% at the rate of 0.5% of rebate in Energy Charges for every one percent increase in the LF. Such rate of rebate would be applicable upto the Load Factor of 90%. Above the Load Factor of 90%, the rebate would be increased to 0.75% for every increase of 1% of LF. Further, a ceiling of 10% may be made applicable. In such gradation, a consumer would be incentivised to increase the LF upto 96%. Further the Incremental Energy Charge would fall only after 90% which enables the consumer to go upto 90% Load Factor instead of 85% earlier. This is also in the interest of the Consumer. The computations of the Incremental Energy Charges on proposed Load Factor Incentive structure is shown in the Table below.

Table 6-40: Impact of Existing Load Factor Incentive as submitted by TPC-D

Particulars	Units	Load Factor Scenario												
		100	100	100	100	100	100	100	100	100	100	100	100	100
Contract Demand	KVA	100	100	100	100	100	100	100	100	100	100	100	100	100
LF	%	75%	76%	77%	78%	79%	80%	81%	82%	83%	84%	85%	86%	87%
Consumption	KVAH	54000	54720	55440	56160	56880	57600	58320	59040	59760	60480	61200	61920	62640
Energy Charge	Rs/KVAH	7	7	7	7	7	7	7	7	7	7	7	7	7
Energy Charge	Rs Lacs	3.780	3.830	3.881	3.931	3.982	4.032	4.082	4.133	4.183	4.234	4.284	4.334	4.385
Load Factor Discount	%	0.00%	0.75%	1.50%	2.25%	3.00%	3.75%	4.50%	5.25%	6.00%	6.75%	7.50%	8.50%	9.50%
Discount	Rs Lacs	0.000	0.029	0.058	0.088	0.119	0.151	0.184	0.217	0.251	0.286	0.321	0.368	0.417
Net Energy Charge	Rs Lacs	3.780	3.802	3.823	3.843	3.862	3.881	3.899	3.916	3.932	3.948	3.963	3.966	3.968
Incremental Rate*	Rs/KVAH		3.01	2.90	2.80	2.70	2.59	2.48	2.38	2.28	2.17	2.06	0.45	0.32

Table 6-41: Impact of Proposed Load Factor Incentive as submitted by TPC-D

Particulars	Units	Load Factor Scenario												
Contract Demand	KVA	100	100	100	100	100	100	100	100	100	100	100	100	100
LF	%	80%	81%	83%	85%	87%	89%	90%	91%	92%	93%	95%	96%	97%
Consumption	KVAH	57600	58320	59760	61200	62640	64080	64800	65520	66240	66960	68400	69120	69840
Energy Charge	Rs/KVAH	7	7	7	7	7	7	7	7	7	7	7	7	7
Energy Charge	Rs Lacs	4.032	4.082	4.183	4.284	4.385	4.486	4.54	4.586	4.637	4.687	4.788	4.838	4.889
Load Factor Discount	%	0.00%	0.50%	1.50%	2.50%	3.50%	4.50%	5.00%	5.75%	6.50%	7.25%	8.75%	9.50%	10.00%
Discount	Rs Lacs	-	0.020	0.063	0.107	0.153	0.202	0.227	0.264	0.301	0.340	0.419	0.460	0.489
Net Energy Charge	Rs Lacs	4.032	4.062	4.120	4.177	4.231	4.284	4.309	4.323	4.335	4.347	4.369	4.379	4.400
Incremental Rate*	Rs/KVAH		4.16	4.06	3.92	3.78	3.64	3.54	1.87	1.77	1.66	1.51	1.35	2.94

6.14.3 Based on the above computation, TPC-D proposes the revision in the band of Load Factor Incentive as approved by the Commission in its Order in Case No 237 of 2023.

Commission's Analysis and Ruling

6.14.4 As stated in para 2336.9, the Commission has stated that in this Order, it has implemented many new initiatives and such attempt may also result in variation in energy charges and hence the Commission has decided to continue with the existing methodology for calculation of load factor incentive with no change for 5th MYT Control Period for FY 2025-26 to FY 2029-30. However, the Commission may review the same at the time of MTR Tariff Petition to be filed by the Distribution Licensee in FY 2027-28.

6.15 STANDBY CHARGES

6.15.1 TPC-D proposed revision in the Additional Demand Charges for Consumers having Captive Power Plant. TPC-D requested the Commission to consider removing the Additional Demand Charges of Rs 20/kVA/ month for Standby Supply. TPC-D in MYT Petition has proposed as follows:

Consumers having a Captive Power Plant can opt for Standby Demand and Additional Demand Charges for such Standby Demand will be as follows:

- 25% of the Applicable Demand Charges for months when standby capacity is not utilized*
- Demand Charges at the rate of 100% of Applicable Demand Charges for months when standby capacity is used under planned or unplanned shutdown of CPP*
- In case recorded Demand exceeds Contract Demand + Standby Capacity, then applicable Demand Charge for the Demand actually recorded, and an additional amount at the rate of 150% of the*

applicable Demand Charge (only for the Demand in excess of the Contract Demand + Standby Capacity)

- d. *In case no Standby capacity has been opted by consumer having CPP, then additional amount for exceeding Contract Demand be charged at 200% of applicable Demand Charge (only for demand excess of Contracted Demand).*

Commission's Analysis and Ruling

6.15.2 As stated above, the Commission has decided to continue with the existing Demand Charges with no change for 5th MYT Control Period for FY 2025-26 to FY 2029-30. However, the Commission may review the same at the time of MTR Tariff Petition to be filed by the Distribution Licensee in FY 2027-28.

6.16 TIME OF DAY (TOD) CHARGES

TPC-D's Submission

6.16.1 TPC-D Proposed the same slots wise ToD as per MYT Regulations, 2024.

Time	ToD Tariff
09 Hrs to 16 Hrs	80% of the Normal Rate of Energy Charge
16 Hrs to 20 Hrs	20% of the Normal Rate of Energy Charge
20 Hrs to 00 Hrs	110% of the Normal Rate of Energy Charge
00 Hrs to 06 Hrs	80% of the Normal Rate of Energy Charge
06 Hrs to 09 Hrs	110% of the Normal Rate of Energy Charge

Commission's Analysis and Ruling

6.16.2 The Commission notes that by aligning ToD with the marginal cost of supply, consumers can benefit from lower tariffs during periods of surplus energy, such as solar hours. This ensures better utilization of renewable energy, reduces dependency on expensive power generation, and lowers electricity costs for utilities and ultimately for consumers.

6.16.3 Revision in the load pattern/load shape could be incentivised through appropriate ToD tariff design and assessing other factors responsible that could influence consumer behaviour, load flexibility and constraints in load shift, access to technology and monitoring tools available to consumer to manage its load shape and consumption pattern. Further, impact on consumer bill would be important consideration for consumer to be able to take advantage of restructured ToD tariff design. At the same time, the Commission will also have to ascertain the revenue impact on the utility with such revision in the ToD tariff.

6.16.4 In this context, the Commission notes the amendment to Electricity (Right of

Consumer) Amendment Rules, 2023 dated 14 June, 2023 notified by Central Government, outlines specific conditions regarding design of ToD slabs and ToD Tariff. The relevant extract of Rule 8A of the said Rules is as under:

*“(8A) **Time of Day Tariff**.-The Time of Day tariff for **Commercial and Industrial** consumers having maximum demand more than **ten Kilowatt** shall be made effective from a date not later than 1st April, 2024 and for **other consumers** except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective **immediately after installation of smart meters**, for the consumers with smart meters:*

*Provided that, the Time of Day Tariff specified by the State Commission for Commercial and Industrial consumers during **peak period of the day** shall **not be less than 1.20 times the normal tariff** and for other consumers, it shall **not be less than 1.10 times the normal tariff**:*

*Provided further that, **tariff for solar hours** of the day, specified by the State Commission shall **be atleast twenty percent less than the normal tariff** for that category of consumers:*

*Provided also that the **Time of Day Tariff** shall be applicable on **energy charge component of the normal tariff**:*

*Provided also that the **duration of peak hours** shall **not be more than solar hours** as notified by the State Commission or State Load Despatch Centre.*

*Explanation:- For the purposes of this rule, the expression “**solar hours**” means the **duration of eight hours** in a day as specified by the State Commission.” (emphasis added)*

- 6.16.5 Further, the Commission refers to the provisions under MYT Regulations 2024 and Distribution Open Access (First Amendment) Regulations, 2019, which specify that the Commission shall stipulate the Time of Day tariff slabs and applicable charges/rebates thereof through its Order as part of regulatory proceedings for tariff determination, upon scrutiny of submissions of Distribution Licensee and upon following due regulatory process for public consultation as part of Tariff proceedings. The relevant extracts of the MYT Regulations, 2024 and Distribution Open Access (First Amendment) Regulations, 2019 is as under:

(Reg. 115.2 of MERC MYT Regulations, 2024)

*“115.2 Distribution Licensee shall **propose ToD tariff** for its consumers with*

load of 10 kW and above based on following **indicative time slots and tariff** as percentage of Energy Charge:

ToD Tariff (Additional Charges or (Rebate) in INR/kVAh (or kWh)				
09:00 to 16:00	16:00 to 20:00	20:00 to 00:00	00:00 to 06:00	06:00 to 09:00
Hrs	Hrs	Hrs	Hrs	Hrs
80% of the normal rate of Energy Charge	120% of the normal rate of Energy Charge	110% of Normal Rate of Energy Charge	80% of the normal rate of Energy Charge	110% of the Normal Rate of Energy Charge

*Provided that Distribution Licensee may propose **seasonal ToD tariff** in its **Tariff Petition**:*

*Provided further that the **distribution licensee** to propose their **ToD time slots with slot-wise rebate/penalty** at the time of **MYT or MTR Tariff** filing subjected to compliance of the **applicable MoP Rules**:*

*Provided further that the **Commission at the time of MYT Order proceedings** may **extend the applicability of the ToD Tariff** to the other consumer categories after assessing the growth in the demand.*

(Reg. 20.3 of MERC DOA (First Amendment) Regulations, 2019)

“20.3. Banking of energy shall be permitted only on monthly basis.

*Provided that the credit for banked energy shall not be permitted to be carried forward to subsequent months and the credit for energy banked during the month shall be adjusted during the same month as per the energy injected in the **respective Time of Day (‘TOD’) slots determined by the Commission in its Orders determining the Tariffs of the Distribution Licensees**; (emphasis added)*

6.16.6 During the current public consultation process on MYT Petitions filed by various Distribution Licensees, the Commission has received several objections/suggestions in the matter of Time of Day tariff design as well as associated aspects of banking of energy across ToD Slots. The key issues to be addressed in the context of ToD Tariff design are as under:

- Revision in ToD Slabs including definition of Solar Hours and Peak Hours
- Determination of ToD Rates and its denomination
- Applicability of ToD Tariff to consumer categories
- Dynamic and seasonal aspects of ToD

e) Conditions for Banking of Energy related to ToD adjustments

6.16.7 The Commission has analysed above aspects in detail and have taken into consideration provisions outlined under Electricity (Right of Consumer) (Amendment) Rules, 2023, MYT Regulations, 2024, DOA Regulations and its amendment thereof, Grid interactive Rooftop Generating Systems Regulations 2019 and its amendments thereof, submissions made by Petitioner, practice followed in other states, objections and suggestions made by stakeholders. Accordingly, the Commission hereby rules the revised framework for ToD Tariff design and associated conditions thereof to be applicable for 5th Control Period as outlined under following paragraphs.

a. Revision in ToD Slabs including definition of Solar Hours and Peak Hours

6.16.8 As per Rule 8A, the Solar Hours need to be specified by the State Commission which shall be duration of eight hours. Further, the Peak Hours need to be defined, which shall not exceed Solar Hours (i.e. duration of eight hours).

6.16.9 **Solar Hours:** The Commission notes that as per Rules only Solar Hours and Peak Hours need to be defined. TPC-D has proposed the hours as specified in MYT Regulations 2024 i.e. from 09:00 hours to 16:00 hours as Solar Hours. However, the Commission has approved the Solar hours as 09:00 hours to 17:00 Hours as the same is aligned with solar generation hours as well as in line with provisions of Electricity (Right of Consumer) (First Amendment) Rules, 2023.

6.16.10 **Peak Hours:** The Commission has analysed the prevalent Market Clearing Prices for past two years (viz. FY 2023-24 and FY 2024-25 upto Feb 2025), as covered in the subsequent paragraphs and also represented in the graphs. The Commission has observed that higher market rates are prevalent even for hours beyond 22:00 hours upto mid-night (upto 24:00 hrs) for most of the months during the year. Further, the Commission has observed that market prices are lower for the period post mid-night in comparison to Evening Peak hours. Accordingly, the Commission hereby approves the Peak Hours, for duration of seven hours (from 17:00 hrs to 24:00 hrs).

6.16.11 For remaining ToD Slabs the Commission has approved as presented in following table:

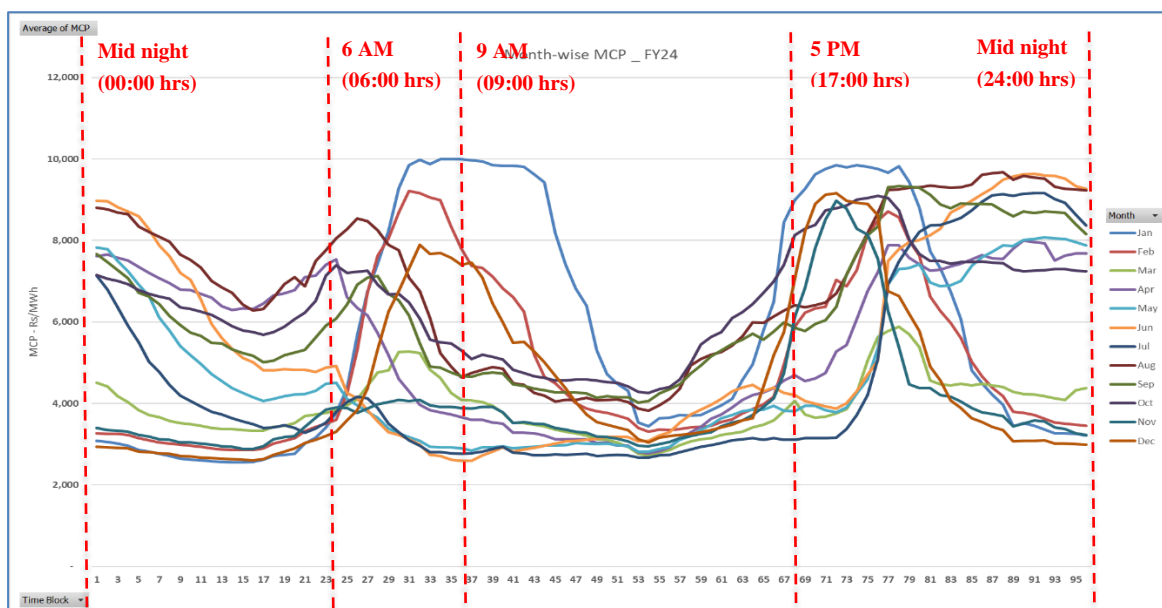
Table 6-42: ToD slab Comparison

ToD Slabs	Existing ToD Slabs		ToD Slabs as per MYT Regulations 2024		ToD Slabs		
	Period	Duration (hours)	Period	Duration (hours)	Period	Duration (hours)	
ToD Slab A	22:00 hrs to 06:00 hrs	8	00:00 hrs to 06:00 hrs	6	00:00 hrs to 06:00 hrs	6	
ToD Slab B	06:00 hrs to 09:00 hrs	9	06:00 hrs to 09:00 hrs	3	06:00 hrs to 09:00 hrs	3	

ToD Slabs	Existing ToD Slabs		ToD Slabs as per MYT Regulations 2024		ToD Slabs		
	Period	Duration (hours)	Period	Duration (hours)	Period	Duration (hours)	
	and 12:00 hrs to 18:00 hrs						
ToD Slab C	09:00 hrs to 12:00 hrs	3	09:00 hrs to 16:00 hrs	7	09:00 hrs to 17:00 hrs	8	Solar Hours
ToD Slab D	18:00 hrs to 22:00 hrs	4	16:00 hrs to 20:00 hrs	4	17:00 hrs to 24:00 hrs	7	Peak Hours
ToD Slab E			20:00 hrs to 00:00 hrs	4			

b. Determination of ToD Rates and its denomination

6.16.12 Market Clearing Price varies from time-block to time-block through out the year for different seasons. Following graph depicts the average market clearing price as prevalent during FY2023-24 and FY 2024-25 (upto Feb 2025). The Market Clearing price profile clearly indicates that the MCP during day-time solar hours (9:00 hrs to 17:00 hrs) is low (Avg. MCP of Rs 2.84 per unit) through out the year. Further, the MCP during Evening peak (17:00 hrs to 24:00 hours -midnight) is high (Avg. MCP of Rs 6.36 per unit) and the same starts falling during early morning (00:00 hrs to 06:00 hrs) to Avg. MCP of Rs 3.71 per unit. As the day progresses, the demand picks up in the in the morning hours (06:00 hrs to 09:00 hrs) and the MCP starts to rise but with significant rise in the Solar generation, the MCP during day-time solar hours (09:00 hrs to 17:00 hrs) remains low (Avg MCP of Rs 2.84 per unit). The average of monthly Market Clearing price for hourly/sub-hourly duration is presented under following graph.



6.16.13 In view of the foregoing, the Commission has determined the ToD Tariff Rate

(Charge/Rebate) as percentage of the Energy Charge applicable to respective consumer category. Further, the Commission also opines that the ToD Tariff should also reflect the seasonal variation in the demand pattern as also variation in market prices prevalent thereof. Accordingly, the Commission has determined different rate of ToD Rebate for two half-yearly period (i.e. Half Yearly Period-1 as April to September and Half Yearly Period-2 as October to March). The seasonal variation in ToD Tariff as well as its denomination in Percentage terms linked to Energy Charge component of the Tariff shall also be in line with the provisions specified under Electricity (Right of Consumers) (First Amendment) Rules, 2023.

6.16.14 In addition, the Commission determines the ToD Rebate for LT-Domestic category consumers during Solar Hours only and the same shall be effected as and when Smart Meters are installed for the consumer. This would also encourage the Consumers for early adoption of the smart meters. Other conditions for ToD operationalisation for LT-Domestic category opting for solar rooftop installations are covered under subsequent paragraphs.

6.16.15 Accordingly, the Commission hereby determines the ToD Tariff (Charge/Rebate) in Energy Charges for eligible consumer categories during 5th MYT Control Period as under:

Table 6-43: ToD slot approved by the Commission for 5th MYT Control Period

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories*	ToD (Rebate) for LT-Residential / HT Group Housing*
-	00:00 hrs to 06:00 hrs	6	-10% - FY 2025-26 -15% - FY 2026-27 -20% - FY 2027-28 to FY 2029-30	-
-	06:00 hrs to 09:00 hrs	3	0%	-
Solar Hours	09:00 hrs to 17:00 hrs	8	(April to September) -15% - FY 2025-26 -15% - FY 2026-27 -20% - FY 2027-28 to FY 2029-30 (October to March) -25% - FY 2025-26 -25% - FY 2026-27 -30% - FY 2027-28 to FY 2029-30	Rebate: 50 Paise per unit – FY 2025-26 55 Paise per unit – FY 2026-27 60 Paise per unit - FY 2027-28 65 Paise per unit - FY 2028-29 70 Paise per unit – FY 2029-30
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	-

*[*Note – subject to conditions outlined under paragraph (c) below and to be reviewed at the time of MTR proceedings]*

6.16.16 ToD Charge or ToD Rebate in percentage terms shall be applicable on the Energy Charge Component of the Tariff for respective years of 5th Control Period (FY 2025-26 to FY 2029-30) as specified under this Order or until further revision, whichever is earlier. However, for Residential / HT Group Housing Society category, the ToD Rebate of 50 to 70 paise per unit will be available for consumption during solar hours of 09.00 to 17.00 hours and will be reviewed at the time of MTR proceedings based on the impact on the load profile of the licensee.

c. Applicability of ToD Tariff to consumer categories

6.16.17 The Commission notes that MoP Rules quoted above mandates introduction of ToD tariff to Industrial and commercial consumers with load above 10 kW. The Commission notes that in Maharashtra, ToD tariff has already been introduced for consumers with load above 20 kW. Now in view of mandates of MoP Rules, the Commission has decided to introduce ToD tariff for consumers with load above 10 kW. Once Discom install the ToD/smart meter to such consumer, ToD tariff approved in this Order will become applicable from next billing cycle.

6.16.18 Accordingly, category-wise applicability of ToD Tariff approved by Commission is summarised under following Table:

Table 6-44: Category wise Tariff applicability approved by Commission

Consumer Category	Sub-category	Applicability
HT (for all supply voltages incl EHV)		
HT I HT – Industry		Yes
HT II: HT – Commercial		Yes
HT V: HT - Public Services		Yes
HT VI: HT – EV Charging Station		Yes
LT Category - (subject to limit on Contract Demand / Sanctioned load)		
LT II: LT - Commercial		
	(A): 0-20 KW	Yes (10 kW and above)
	(B): >20 kW and ≤ 50 kW	Yes
	(C): >50 kW	Yes
LT III : LT - Industry		
	(i): 0-20 KW	Yes (10 kW and above)
	(ii): Above 20 kW	Yes
LT IV - Public Services.		
	(i): 0-20 KW	Yes (10 kW and above)
	(ii): >20 - ≤ 50 kW	Yes
	(iii): >50 kW	Yes
LT V – EV Charging Station		Yes (10 kW and above)

- 6.16.19 As regards applicability of ToD tariff for LT-Residential category, ToD Rebate (during Solar Hours) shall be available to all residential consumers (irrespective of load) and the same shall be applicable from the next billing cycle after date of installation of ToD Meter/Smart Meter for consumers under LT-Residential category. This will encourage early adoption of the ToD Meter/Smart Meter by consumers under LT-Residential consumer category. Such ToD rebate shall also be applicable to LT-Residential consumer with RTS and Virtual Net Metering system.
- 6.16.20 The Commission further rules that in case of LT-Residential consumers with RTS systems or under Virtual Net Metering, the benefit of Net Metering shall continue to be available for all hours through out the day for adjustment of surplus energy unit credit including during Peak Hours (17:00 hrs to 24:00 hrs) even after installation of ToD meter/ Smart Meter by such consumer.

d. Conditions for Banking of Energy related to ToD Adjustments

- 6.16.21 During the public consultation process and e-Public Hearings on MYT Petitions filed by various Distribution Licensees in State, many open access consumers and RE Generators had raised concern regarding adverse impact of proposed ToD on banking of power.
- 6.16.22 Upon careful consideration of all aspects the Commission opines that the power demand-supply situation, resource mix is undergoing transformation with adoption of the energy transition agenda at National level as well as State level. The policies, regulations and the operational framework need to be aligned with emerging trends and requirements of the businesses addressing concerns of consumers and utility, alike.
- 6.16.23 The revision in ToD Slabs and ToD tariff (Charge/Rebate) presents one such opportunity to align the regulatory policies and treatment thereof in line with the broader perspective of energy transition agenda. In the context of banking facilities and ToD adjustments thereof, the Commission opines that it is important to undertake cogent reading and interpretation of the MYT Regulations, 2024, Distribution Open Access Regulations, 2019 including amendments thereof, Grid Interactive Rooftop Renewable Energy Generation Systems, Regulations 2019 including amendments thereof and Electricity (Right of Consumers) (First Amendment) Rules, 2023.
- 6.16.24 As per mandate stipulated under Electricity (Right of Consumers) (First Amendment) Rules, 2023, the concept of defining Off-peak hours or Normal hours is done away with and only 'Solar Hours' and 'Peak Hours' has been introduced as per said Rules. Accordingly, the Commission has stipulated the 'Solar Hours' (i.e.

09:00 hrs to 17:00 hrs) and ‘Peak Hours’ (i.e. 17:00 hrs to 24:00 hrs) as well as approved the ‘ToD Slabs’ and ‘ToD Tariff (Charge/Rebate)’ as outlined under earlier paragraphs of this Order. The Commission opines that the conditions associated with ToD slot-wise Banking, adjustment of surplus energy credit need to be applied taking into consideration above facts.

6.16.25 Thus, the Commission hereby rules that following conditions for Banking and its treatment thereof for adjustment of banked energy credits shall apply for all consumer categories (except LT-Residential) as outlined hereunder:

- a) Energy banked during ‘Peak Hour’ (i.e. 17:00 hrs to 24:00 hrs) can be adjusted against the consumption in ‘Peak Hour’ and any other hours.
- b) Energy banked during any other hours excluding ‘Peak Hours’ (i.e. 17:00 hrs to 24:00 hrs) can be adjusted against the consumption of any other hours except consumption in ‘Peak Hours’ (i.e. 17:00 hrs to 24:00 hrs)

6.16.26 Thus, the Commission observes that as per existing banking and ToD regime the open access consumer was able to adjust its surplus generation during day-time (06:00 hrs to 18:00 hrs – ie. 12 hours) during respective slots and night hours (22:00 hrs to 06:00 hrs – ie 8 hours) together for 20 hours (except for evening 4 hours from 18:00 hrs to 22:00 hrs). With proposed Banking arrangement as outlined under this Order, the open access consumer would be able to adjust its surplus generation during day-time (06:00 hrs to 17:00 hrs – ie. 11 hours) during respective slots and night hours (00:00 hrs to 06:00 hrs – ie 6 hours) together for 17 hours (except for evening 7 hours from 17:00 hrs to 24:00 hrs). The Commission believes that this addresses the concerns expressed by objectors/stakeholders as well as that of Distribution Licensee about management during Peak Hours.

6.16.27 As far as banking under RTS and Virtual Net Metering is concerned, as clarified in earlier part of this Order, banking of energy by LT-Residential consumers are allowed in all ToD blocks including Peak Hours. For rest of consumers with RTS covered by ToD tariff, banking of energy will be subjected to principles outlined above for in para 6.16.25 above.

6.16.28 The Commission notes that since the ToD slots are being changed in the present Order, it would require re-configuration of existing meters which is likely to take some time whereas the tariff as decided in this Order is applicable from 1 April, 2025. Thus, the Commission has decided that existing ToD slabs will continue till the time meter is reconfigured or changed by the Licensee. The interim ToD slabs and ToD Charge/Rebate for categories mentioned herein above will be as follows:

Period	ToD Charge / (Rebate) for categories in Energy Charge – Rs./kWh
06:00 hrs to 09:00 hrs	0
09:00 hrs to 12:00 hrs	0
12:00 hrs to 18:00 hrs	(0.75)
18:00 hrs to 22:00 hrs	1.00
22:00 hrs to 06:00 hrs	(0.75)

6.16.29 It is clarified that Base Tariff applicable will be as approved by the Commission in this Order

6.16.30 The Commission directs that Distribution Licensee shall complete the activity of meter reconfiguration to new ToD slabs as determined in this Order within 3 months of the date of Order.

6.17 TARIFF TO EV CHARGING STATION

TPC-D's Submission

6.17.1 TPC-D submitted that, Ministry of Power, Government of India has issued “Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure 2024” dated 17 September 2024. As per the Guideline, the Tariff to EV Charging Stations would be a) Single Part Tariff and b) Equal to the Average Cost of Supply.

6.17.2 Based on the above Guidelines, TPC-D proposed a rate of Average Billing Rate for EV Charging Stations without any levy of Fixed or Demand Charges

Commission's Analysis and Ruling

6.17.3 The Commission has considered the Guidelines as issued by MoP - “Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure 2024” dated 17 September 2024 and has determined tariff without levy of any Fixed Charges. The Wheeling charges is determined as per the Methodology specified in para 6.10 of this Order and Energy Charges are linked to Average Cost of Supply of Mumbai Licensee after subtracting the respective wheeling charges.

6.18 SPECIAL CONCESSION FOR GREEN HYDROGEN PROJECTS

TPC-D's Submission

6.18.1 TPC-D submitted that, the production of Green Hydrogen is a high priority for our country and there are several concessions being provided to a Green Hydrogen project as Hydrogen is becoming increasingly critical as a fuel source for India's core industrial sectors: TPC-D requested the Commission to provide relief on some of the charges as outlined here.

- 6.18.2 The announcement of the Green Hydrogen Policy (GHP) in 2022, followed by the National Green Hydrogen Mission (NGHM) in 2023, underpin this emerging sector. The targets outlined in the NGHM include a green hydrogen production capacity target of at least 5 MTPA by 2030, which extends to an ambitious export-inclusive target of 10 MTPA (MNRE 2023). To achieve these targets, amongst other areas of proposed development, the country's policies provide an overarching direction for industry to move towards this target. As of March 2024, six Indian states including Maharashtra, Uttar Pradesh, Andhra Pradesh, Rajasthan, Odisha, and West Bengal have released green hydrogen policies. Madhya Pradesh and Karnataka have included provisions for green hydrogen in their renewable energy policies, while Punjab, Haryana, Gujarat, and Kerala have policies in the pipeline. These state government policies detail regional targets, offer incremental incentives for focus applications, and provide benefits for electricity provision, amongst other interventions, to attract investors and encourage the establishment of green hydrogen production units across Indian states
- 6.18.3 The objective of the Maharashtra State Green Hydrogen Policy is to create at least 500 kilotons per annum of Green Hydrogen production capacity in the state of Maharashtra by the year 2030 and make the state a leader in Green Hydrogen and its derivatives, promote decarbonization in industries, energy Enhancing safety. In this pursuit, the policy has provided certain incentives.
- 6.18.4 TPC-D submitted that as per our analysis, the cost of power forms about 70% of the cost of the production of Green Hydrogen and it is therefore imperative that such costs are optimised to enable production of such Green Hydrogen within the state. TPC-D further submitted that even after concessions, the cost or production remains high when produced here. In addition, the major refineries located around Mumbai have taken the initiative to use Green Hydrogen and as transportation of Hydrogen would add to the challenge and costs, a location of Hydro Production facility around the consumption would be preferable.
- 6.18.5 TPC-D encouraged the production of Green Hydrogen in Maharashtra and in this pursuit would like to draw the attention of the Commission to the following two charges and requested for their optimisation. Also, TPC-D submitted that the Hon'ble may issue practise direction in this regard. The charges to be optimised are as follows:

A. Transmission Charges

- 6.18.6 As per Current Distribution OA Regulations, 2019 (1st amendment) the transmission charges applicable to the power from renewable source is "per unit" basis but the same is two times the short-term charges as worked out .

- 6.18.7 As the Capacity Utilisation Factor (CUF) for any renewable is very low (about 30-35%), this provision was introduced in order to negate the impact of this lower CUF factor.
- 6.18.8 At present, the MYT Regulations 2024 provide for concessional transmission charges for procuring power on open access for Green Hydrogen Manufacturing facilities.
- 6.18.9 The concessions over the period are reducing and would become 50% if the facility is set up after 1st April 2029. Further, as per the GOM Policy dated 17th October 2023 for Green Hydrogen, in case of Hydrogen manufacturing facility there is as provision of 60% waiver on the Transmission charges for 10 years. The extracts from the policy (Translated from Marathi) are as follows:

“10.1 50% concession in State-approved transmission and wheeling charges for power generated through renewable energy projects for next 10 years from the date of the project
10.2 60 percent concession will be applicable for the next 10 years from the date of
implementation of the project in transmission charges and wheeling charges as per the state for the power generated through the renewable energy projects for Green
Hydrogen and its derivatives produced through Hybrid Renewable Plants”
(Emphasis added)

- 6.18.10 TPC-D submitted that when 100% waiver is available, the manner of charging i.e Rs/kWh or Rs/KW/Month would not matter. However, the concession is reduced to say to 50%. The per unit impact of such charges is as shown in the table below:

Table 6-45: Transmission Charges for Green Hydro Project as submitted by TPC-D

Particulars	Units	FY 2024-25
As per MERC Tariff Order in Case No 239 of 2022- Table No 19		
Total Transmission System Costs	Rs Cr	10005
Base Transmission Capacity Rights	MW	26809
Transmission Tariff (Long Term/Medium Term)	Rs/KW/Month	311.0
Energy Units Transmitted	Mus	203247
Transmission Tariff Short Term	Rs/kWh	0.492
Applicable for Renewable Energy	Rs/kWh	0.985
Concessions under the Green Hydrogen Policy		
Available Concession- Renewable	Rs/kWh	0.49
Available Concession- Hybrid	Rs/kWh	0.59
Effective Transmission Charges		
Effective Transmission Charge with existing Policy- Renewable	Rs/kWh	0.49

Particulars	Units	FY 2024-25
Effective Transmission Charge with existing Policy-Hybrid	Rs/kWh	0.39

6.18.11 TPC-D submitted that even after the concession provided in the GOM Policy for Green Hydrogen, the Transmission Charges are high. It has submitted that for procurement of Power on Renewable Energy Plants, the Transmission charges are compulsorily in “Rs/kWh” and as mentioned above, the same was introduced for neutralising the impact of lower CUF from the Renewable Plant. However, there has been a change over the period where the CUF can be improved by Hybrid plants and other measures. The CUF can be increased to as high as 70%. For Green Hydrogen, it is proposed to procure power through such high CUF sources. However, the present regulations indicate that the Open Access from Renewable Energy will be compulsorily levied the Transmission Charge in Rs/kWh and not in Rs/KW/month or Rs/KW/Day putting the projects into a disadvantage. The relevance of CUF for applicability of Transmission Charges can be appreciated based on the computations as given in the following table:

Table 6-46: Transmission Charges for Green Hydro Project as submitted by TPC-D

Particulars	Units	Value (FY 25)	Value (FY 25)
As worked out in Rs/kWh			
Total Transmission System Costs	Rs Cr	10005	10005
Base Transmission Capacity Rights	MW	26809	26809
Transmission Tariff (Long Term/Medium Terms	Rs/KW/Month	311.0	311.0
Energy Units Transmitted	Mus	203247	203247
Transmission Tariff Short Term	Rs/kWh	0.492	0.492
Applicable for Renewable Energy	Rs/kWh	0.985	0.985
As worked out in Rs/KW/Month			
Applicable Transmission Tariff	Rs/KW/Month		311.0
Annual CUF	%		70%
Energy at the above CUF per Year	kWh/KW		6132
Rate as worked out	Rs/kWh		0.51
Concessions under the Green Hydrogen Policy			
Available Concession- Renewable (50%)	Rs/kWh	0.49	0.25
Available Concession- Hybrid (60%)	Rs/kWh	0.59	0.30
Effective Transmission Charges			
Effective Transmission Charge with existing Policy- Renewable	Rs/kWh	0.49	0.25
Effective Transmission Charge with existing Policy-Hybrid	Rs/kWh	0.39	0.20

6.18.12 As seen from the table above, the Transmission Charges can be reduced further

when the CUFs are high. Accordingly, TPC-D submitted that, there is a need to provide a choice for the Green Hydro consumer to decide the manner of levy of Transmission Charge i.e whether the same should be in “Rs/KW/Day” or “Rs/kWh”. TPC-D requested the Commission to provide a clarification or practice direction to allow the Green Hydrogen consumer to choose between “Rs/KW/Day” or between Rs/kWh.

B. Demand Charges

6.18.13 TPC-D has ascertained the quantum of Renewable Capacity that is required to be tied up for meeting 100% of the requirement for Green Hydrogen Plant.

6.18.14 TPC-D submitted that at present, large number consumers (almost all) taking power on Open Access are "Partial Open Access Consumers". This signifies that such consumers are required to have a Contract Demand with the Distribution Licensees. Such Contract Demand arrangements allow the consumers to draw power from the Distribution Licensees when their Renewable source is not available thereby ensuring reliability of supply to their works. However, for such arrangements, the consumer is required to pay a Fixed Demand Charge which adds to their costs.

6.18.15 TPC-D has worked out the impact of Demand Charges on the Green hydrogen Facility as shown in the table below :

Table 6-47: Impact of Contract Demand Charges on Green Hydrogen Cost as submitted by TPC-D

Particulars	Units	Value
Production	Tonnes /Annum	5000
No of Hrs in a Day	Hrs	24
No of days of Production	Days	300
Electricity Consumption Norms	kWh/kg	55
Estimated hourly consumption	kWh	38194
Estimated contracted demand	MW	38.19

6.18.16 TPC-D submitted that such Demand Charges have been rising in the past and are expected to rise further since the Commission bring it to a level which will enable recovery of the Fixed Charges of Distribution Licensee through such Demand Charges. Keep the above in mind, TPC-D requested to the Commission to consider for waiver of such charges for an initial period of 10 years for Green Hydrogen Facility.

6.18.17 In this regard it may be relevant to submit that for EV Charging as presented earlier, there is no levy of Demand Charges that are proposed.

Commission's Analysis and Ruling

6.18.18 The Commission observes that TPC-D has sought for following special concession for Green Hydrogen Projects:

- a. To provide a clarification or practice direction to allow the Green Hydrogen consumer to choose between “Rs/KW/Day” or between Rs/Kwh.
- b. For waiver of such charges for an initial period of 10 years for Green Hydrogen Facility.

6.18.19 TPC-D has submitted that Green Hydrogen Policy (GHP) in 2022, followed by the National Green Hydrogen Mission (NGHM) in 2023 has underpin the Green Hydrogen as emerging projects. The targets outlined in the NGHM include a green hydrogen production capacity target of at least 5 MTPA by 2030, which extends to an ambitious export-inclusive target of 10 MTPA (MNRE 2023).

6.18.20 The State Government of Maharashtra has also issued the Green Hydrogen Policy whereby the objective is to create at least 500 kilotons per annum of Green Hydrogen production capacity in the State of Maharashtra by the year 2030 by providing certain initiatives.

6.18.21 The Commission in Regulation 86.3 of MYT Regulations, 2024 has already provided for waiver of transmission charges to the extent specified therein for procuring renewable power through open access for Green Hydrogen Manufacturing facilities. Also, the Commission has addressed the concern related to Transmission Charges on Green Hydrogen projects in Case No. 208 of 2024 under Approval of Intra-State Transmission System Tariff (InSTS) for 5th control period from FY 2025-26 to FY 2029-30. In respect of Demand Charges, the Commission is not inclined to accept the prayer of waiver of TPC-D.

6.19 KVAH BILLING***TPC-D's Submission***

6.19.1 TPC-D has requested for introduction of KVAH Billing for LT Categories other than LT IA Residential (BPL), LT 1B-Residential, LT III (A)- Commercial upto 20 KW, LT III (A)- Industrial upto 20 KW and bill the Energy Charges, Wheeling Charges and CSS on “Rs/KVAH” from July 2025 onwards. For Other LT Categories, the Wheeling Charge, Energy Charges and CSS would be in Rs./kWh.

Commission's Analysis and Ruling

6.19.2 The Commission, in the MTR Orders issued in September 2018 for Distribution

Licensees in the State, had expressed its intention to implement kVAh billing for all HT consumer and LT consumers having load above 20 kW from 1 April, 2020, so as to provide the Licensees enough lead time to take necessary steps such as meter replacement, if required, preparedness of billing software, etc., to ensure their operational preparedness for implementing the kVAh billing.

- 6.19.3 In the last MYT Order dated 30 March 2020, the Commission approved kVAh billing for all HT categories of TPC-D. The Commission had stated its intention to implement kVAh billing for LT consumers with load of 20 kW and above at the time of MTR proceedings, based on the feedback received after implementation of kVAh billing for HT consumers.
- 6.19.4 However, in MTR Order dated 31 March 2023, while TPC-D has indicated its willingness to extend the kVAh tariffs to LT consumers with load of 20 kW and above, the competing Licensee, viz., AEML-D and BEST, has raised some concerns and suggested that implementation of kVAh tariffs for LT consumers with load of 20 kW and above be deferred till the next MYT Order. The Commission has accepted AEML-D's submission, and determined the tariff for all LT consumers on kWh basis in AEML-D's MTR Order. As the same basic principles have to be followed for TPC-D and AEML-D, the Commission has determined the tariff for all LT consumers on kWh basis in TPC-D's MTR Order also. A decision in this regard shall be taken at the time of next MYT Order.
- 6.19.5 The Commission has sought the detail of preparedness for implementation of kVAh billing for LT consumers with load of 20 kW and above from the Mumbai Licensee. It was observed that TPC-D and AEML-D has indicated their willingness to extend the kVAh tariffs, BEST has sought for deferment as the smart meters are yet to be installed at the LT consumer premises under RDSS Scheme. However, the Commission feels that APTEL order directs to follow same principle for AEML-D and TPC-D and considering the willingness of both licensee, the Commission has decided to implement kVAh billing to all LT consumers other than LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 KW and LT V – EV Charging Station upto 20 kW for TPC-D and AEML-D. Accordingly, the tariff of LT Category consumers are determined on “Rs./kVAh” for billing purpose. While determining per unit charges in kVAh, the Commission has used category-wise PF, which is lower than unity. This makes the per unit kVAh tariff lower than the tariff, which would have been determined in kWh terms, though the consumer will have to pay the same amount and revenue generated shall be the same
- 6.19.6 Further, in case of Energy Balance, the Utility shall always maintain sale in kWh only. Tax on Sale of Electricity and Electricity duty shall be converted from kVAh to kWh. All the OA transactions will be maintained in kWh sale only, kVAh based

sales shall be converted in kWh based on the Power Factor for the month provided in the Energy Bills.

- 6.19.7 With regards to the preparedness of the implementation of kVAh billing, TPC-D submitted that currently, there are 7,328 TPCL-owned meters used for billing LT commercial and industrial consumers with loads exceeding 20 kW. Out of these, 7,203 meters are compatible with kVAh billing, while 125 are old meters which are not compatible for kVAh Billing. These old meters are planned to be replaced by 31 March, 2025. Additionally, there are 410 meters owned by AEML installed for LT two-part changeover consumers with loads above 20 kW. However, TPC-D do not have information regarding the kVAh compatibility of these meters. Hence, TPC-D requested the Commission to implement the kVAh billing from the month of July 2025.
- 6.19.8 The Commission has made the new tariffs applicable from 1 April, 2025 including kVAh billing to LT Consumers other than LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 KW, LT III (A)- Industrial upto 20 KW, LT IV – Public Services upto 20 KW and LT V – EV charging Station upto 20 kW. Considering the fact that there would be some meters which would either require replacement or modification for compatibility with IT systems etc, TPC-D would undertake kVAh billing for such consumers considering kWh units and PF recorded in the meter. TPC-D shall endeavour and complete metering compatible for kVAh billing within 3 months of the date of Order for all its consumers including Changeover Consumer in coordination with AEML-D. However, it is reiterated that the kVAh billing will be applicable to all LT Consumers above 20 kW from 1st April 2025 and the compatibility of metering with IT system is required to be completed within 3 months of the issue of this order as suggested by TPC-D.
- 6.19.9 Further, the Commission directs TPC-D to provide the information related to number of consumers, contract demand and sales of LT Public Services and LT EV charging Station category of consumers with segregation of load below 20 kW and above 20 kW in next MTR Petition.

6.20 REBATE FOR BULK CONSUMPTION

- 6.20.1 To promote the industries and growing economy of the State, the Commission has decided to extend the Rebate on Bulk Consumption prevailing with MSEDCL to Mumbai licensee also. Such rebate on bulk consumption can offer significant revenue stability to Utility as well as consumer as also other benefits in terms of power procurement planning. As prevalent in MSEDCL, the Commission opines that bulk consumption rebate with a reverse telescopic slab would benefit all such

consumers under HT-Industrial consumers with consumption in excess of 1 lakh units per month (0.1 MU per month). Thus, the Commission has decided to introduce “Bulk Consumption” rebate in a reverse telescopic manner for EHV / HT-Industrial consumers in following manner:

- a. For monthly consumption (> 1 Lakh units to 1 MU) per month: 2%
- b. For monthly consumption (> 1 MU to 5 MU) per month: 1.5%
- c. For monthly consumption (> 5 MU) per month: 1%

Illustration: Say a consumer consumes 15 MU during month then, its consumption more than 1 Lakh units upto 1 MU units rebate will be 2%/unit, for next 4 MU (i.e. upto consumption of 5 MU) rebate will be 1.5%/unit and for consumption in excess of 5 MU upto 15 MU, rebate will be 1%/unit.

- 6.20.2 Bulk Consumption Rebate shall be applicable on the Energy Charge component including FAC of the Bill excluding taxes and duty.

6.21 ADVANCE PAYMENT

- 6.21.1 Regulation 16 of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 allows the consumer to make the advance payment of charges for electricity supplied. The Commission notes that interest is payable at Bank Rate for such advance payment and such rate being lower than prevailing market rate, there is not much response from the Consumer to avail this facility.
- 6.21.2 The Commission is of the view that there is need to encourage the consumers to make advance payment, which will not only increase the collection of Distribution Licensee but also reduce the working capital requirement. Thus, the Commission, hereby deems it fit to invoke its Power to Relax under Regulation 30 of MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 to allow higher interest rate based on the amount of advance payment.
- 6.21.3 Thus, the Commission hereby allows the advance payment/pre-payment of the bills for consumers for amount not exceeding 12 times average monthly bill for the past twelve months. Such facility shall be available for all consumers. Consumers shall be eligible to avail discount in graded manner on their monthly bills, so long as they maintain advance payment amount in the following manner:

Advance Payment Amount maintained with Utility as on date of monthly bill	Discount in monthly bill applicable at the rate of	Illustration discount* (%)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 9 to 12 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + 150$ basis points	$(1/12) \times 10.5\% = 0.875\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 6 to 9 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + 120$ basis points	$(1/12) \times 10.2\% = 0.85\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 3 to 6 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + 90$ basis points	$(1/12) \times 9.9\% = 0.825\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, upto 3 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + 60$ basis points	$(1/12) \times 9.6\% = 0.8\%$ (monthly bill discount)

*Note: Assumed SBI 1-year MCLR of 9% p.a.

- 6.21.4 Further, such advance payment adjustment needs to be automatically pass through and to be displayed in the monthly bills of the consumers with the advance amount adjusted in the bill and the balance amount to be adjusted. Also, the facility of the advance payment as provided by the licensee to its consumers needs to be advertised so as to create awareness.

6.22 GREEN POWER TARIFF

TPC-D's Submission

- 6.22.1 The present Regulatory framework enables a consumer to purchase Renewable Power from the Distribution Licensee by paying a premium (or "Green Power Tariff") of Rs 0.66 per kWh over the Retail Supply Tariff determined by the Commission. On paying this additional amount, the consumer is entitled for a "Green Certificate" from the Distribution Licensee. The Green Power Tariff has been determined by the Commission in the Order dated 22nd March 2021 in Case No 134 of 2020.
- 6.22.2 The Green Power Tariff has been determined on the basis of a) The Power Purchase made by all the Distribution Licensees b) The difference of the Variable charge of Renewable or Non-Conventional Power and Conventional Power. Further, the

Green Power Tariff would be uniform across all licensees.

- 6.22.3 TPC-D further submitted that at that point of time, the cost of the Non-Conventional Power was higher than the Conventional Power. However, over the period, the Non-Conventional Power has become cheaper than the Conventional Power making the premium computed by this method as negative.
- 6.22.4 TPC-D submitted that the MERC (Distribution Open Access) (Second) Amendment Regulations 2023 permit consumers with Contract Demand less than 100 KW to procure Green power on Open Access thereby opening many avenues to the consumers to purchase the Green Power . Further, TPC-D submitted that, a negative amount or “Nil “ amount cannot be charged for supplying Green Energy to the consumers. At the same time, TPC– D submitted that the premium of Rs 0.66 /kWh is high keeping the changed scenario in mind. Therefore TPC-D proposed that a Green Power Tariff be reduced to Rs 0.30 per kWh. Further, as available in the past, by paying additional Rs 0.50 /kWh, the consumer can meet their RPO.

Commission’s Analysis and Ruling

- 6.22.5 The Commission determined Green Power Tariff for the consumers opting for meeting its 100% of power requirement through RE sources in the Case No. 134 of 2020 dated 22.03.2021, which is stipulated as Rs 0.66 per kWh as per the conditions and methodology specified under said Order.
- 6.22.6 On 6 June, 2022, Ministry of Power, GoI has notified Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022. The said rules also mandate the State Commission to determine Green Power Tariff. Such Green Power Tariff would be in addition to regular tariff as approved in Tariff Order.
- 6.22.7 However, considering that the procurement of renewable power has increased the weightage in the power basket whereby the power procurement by TPC-D as projected in MYT Control Period is expected to increase from 40% in FY 2025-26 to 80% in FY 2029-30 and RPO weightage also as approved by the Commission will be increasing from 33% in FY 2025-26 to 43.33% in FY 2029-30, it is a necessity that such benefit is required to be provided to the consumers opting for such green power. Also, though over the period, the Non-Conventional Power has become cheaper than the Conventional Power making the premium computed by this method as negative, it is necessary to demark the power procurement for consumers seeking green power with non-green power with certain nominal premium.
- 6.22.8 Hence, the Commission hereby approves the Green Tariff of Rs 0.25/kWh to be applicable for 5th MYT Control Period for FY 2025-26 to FY 2029-30 which may

be reviewed at the time of MTR Petition to be filed by the Distribution Licensee in November, 2027.

- 6.22.9 However, for ease of implementation and to comply with provisions of MoP Rules, the Commission stipulates following terms and conditions for levy of Green Power Tariff.
- 6.22.10 All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.
- 6.22.11 The consumers who have opted for Open Access can also requisition for RE Power on payment of Green Power Tariff for balance power supplied by Distribution Licensee.
- 6.22.12 If the Obligated Entity wants to meet its RPO by requisitioning RE Power from the Distribution Licensee, then such entity shall pay additional Rs 0.25 /kWh for the Green Power Tariff i.e., the Obligated entity shall pay total Green Power Tariff of Rs 0.50/kWh. Since the obligated entity also has the option to meet RPO by purchasing REC and is currently being traded at ~Rs 0.35/kWh, the green tariff is proposed with slight premium to REC Price.
- 6.22.13 Revenue earned through Green Power Tariff shall be treated as tariff income of Supply Business and thereby be fully accounted for reduction in ARR of supply business.
- 6.22.14 Green attribute of energy consumed by consumer by paying Green tariff shall remain with such consumer. Distribution Licensee shall not count such energy towards its RPO fulfilment.
- 6.22.15 The Consumer will have option to select the quantum of green power to be purchased in steps of 25% and going up to 100% of the consumption.
- 6.22.16 Such an option will also be available for Open Access consumer for its balance consumption from the Distribution Licensee.
- 6.22.17 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- 6.22.18 Distribution Licensee shall issue Annual certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE sources
- 6.22.19 Any requisition for green energy from a distribution licensee shall be for a minimum period of one year.
- 6.22.20 Distribution Licensee shall process the request of Consumer for Green Power Tariff

not later than 30 days from the receipt of the request or next billing cycle, whichever is earlier. Distribution Licensee shall provide the facility of requesting for Green Power Tariff through its Web Portal, Mobile App or any other digital mode for convenience of consumers.

6.22.21 Temporary Consumers can also opt of Green Tariff as per methodology specified above and Distribution Licensee shall issue certificate specifying that power requirement has been sourced through RE sources after receipt of payment.

6.22.22 The Rules notified by MoP, GOI also specify that rating of the consumer based on the percent of green energy purchased by such consumer. The Commission has specified RPO targets for the Distribution Licensees. As Distribution Licensee will be meeting such consumption, it would not be correct to issue any certificate to individual consumer for RPO to be met by Distribution Licensee as a whole. The Commission has allowed the consumer the choice to opt for RE purchase in the steps of 25%. Accordingly, the Commission introduces the rating to be given by Distribution Licensee at the end of the financial year along with the electricity bill for the month of March specifying the percentage of power purchased from RE sources from his total consumption and rating as given below:

% of RE Purchase Opted	Rating
>50% to 75%	Semi-Green
>75% to 100%	Green

6.23 PREPAID METER REBATE

6.23.1 The Commission approves rebate of 2% for consumers who are opting for pre-paid metering which is inclusive of prompt payment discount which otherwise is payable for early payment.

6.24 OVERALL TARIFF PHILOSOPHY

6.24.1 As elaborated earlier, the Commission has approved the Revenue Requirement of the Wires Business and Supply Business for 5th MYT Control Period FY 2025-26 to FY 2029-30, by deferring the adjustment of Past Revenue Surplus in FY 2026-27 and FY 2027-28 in line with the approach undertaken in AEML-D Order. The tariff variation as approved by the Commission for 5th MYT Control Period for FY 2025-26 to FY 2029-30 is shown in the Table below:

Table 6-48: Approved Increase/(Decrease) in Tariff for 5th MYT Control Period FY 2025-26 to FY 2029-30

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Business (Wire + Supply Business)					
Total ARR of Distribution Business	4,709.04	4,590.97	4,777.04	5,142.06	5,203.49
Total Sales - MU	6,231.80	6,579.74	6,962.07	7,382.83	7,846.54
ACOS (Rs/kWh)	7.56	6.98	6.86	6.96	6.63
ABR at existing tariff (Rs/kWh) with FAC	9.17	9.17	9.17	9.17	9.17
Revenue Gap per unit (Rs/kWh)	(1.62)	(2.20)	(2.31)	(2.21)	(2.54)
Average Tariff Hike / Reduction (%)	-18%	-24%	-25%	-24%	-28%
Average Tariff Hike / Reduction (%) – YoY	-17%	-8%	-2%	2%	-5%

6.24.2 Thus, the Commission has approved the Average Tariff hike / reduction as outlined in the above table for 5th MYT Control Period for FY 2025-26 to FY 2029-30.

6.24.3 The Commission has considered the main objectives of the Electricity Act, 2003 (“EA, 2003”) including the protection of the interest of consumers, the supply of electricity to all areas and rationalisation of tariffs. The EA, 2003 also enjoins the Commission to maintain a healthy balance between the interest of the Utilities and the reasonableness of the cost of power being supplied to consumers. The Commission has also kept in view the principles of tariff determination set out in Sections 61 and Section 62 of the EA, 2003, the Tariff Policy, 2016, and MYT Regulations 2024, and also taken into consideration TPC-D’s submissions as well as the Public responses in these tariff proceedings.

6.25 TARIFF FOR 5TH MYT CONTROL PERIOD

6.25.1 The Commission has continued to determine the tariffs with an in-built incentive to consumers to reduce their consumption. The billing impact is designed to increase as the consumption increases on account of the higher telescopic tariffs applicable to higher consumption slabs, while at the same time ensuring that even consumers in the higher consumption slabs are charged at a lower rate to the extent of the consumption corresponding to lower slabs.

6.25.2 As mentioned previously, the Commission has attempted to bring the tariff of most of the categories in the $\pm 20\%$ of Average Retail CoS as prescribed in the MYT Regulations, 2024 and Tariff Policy. Further, the Commission has also tried to ensure that the level of cross-subsidy either remains constant or reduces in the subsequent year so as to steadily approach the ACoS as envisaged in the Tariff Policy.

6.25.3 The approved category-wise tariffs for 5th MYT Control Period are given in the Tables below:

Table 6-49: Tariffs Effective from 1 April, 2025 (FY 2025-26)

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	LT Category					
1	LT I (A)- Below Poverty Line	Rs. 12	2.00	2.76	2.03	2.65
2	LT -I (B) Residential					
	0-100	Rs. 90 \$\$	2.00	2.76		
	101-300	Rs. 135 \$\$	5.20	2.76		
	301-500		10.79	2.76		
	500 and above	Rs. 160 \$\$/\$\$\$	11.79	2.76		
3	LT II - LT Commercial					
(A)	≤ 20 kW load	Rs. 475	5.92	2.76		
(B)	> 20 kW and ≤ 50 kW load	Rs. 300 per kVA	5.97	2.76	5.74	2.65
(C)	> 50 kW load		6.02	2.76	5.79	2.65
4	LT III - LT Industry					
(A)	Upto 20 kW load	Rs. 475	5.80	2.76		
(B)	Above 20 kW	Rs. 400 per kVA	5.85	2.76	5.66	2.65
5	LT IV – Public Services	Rs. 475	5.82	2.76	5.57	2.65
6	LT V - Electric Vehicle Charging Stations	-	5.65	2.76	5.42	2.65

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	EHT Category			
1	EHT I: HT-Industry	Rs. 400 per kVA	6.11	0.04
2	EHT II: HT- Commercial	Rs. 300 per kVA	6.23	0.04
3	EHT III: HT-Group Housing Society	Rs. 400 per kVA	5.35	0.04
4	EHT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.43	0.04
5	EHT V: Public Service	Rs. 400 per kVA	6.16	0.04
6	EHT VI: Electric Vehicle Charging Stations	-	8.20	0.04
	HT Category			
7	HT I: HT-Industry	Rs. 400 per kVA	6.11	0.78
8	HT II: HT- Commercial	Rs. 300 per kVA	6.23	0.78
9	HT III: HT-Group Housing Society	Rs. 400 per kVA	5.35	0.78
10	HT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.43	0.78
11	HT V : Public Service	Rs. 400 per kVA	6.16	0.78
12	HT VI: Electric Vehicle Charging Stations	-	7.46	0.78

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT-Group Housing
-	00:00 hrs to 06:00 hrs	6	-10%	-
-	06:00 hrs to 09:00 hrs	3	0%	-
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-0.50 Rs./kWh
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	-

Notes:

1. Fuel Adjustment Cost will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Commission, and computed on a monthly basis.
2. \$\$: Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall be payable.
3. \$\$\$: Additional Fixed Charge of Rs. 250 per 10 kW load or part thereof above 10 kW load shall also be payable.
4. For LT Categories, Tariff in Rs./kWh will be applicable for LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 KW and LT V – EV Charging Station upto 20 kW and for other categories Tariff in Rs./kVAh will be applicable.
5. TOD Tariffs (in addition to above base tariffs) – compulsory for EHT (I), EHT (II), EHT (V), EHT (VI), HT (I), HT (II), HT (V), HT (VI), HT (I), LT II (A) – (10 kW and above), LT II (B) & (C), LT – III (A) - (10 kW and above), LT III (B), LT IV (10 kW and above), and LT V (10 kW and above).
6. ToD Rebate applicable to LT I category subject to installation of Smart Meters.

Table 6-50: Tariffs Effective from 1 April, 2026 (FY 2026-27)

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	LT Category					
1	LT I (A)- Below Poverty Line	Rs. 12	1.90	2.40		
2	LT -I (B) Residential					

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	0-100	Rs. 90 ^{\$\$}	1.90	2.40		
	101-300	Rs. 135 ^{\$\$}	4.70	2.40		
	301-500		9.24	2.40		
	500 and above	Rs. 160 ^{\$\$/\$\$\$}	10.24	2.40		
3	LT II - LT Commercial					
(A)	≤ 20 kW load	Rs. 475	5.60	2.40		
(B)	> 20 kW and ≤ 50 kW load	Rs. 300 per kVA	5.63	2.40	5.41	2.31
(C)	> 50 kW load		5.65	2.40	5.43	2.31
4	LT III - LT Industry					
(A)	Upto 20 kW load	Rs. 475	5.45	2.40		
(B)	Above 20 kW	Rs. 400 per kVA	5.50	2.40	5.32	2.31
5	LT IV – Public Services	Rs. 475	5.55	2.40	5.31	2.31
6	LT V: Electric Vehicle Charging Stations	-	5.34	2.40	5.13	2.31

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	EHT Category			
1	EHT I: HT-Industry	Rs. 400 per kVA	5.67	0.04
2	EHT II: HT- Commercial	Rs. 300 per kVA	5.89	0.04
3	EHT III: HT-Group Housing Society	Rs. 400 per kVA	4.91	0.04
4	EHT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.06	0.04
5	EHT V: Public Service	Rs. 400 per kVA	5.72	0.04
6	EHT VI: Electric Vehicle Charging Stations	-	7.55	0.04
	HT Category			
7	HT I: HT-Industry	Rs. 400 per kVA	5.67	0.69
8	HT II: HT- Commercial	Rs. 300 per kVA	5.89	0.69
9	HT III: HT-Group Housing Society	Rs. 400 per kVA	4.91	0.69
10	HT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.06	0.69
11	HT V : Public Service	Rs. 400 per kVA	5.72	0.69
12	HT VI: Electric Vehicle Charging Stations	-	6.90	0.69

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing
-	00:00 hrs to 06:00 hrs	6	-15%	-
-	06:00 hrs to 09:00 hrs	3	0%	-
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-0.55 Rs./kWh
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	0%

Notes:

1. Fuel Adjustment Cost will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Commission, and computed on a monthly basis.
2. \$\$: Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall be payable.
3. \$\$\$: Additional Fixed Charge of Rs. 250 per 10 kW load or part thereof above 10 kW load shall also be payable.
4. For LT Categories, Tariff in Rs./kWh will be applicable for LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 kW and LT V – EV Charging Station upto 20 kW and for other categories Tariff in Rs./kVAh will be applicable.
5. TOD Tariffs (in addition to above base tariffs) – compulsory for EHT (I), EHT (II), EHT (V), EHT (VI), HT (I), HT (II), HT (V), HT (VI), HT (I), LT II (A) – (10 kW and above), LT II (B) & (C), LT – III (A) - (10 kW and above), LT III (B), LT IV (10 kW and above), and LT V (10 kW and above).
6. ToD Rebate applicable to LT I category subject to installation of Smart Meters.

Table 6-51: Tariffs Effective from 1 April, 2027 (FY 2027-28)

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	LT Category					
1	LT I (A)- Below Poverty Line	Rs. 12	1.90	2.33		
2	LT -I (B) Residential					

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	0-100	Rs. 90 ^{\$\$}	1.90	2.33		
	101-300	Rs. 135 ^{\$\$}	4.53	2.33		
	301-500		9.04	2.33		
	500 and above	Rs. 160 ^{\$\$/\$\$\$}	10.04	2.33		
3	LT II - LT Commercial					
(A)	≤ 20 kW load	Rs. 475	5.60	2.33		
(B)	> 20 kW and ≤ 50 kW load	Rs. 300 per kVA	5.65	2.33	5.43	2.23
(C)	> 50 kW load		5.70	2.33	5.48	2.23
4	LT III - LT Industry					
(A)	Upto 20 kW load	Rs. 475	5.40	2.33		
(B)	Above 20 kW	Rs. 400 per kVA	5.45	2.33	5.27	2.23
5	LT IV – Public Services	Rs. 475	5.55	2.33	5.31	2.23
6	LT V: Electric Vehicle Charging Stations	-	5.49	2.33	5.27	2.23

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	EHT Category			
1	EHT I: HT-Industry	Rs. 400 per kVA	5.43	0.04
2	EHT II: HT- Commercial	Rs. 300 per kVA	5.79	0.04
3	EHT III: HT-Group Housing Society	Rs. 400 per kVA	4.81	0.04
4	EHT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	4.97	0.04
5	EHT V: Public Service	Rs. 400 per kVA	5.49	0.04
6	EHT VI: Electric Vehicle Charging Stations	-	7.62	0.04
	HT Category			
7	HT I: HT-Industry	Rs. 400 per kVA	5.43	0.67
8	HT II: HT- Commercial	Rs. 300 per kVA	5.79	0.67
9	HT III: HT-Group Housing Society	Rs. 400 per kVA	4.81	0.67
10	HT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	4.97	0.67
11	HT V : Public Service	Rs. 400 per kVA	5.49	0.67
12	HT VI: Electric Vehicle Charging Stations	-	6.99	0.67

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing*
-	00:00 hrs to 06:00 hrs	6	-20%	-
-	06:00 hrs to 09:00 hrs	3	0%	-
Solar Hours	09:00 hrs to 17:00 hrs	8	-20% (April to September) -30% (October to March)	-0.60 Rs./kWh
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	0%

Notes:

1. Fuel Adjustment Cost will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Commission, and computed on a monthly basis.
2. \$\$: Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall be payable.
3. \$\$\$: Additional Fixed Charge of Rs. 250 per 10 kW load or part thereof above 10 kW load shall also be payable.
4. For LT Categories, Tariff in Rs./kWh will be applicable for LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 KW and LT V – EV Charging Station upto 20 kW and for others Tariff in Rs./kVAh will be applicable
5. TOD Tariffs (in addition to above base tariffs) – compulsory for EHT (I), EHT (II), EHT (V), EHT (VI), HT (I), HT (II), HT (V), HT (VI), HT (I), LT II (A) – (10 kW and above), LT II (B) & (C), LT – III (A) - (10 kW and above), LT III (B), LT IV (10 kW and above), and LT V (10 kW and above).
6. ToD Rebate applicable to LT I category subject to installation of Smart Meters.

Table 6-52: Tariffs Effective from 1 April, 2028 (FY 2028-29)

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	LT Category					
1	LT I (A)- Below Poverty Line	Rs. 12	1.90	2.23		
2	LT -I (B) Residential					
	0-100	Rs. 90 \$\$	1.90	2.23		
	101-300		4.55	2.23		

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	301-500	Rs. 135 \$\$/\$\$\$	9.24	2.23		
	500 and above	Rs. 160 \$\$	10.24	2.23		
3	LT II - LT Commercial					
(A)	≤ 20 kW load	Rs. 475	5.70	2.23		
(B)	> 20 kW and ≤ 50 kW load	Rs. 300 per kVA	5.75	2.23	5.53	2.14
(C)	> 50 kW load		5.80	2.23	5.57	2.14
4	LT III - LT Industry					
(A)	Upto 20 kW load	Rs. 475	5.50	2.23		
(B)	Above 20 kW	Rs. 400 per kVA	5.55	2.23	5.37	2.14
5	LT IV – Public Services	Rs. 475	5.65	2.23	5.41	2.14
6	LT V: Electric Vehicle Charging Stations	-	5.81	2.23	5.58	2.14

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	EHT Category			
1	EHT I: HT-Industry	Rs. 400 per kVA	5.58	0.04
2	EHT II: HT- Commercial	Rs. 300 per kVA	5.84	0.04
3	EHT III: HT-Group Housing Society	Rs. 400 per kVA	4.96	0.04
4	EHT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.06	0.04
5	EHT V: Public Service	Rs. 400 per kVA	5.63	0.04
6	EHT VI: Electric Vehicle Charging Stations	-	7.84	0.04
	HT Category			
7	HT I: HT-Industry	Rs. 400 per kVA	5.58	0.65
8	HT II: HT- Commercial	Rs. 300 per kVA	5.84	0.65
9	HT III: HT-Group Housing Society	Rs. 400 per kVA	4.96	0.65
10	HT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	5.06	0.65
11	HT V : Public Service	Rs. 400 per kVA	5.63	0.65
12	HT VI: Electric Vehicle Charging Stations	-	7.23	0.65

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing
-	00:00 hrs to 06:00 hrs	6	-20%	0%
-	06:00 hrs to 09:00 hrs	3	0%	0%

ToD Slabs	Period	ToD Slabs		
		Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing
Solar Hours	09:00 hrs to 17:00 hrs	8	-20% (April to September) -30% (October to March)	-0.65 Rs./kWh
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	0%

Notes:

1. Fuel Adjustment Cost will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Commission, and computed on a monthly basis.
2. \$\$: Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall be payable.
3. \$\$\$: Additional Fixed Charge of Rs. 250 per 10 kW load or part thereof above 10 kW load shall also be payable.
4. For LT Categories, Tariff in Rs./kWh will be applicable for LT IA Residential (BPL), LT 1B-Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 KW and LT V – EV Charging Station upto 20 kW and for others Tariff in Rs./kVAh will be applicable.
5. TOD Tariffs (in addition to above base tariffs) – compulsory for EHT (I), EHT (II), EHT (V), EHT (VI), HT (I), HT (II), HT (V), HT (VI), HT (I), LT II (A) – (10 kW and above), LT II (B) & (C), LT – III (A) - (10 kW and above), LT III (B), LT IV (10 kW and above), and LT V (10 kW and above).
6. ToD Rebate applicable to LT I category subject to installation of Smart Meters.

Table 6-53: Tariffs Effective from 1 April, 2029 (FY 2029-30)

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	LT Category					
1	LT I (A)- Below Poverty Line	Rs. 12	1.90	2.13		
2	LT -I (B) Residential					
	0-100	Rs. 90 \$\$	1.90	2.13		
	101-300	Rs. 135 \$\$	3.83	2.13		
	301-500		8.78	2.13		

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kWh)	Wheeling Charges (Rs / kWh)	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	500 and above	Rs. 160 \$\$/\$\$\$	9.78	2.13		
3	LT II - LT Commercial					
(A)	≤ 20 kW load	Rs. 475	5.40	2.13		
(B)	> 20 kW and ≤ 50 kW load	Rs. 300 per kVA	5.45	2.13	5.24	2.05
(C)	> 50 kW load		5.50	2.13	5.29	2.05
4	LT III - LT Industry					
(A)	Upto 20 kW load	Rs. 475	5.20	2.13		
(B)	Above 20 kW	Rs. 400 per kVA	5.25	2.13	5.08	2.05
5	LT IV – Public Services	Rs. 475	5.30	2.13	5.07	2.05
6	LT V: Electric Vehicle Charging Stations	-	5.74	2.13	5.51	2.05

Sl. No	Consumer Category & Consumption Slab	Fixed/ Demand Charge per month	Energy Charge (Rs/kVAh)	Wheeling Charges (Rs / kVAh)
	EHT Category			
1	EHT I: HT-Industry	Rs. 400 per kVA	5.28	0.04
2	EHT II: HT- Commercial	Rs. 300 per kVA	5.49	0.04
3	EHT III: HT-Group Housing Society	Rs. 400 per kVA	4.71	0.04
4	EHT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	4.74	0.04
5	EHT V: Public Service	Rs. 400 per kVA	5.30	0.04
6	EHT VI: Electric Vehicle Charging Stations	-	7.68	0.04
	HT Category			
7	HT I: HT-Industry	Rs. 400 per kVA	5.28	0.62
8	HT II: HT- Commercial	Rs. 300 per kVA	5.49	0.62
9	HT III: HT-Group Housing Society	Rs. 400 per kVA	4.71	0.62
10	HT IV - HT Railways, Metro & Monorail	Rs. 200 per kVA	4.74	0.62
11	HT V : Public Service	Rs. 400 per kVA	5.30	0.62
12	HT VI: Electric Vehicle Charging Stations	-	7.10	0.62

ToD Slabs	ToD Slabs			
	Period	Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing
-	00:00 hrs to 06:00 hrs	6	-20%	0%

ToD Slabs	Period	ToD Slabs		
		Duration (hours)	ToD Charge / (Rebate) for categories	ToD (Rebate) for LT-Residential / HT Group Housing
-	06:00 hrs to 09:00 hrs	3	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-20% (April to September) -30% (October to March)	-0.70 Rs./kWh
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	0%

Notes:

1. Fuel Adjustment Cost will be applicable to all consumers and will be charged over the above tariffs, on the basis of the FAC formula specified by the Commission, and computed on a monthly basis.
2. \$\$: Fixed Charge of Rs. 160 per month will be levied on residential consumers availing 3 phase supply. Additional Fixed Charge of Rs. 160 per 10 kW load or part thereof above 10 kW load shall be payable.
3. \$\$\$: Additional Fixed Charge of Rs. 250 per 10 kW load or part thereof above 10 kW load shall also be payable.
4. For LT Categories, Tariff in Rs./kWh will be applicable for LT IA Residential (BPL), LT 1B Residential, LT II (A)- Commercial upto 20 kW, LT III (A)- Industrial upto 20 kW, LT IV – Public Services upto 20 KW and LT V – EV Charging Station upto 20 kW and for others Tariff in Rs./kVAh will be applicable.
5. TOD Tariffs (in addition to above base tariffs) – compulsory for EHT (I), EHT (II), EHT (V), EHT (VI), HT (I), HT (II), HT (V), HT (VI), HT (I), LT II (A) – (10 kW and above), LT II (B) & (C), LT – III (A) - (10 kW and above), LT III (B), LT IV (10 kW and above), and LT V (10 kW and above).
6. ToD Rebate applicable to LT I category subject to installation of Smart Meters.

6.25.4 The detailed computation of category-wise revenue with revised tariffs for 5th MYT Control Period FY 2025-26 to FY 2029-30 is set out at Annexure I of this Order.

6.25.5 The approved Tariff Schedule for the MYT Control Period from 5th MYT Control Period FY 2025-26 to FY 2029-30 is given at Annexure II of this Order.

7 SCHEDULE OF CHARGES

This Chapter details the proposal of TPC-D for Schedule of Charges and Commission's Analysis and ruling in this regard.

7.1 SCHEDULE OF CHARGES

TPC-D's Submission

- 7.1.1 TPC-D submitted that the Commission in Case No. 237 of 2023 had approved the Schedule of Charges which were the same as that approved in the MTR Order for TPC-D in Case No 225 of 2022 except for Cost of Meter for Three Phase Whole Current Meter which was reduced from Rs 5700 per Meter to Rs 4700 per Meter. TPC-D has filed a review petition in this regard as Case No 67 of 2024 and the matter is under consideration with the Commission.
- 7.1.2 TPC-D submitted that in the Order in Case No 225 of 2022, the Commission had determined the Schedule of Charges by escalating the previous charge by WPI. Further the average escalation WPI for the last five year i.e FY 2019-20 to FY 2023-24 works out to **4.93%** per annum. Accordingly, TPC-D proposed the same schedule of Charges as approved by the Commission in its MTR Tariff Order in Case No 237 of 2023 (except for Cost of Meter mentioned above) and same has been escalated by **4.93%** per annum for the various years of the 5th Control Period. For the Meter Cost for Three Phase Whole Current Meter, TPC-D proposed the cost of Rs 5700 per Meter escalated at **4.93%** per annum.
- 7.1.3 Based on the same, TPC-D proposed the following Schedule of Charges:

Table 7-1: Schedule of Charges for FY 2025-26 to FY 2029-30- I as submitted by TPC-D

Sr. No.	Particulars	Unit	Present	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
A	Application processing for New connections/ Reduction or addition of Load/Shifting of service/ Extension of service / Change of Tariff Category / Temporary Connection							
	a) Single-phase	Rs/Application	85	89	94	98	103	108
	b) Three-phase	Rs/Application	135	142	149	156	164	172
	c) HT supply	Rs/Application	350	368	386	405	425	447
B	Change of Name							
	a) Single-phase	Rs/Application	85	89	94	98	103	108
	b) Three-phase	Rs/Application	85	89	94	98	103	108
	c) HT supply	Rs/Application	275	289	303	318	333	350
C	Service Connection Charges							
1	L.T. Supply							
	Single Phase							
	For loads up to 5 kW	Rs/Connection	2,400	2518	2642	2773	2909	3053
	For loads above 5 kW and upto 10 kW	Rs/Connection	2,400	2518	2642	2773	2909	3053
	Three Phase							
	Motive power upto 27 HP or other loads upto 20 kW	Rs/Connection	3,650	3830	4019	4217	4425	4643
	Motive power > 27 HP but <= 67 HP or other loads >20 kW but <= 50 kW	Rs/Connection	7,900	8289	8698	9127	9577	10049
	Motive power > 67 HP but <= 134 HP or other loads >50 kW but <= 100 kW	Rs/Connection	14,500	15215	15965	16752	17578	18444
	Motive power >134 HP but <= 201 HP or other loads >100 kW but <=160 kW	Rs/Connection	14,500	15215	15965	16752	17578	18444
	Above 160 kW	Rs/Connection	3,00,000	314788	330306	346588	363673	381600

Sr. No.	Particulars	Unit	Present	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Alternate Fire Fighting Connection (Single phase or three phase)		At actual	At actual	At actual	At actual	At actual	At actual
	Provision for Dedicated Distribution Facility to LT consumer		At actual	At actual	At actual	At actual	At actual	At actual
2	H.T. Supply							
	If line extended from existing network							
	For loads upto 500 kVA	Rs/Connection	4,25,000	445950	467933	491000	515204	540601
	For loads above 500 kVA	Rs/Connection	4,90,000	514154	539500	566094	594000	623281
	Provision for Dedicated Distribution Facility to HT consumer		At actual	At actual	At actual	At actual	At actual	At actual
3	Temporary Connection (LT or HT)		At actual	At actual	At actual	At actual	At actual	At actual

Table 7-2: Schedule of Charges for FY 2025-26 to FY 2029-30 - II as submitted by TPC-D

Sr. No.	Particulars		Present	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
4	Extension of Load: (a) Charges will be applicable on the incremental load, in case no upgradation of network is required (b) If upgradation is required, charges will be applicable on total load (existing load + incremental demanded)		As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2, 3 above
5	Supervision Charges in case work is carried out by Licensed Electrical Contractor (LEC)							
	For providing HT supply	Rs/Connection	18,750	19674	20644	21662	22730	23850
	For providing LT supply to three phase Industrial/Commercial Consumers only	Rs/Connection	7,500	7870	8258	8665	9092	9540
D	Miscellaneous and General Charges							
1	Re-connection Charges							
	a) Re-installation of fuse cut-out	Rs/Reconnection	180	189	198	208	218	229

Sr. No.	Particulars		Present	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	b) Re-installation of meter	Rs/Reconnection	550	577	606	635	667	700
	c) HT Supply	Rs/Reconnection	900	944	991	1040	1091	1145
	d) Re-connection of Service Cable	Rs/Reconnection	1,400	1469	1541	1617	1697	1781
2	Shifting of Meter, if carried out only on consumer's request							
	Single-Phase	Rs/Reconnection	180	189	198	208	218	229
	Three-Phase	Rs/Reconnection	350	367	385	404	424	445
3	Shifting of services, if carried out only on consumer's request							
	Single-Phase		At Actual					
	Three-Phase		At Actual					
4	Meter Testing on site on Consumer's request							
	Single-Phase	Rs/Meter	180	189	198	208	218	229
	Three-Phase	Rs/Meter	630	661	694	728	764	801
5	Meter Testing at Laboratory							
	Single-Phase	Rs/Meter	350	367	385	404	424	445
	Three-Phase	Rs/Meter	900	944	991	1040	1091	1145
	HT Tri-vector/TOD meter	Rs/Meter	1,800	1889	1982	2080	2182	2290
	Meter testing at Government approved laboratory		At actual					
6	Cost of Meter (applicable when consumer opts to purchase the meter from AEML-D & in case of Lost or Burnt meter)							
	Single-Phase meter	Rs/Meter	3,500	3673	3854	4044	4243	4452
	Three Phase whole current meter	Rs/Meter	4,700	5700	5981	6276	6585	6910
	Three Phase CT operated meter	Rs/Meter	7,050	7398	7762	8145	8546	8968
	HT TOD meter	Rs/Meter	7,750	8132	8533	8954	9395	9858
	ABT compliant meter		At actual					

Table 7-3: Schedule of Charges for FY 2025-26 to FY 2029-30- III as submitted by TPC-D

Sr. No.	Particulars	Unit	Present	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
7	First visit Charges (Only for new connection or additional supply request)	Rs/Visit	135	142	149	156	164	172
8	Charges for Additional copies of test reports (Rs./page)	Rs/Page	1	1	1	1	1	1
9	Photocopying of Regulatory Orders (Rs./Page)	Rs/Page	1	1	1	1	1	1
10	Duplicate copy of each monthly (Rs./Bill)	Rs/Bill	2	2	2	2	2	3
11	Statement of Accounts (Rs./Page)	Rs/Page	3	3	3	3	4	4
12	Charges for Dishonored Cheques (irrespective of cheque amounts) - for first instance	irrespective of cheque amounts) - for first/Instance	300	315	330	347	364	382
13	Charges for Dishonored Cheques (irrespective of cheque amounts) - for 2nd and subsequent instance	irrespective of cheque amounts) - for 2nd and subsequent/Instance	900	944	991	1040	1091	1145
E	Schedule of Charges related to Open Access							
1	Open Access Processing fee per application	Rs/Application	3,750	3935	4129	4332	4546	4770
2	Open Access Operating Charges per month	Rs/Month	3,750	3935	4129	4332	4546	4770

Commission's Analysis and Ruling

- 7.1.4 The Petitioner has sought approval for revision of certain components of “Schedule of Charges” (SoC) for the various services provided to the consumers. These charges are reflective of normative cost of providing such services to consumers. Difference between actual cost and normative cost is recovered through ARR.
- 7.1.5 The Petitioner is one of the Distribution Licensee in Mumbai. Considering parallel Distribution Licensees operating in Mumbai, in order to have ease of comparing various charges for consumers, the Commission in the past has kept the Schedule of Charges same for these parallel Distribution Licensees in Mumbai.
- 7.1.6 The Commission has revised the Schedule of Charges for AEML-D and TPC-D (parallel Distribution Licensees in Mumbai) in their respective MTR Orders. The Commission has considered these approved charges as base for considering revision in Schedule of Charges proposed in present Petition. The Commission finds it appropriate to increase the charges approved in MTR Order in line with the CPI and WPI. The Commission has considered the escalation factor with respect to CPI-IW at 6.78% and WPI at 2.32%, which is the actual growth in CPI-IW and WPI from April, 2023 to September, 2024.
- 7.1.7 The Commission while approving the Schedule of Charges have also considered the Cost of Smart Meter as proposed by BEST Undertaking (one of the parallel Distribution Licensee in Mumbai).
- 7.1.8 The Commission has amended DOA Regulations and allowed Green Open Access for consumer even below earlier threshold limit of 1000 kVA. Accordingly, considering the fact that such consumers availing Green Open Access will have lower consumption and imposing processing fees and operating charges as applicable for consumers opting for open access will increase per unit cost and make open access unviable. Accordingly, to promote Green Open Access, the Commission has decided to levy 50% of the approved processing fees and operating charges for consumer having Contract Demand /Sanctioned load of less than 1000 kVA opting for Green Open Access.
- 7.1.9 The Schedule of Charges approved by the Commission shall be same for all the Distribution Licensees operating in Mumbai in order to ensure level playing field and ease of comparison for consumers.
- 7.1.10 Accordingly, the Commission has approved the Schedule of Charges as provided in the Table below:

Table 7-4: Schedule of Charges as approved by the Commission

Sr. No.	Particulars	Existing	Approved in this Order	Remarks
A	Application processing for New connections/ Reduction or addition of Load/Shifting of service/ Extension of service / Change of Tariff Category / Temporary Connection			
	a) Single-phase	85	90	Increase in line with CPI
	b) Three-phase	135	145	Increase in line with CPI
	c) HT supply	350	375	Increase in line with CPI
B	Change of Name			
	a) Single-phase	85	90	Increase in line with CPI
	b) Three-phase	85	90	Increase in line with CPI
	c) HT supply	275	295	Increase in line with CPI
C	Service Connection Charges			
1	L.T. Supply			
	Single Phase			
	For loads up to 5 kW	2,400	2,450	Increase in line with WPI
	For loads above 5 kW and up to 10 kW	2,400	2,450	Increase in line with WPI
	Three Phase			
	Motive power up to 27 HP or other loads up to 20 kW	3,650	3,750	Increase in line with WPI
	Motive power > 27 HP but <= 67 HP or other loads >20 kW but <= 50 kW	7,900	8,100	Increase in line with WPI
	Motive power > 67 HP but <= 134 HP or other loads >50 kW but <= 100 kW	14,500	14,850	Increase in line with WPI
	Motive power >134 HP but <= 201 HP or other loads >100 kW but <=160 kW	14,500	14,850	Increase in line with WPI
	Above 160 kW	3,00,000	3,06,950	Increase in line with WPI
	Alternate Fire Fighting Connection (Single phase or three phase)	At actual	At actual	In Line with Supply Code Regulations, 2021
	Provision for Dedicated Distribution Facility to LT consumer	At actual	At actual	In line with Order dated 12 June 2017 in Case No. 182 of 2014
2	H.T. Supply			
	If line extended from existing network			
	For loads upto 500 kVA	4,25,000	4,35,000	Increase in line with WPI
	For loads above 500 kVA	4,90,000	5,01,500	Increase in line with WPI
	Provision for Dedicated Distribution Facility to HT consumer	At actual	At actual	Kept at same level
3	Temporary Connection (LT or HT)	At actual	At actual	Kept at same level
4	Extension of Load: (a) Charges will be applicable on the incremental load, in case no upgradation of network is required (b) If upgradation is required, charges will be applicable on total load (existing load + incremental demanded)	As proposed in Sr. No.1,2, 3 above	As proposed in Sr. No.1,2,3 above	Increase in line with WPI

Sr. No.	Particulars	Existing	Approved in this Order	Remarks
5	Supervision Charges in case work is carried out by Licensed Electrical Contractor (LEC)			
	For providing HT supply	18,750	20,000	Increase in line with CPI
	For providing LT supply to three phase Industrial/Commercial Consumers only	7,500	8,000	Increase in line with CPI
D	Miscellaneous and General Charges			
1	Re-connection Charges			
	a) Re-installation of fuse cut-out	180	200	Increase in line with CPI
	b) Re-installation of meter	550	600	Increase in line with CPI
	c) HT Supply	900	950	Increase in line with CPI
	d) Re-connection of Service Cable	1,400	1,500	Increase in line with CPI
2	Shifting of Meter, if carried out only on consumer's request			
	Single-Phase	180	200	Increase in line with CPI
	Three-Phase	350	350	Increase in line with CPI
3	Shifting of services, if carried out only on consumer's request			
	Single-Phase	At Actual	At Actual	Kept at same level
	Three-Phase	At Actual	At Actual	Kept at same level
4	Meter Testing on site on Consumer's request			
	Single-Phase	180	190	Increase in line with CPI
	Three-Phase	630	675	Increase in line with CPI
5	Meter Testing at Laboratory			
	Single-Phase	350	375	Increase in line with CPI
	Three-Phase	900	960	Increase in line with CPI
	HT Meter	1,800	1,920	Increase in line with CPI
	Meter testing at Government approved laboratory	At Actual	At Actual	Kept at same level
6	Cost of Meter (applicable when consumer opts to purchase the meter from AEML-D & in case of Lost or Burnt meter)			
	Single-Phase meter	3,500	3,500	Kept at same level
	Three Phase whole current meter	4,700	4,700	Kept at same level
	Three Phase CT operated meter	10,500	10,500	Kept at same level
	HT TOD meter	7,750	7,750	Kept at same level
	ABT compliant meter	At actual	At actual	Kept at same level
	Smart Meter			
	Single Phase Smart Meter		4,750	As proposed by BEST
	Three Phase Whole Current Smart Meter		7,300	As proposed by BEST
	Three Phase CT Operated Smart Meter		11,700	As proposed by BEST
	HT AMR Meter with Communication facility		18,900	As proposed by BEST

Sr. No.	Particulars	Existing	Approved in this Order	Remarks
7	First visit Charges (Only for new connection or additional supply request)	135	145	Increase in line with CPI
8	Charges for Additional copies of test reports (Rs./page)	1	1	Increase in line with CPI
9	Photocopying of Regulatory Orders (Rs./Page)	1	1	Increase in line with CPI
10	Duplicate copy of each monthly (Rs./Bill)	2	2	Increase in line with CPI
11	Statement of Accounts (Rs./Page)	3	3	Increase in line with CPI
12	Charges for Dishonoured Cheques (irrespective of cheque amounts) - for first instance	300	320	Increase in line with CPI
13	Charges for Dishonoured Cheques (irrespective of cheque amounts) - for 2nd and subsequent instance	900	950	Increase in line with CPI
D	Schedule of Charges related to Open Access			Increase in line with CPI
1	Open Access Processing fee per application	3,750	4,000	Increase in line with CPI
		-	2,000	For Consumers having CD of less than 1000 kVA and opting for Green Open Access
2	Open Access Operating Charges per month	3,750	4,000	Increase in line with CPI
		-	2,000	For Consumers having CD of less than 1000 kVA and opting for Green Open Access

8 DIRECTIVES IN THIS ORDER

8.1 SUMMARY OF DIRECTIVES

- 8.1.1 The Commission directs the Petitioner to submit its third-party energy audit report to assess the reduction of Distribution Losses at the time of the filing of the MTR petition.
- 8.1.2 The Commission directs TPC-D to install appropriate meter at incomer meter for energy accounting to provide netting off facility. Such netting of electricity shall be done on monthly basis and in case of surplus after adjusting for energy drawl for the month, such surplus energy be purchased by the Discom at generic tariff approved for purchase of surplus energy from rooftop PV installation.
- 8.1.3 The Commission directs TPC-D to submit the detailed justification for the negative Distribution Loss in the next Tariff Petition with reconciliation. Moreover, no computation of sharing of gains/losses has been done for TPC-D in line with past practice, given the low loss levels and lower level of sales on own wires of TPC-D.
- 8.1.4 TPC-D is directed to reconcile the Power Purchase quantum with the energy input at G<>T and T<>D interface with the SLDC certificate for FY 2023-24 and submit for approval to the Commission in the next MTR Petition
- 8.1.5 The Commission directs TPC-D to complete all such delayed schemes approved between FY 2016-17 to FY 2019-20 by the end of FY 2025-26 and submit its project completion report at the time of filing MTR Petition. No capitalisation of such schemes would be allowed post the completion of FY 2025-26. Further, TPC-D may also close the said scheme and seek for revised approach from the Commission.
- 8.1.6 The Commission directs that as per Resource Adequacy Plan Regulations, during the annual rolling plan exercise, the Petitioner should clarify the significant variation in forecasts for each consumer category with reasons and adopt corrective measures in its forecasting approach.
- 8.1.7 TPC-D is directed to use the methodology and assessment of its demand/sales forecasts as per the MERC RA Regulations and undertake scenario analysis (business as usual, aggressive and most probable scenario), while submitting its RA plan for next year. TPC-D should also factor in adjustment in sales forecasts on account of EV, adoption of solar rooftop PV and other energy efficiency measure etc.
- 8.1.8 In pursuance of foregoing and also in accordance with the provisions under MERC RA Regulations, 2024, the Commission hereby directs the Petitioner to submit the Annual RA Rolling Plan during each year of the Control Period strictly in accordance with the provisions outlined under MERC RA Regulations and CEA Guidelines for Resource Adequacy in the matter. The Petitioner shall also factor in the guidelines, CC factors, reliability indices (LOLP, NENS) and PRM as may be stipulated by CEA from time to time. Petitioner should provide detailed model assumptions and computations to STU/SLDC in timely manner to enable them undertake state level assessment of RA compliance as well as reserve planning for at the state level.
- 8.1.9 The Commission directs TPC-D to approach the Commission within three months of issuance of this Order and submit the list of energy efficient schemes that are proposed to be undertaken in the next Control Period. Further, TPC-D is directed to conduct the

study for assessment of self-consumption and submit the findings of such study. The Commission has considered FY 2024-25 as base year for self-consumption. During the Control Period, TPC-D shall reduce its self-consumption by 0.5% each year, which translates to 2.5% over the control period

- 8.1.10 The Commission, has considered the rate of Rs. 2.65/kWh from January 2028 to March 2030, for the PPA to be expired, however, directs TPC-D to accord approval from the Commission in line with MYT Regulations 2024 for entering the PPA for extended term.
- 8.1.11 The Commission directs TPC-D to procure such power as may be required considering the demand supply requirement and MoD principle so as to optimise the power purchase cost.
- 8.1.12 The Commission directs TPC-D to timely initiate the process of competitive bidding for procurement of FDRE power so that said power is available from FY 2027-28 onwards as projected by TPC-D
- 8.1.13 The Commission directs TPC-D to timely initiate the process of competitive bidding for procurement of power from PSP so that said power is available from FY 2029-30 onwards as projected by TPC-D.
- 8.1.14 The Commission directs that Distribution Licensee shall complete the activity of meter reconfiguration to new ToD slabs as determined in this Order within 3 months of the date of Order.
- 8.1.15 Further, the Commission directs TPC-D to provide the information related to number of consumers, contract demand and sales of LT Public Services and LT EV charging Station category of consumers with segregation of load below 20 kW and above 20 kW in next MTR Petition.
- 8.1.16 As per the MYT framework prescribed in the MYT Regulation, 2024, the distribution licensees are subject to process of Mid-Term Review which is due on 30 November 2027. Further, as per Regulation 16.3 of MYT Regulations Licensee need to submit periodic returns containing operational and cost data to enable monitoring implementation of the Order. In the present MYT Order, the Commission has operationalized several important provisions related ToD Tariffs, implementation of kVAh billing for LT consumers with load above 20 kW. It is important to ascertain the impact and operational benefits of same and undertake suitable regulatory measures earlier than mid-term review, if necessary. Further, as per RA Regulations, distribution licensees are required to submit Annual RA rolling plans by September 2025, by which time the impact of new measures under this Order as well as Audited Annual Accounts for previous year would be available. Hence, the Commission directs TPC-D to submit report on compliance of directions and operational performance for review by 30 November of each year of the control period. The Commission shall scrutinize such submissions and pass necessary directions for improvement in performance, as necessary.

9 APPLICABILITY

9.1 APPLICABILITY OF TARIFF

- 9.1.1 The Tariffs determined in this Order shall be applicable from 1 April, 2025. Where the billing cycle of a consumer is different with respect to the date of applicability of the revised Tariffs, they should be made applicable for the consumption on a pro rata basis. The bills for the respective periods as per the existing and revised Tariffs shall be calculated based on the pro-rata consumption (units consumed during the respective periods, computed on the basis of average unit consumption per day multiplied by the number of days in the respective periods covered in the billing cycle).

9.2 APPLICABILITY OF ORDER

- 9.2.1 This Multi Year Tariff Order for 5th MYT Control Period from FY 2025-26 to FY 2029-30 shall come into force from 1 April, 2025.

The Petition of The Tata Power Company Limited – Distribution Business (TPC-D) in Case No. 210 of 2024 stands disposed of accordingly.

Sd/-


(Surendra J. Biyani)
Member

Sd/-

(Anand M. Limaye)
Member

Sd/-

(Sanjay Kumar)
Chairperson


(Dr. Rajendra G. Ambekar)
Secretary



Annexure 1: Revenue with Revised Tariffs for FY 2025-26

Consumer Categories	Consumers			Components of tariff							Contract Demand			Sales			Full year revenue excluding Government subsidy (Rs. Crore)																Average Billing Rate
	Direct	CO	Total	Fixed Charges	Demand Charges	Wheeling Charge	Wheeling Charge	Energy Charges	Energy Charges	CSS	Direct	CO	Total	Direct	CO	Total	Revenue from Fixed / Demand Charges	Revenue from Fixed / Demand Charges	Revenue from Energy Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from ToD Charges	PF Penalty/ Rebate	PF Penalty/ Rebate	LFI Incentive	Revenue from Wheeling charge	Revenue from Green Power Tariff	Revenue from Green Power Tariff	Total Revenue	Total Revenue	Total Revenue		
																	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	Direct	Direct	CO	Direct	CO			
	Nos	Nos	Nos	Rs/Conne ction /month	Rs/kVA/M onth	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh	Rs./kWh	MVA	MVA	MVA	MU	MU	MU	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs./kWh	
HT Category																																	
EHV - Industry	3	0	3		400	-	-	6.25	6.11	0.37	131.00	-	131	840.75	-	840.75	47.16		525.47	-	-30.68	-	-	-	-	0.00			541.94	0.00	541.94	6.45	
HT I - Industry	130	1	131		400	0.80	0.78	6.25	6.11	0.00	310.00	0.01	310	1,062.71	-	1,062.71	111.60		664.20	-	-40.27	-	-	-	-48.26	84.87	2.68		774.81	0.00	774.81	7.29	
EHV- Commercial	1	0	1		300	-	-	6.30	6.23	0.63	30.00	-	30	99.23	-	99.23	8.10		62.51	-	-4.17	-	-	-	-	0.00			66.44	0.00	66.44	6.70	
HT II - Commercial	160	1	161		300	0.80	0.79	6.30	6.23	0.11	160.00	0.27	160	407.72	0.25	407.97	43.20	0.07	256.86	0.16	-16.25	-0.01	-	-	-0.10	32.56	1.63		317.91	0.22	318.13	7.80	
HT III - Group Housing Society (Residential)	20	0	20		400	0.80	0.78	5.45	5.35	0.00	14.00	-	14	44.67	-	44.67	5.04		24.35	-	-	-	-	-	-	3.57	0.06		33.01	0.00	33.01	7.39	
HT IV- HT - Mono/Metro/Railways	16	0	16								55.00	-	55.00	155.95	-	155.95	9.90	-	92.01	-	-	-	-	-	-	9.06	-	-	110.97	-	110.97		
HT IV - Railways (22/33 KV)	13	0	13		200	0.80	0.73	5.90	5.43	0.00	42.00	-	42	113.48	-	113.48	7.56		66.95	-	-	-	-	-	-	9.06			83.57	0.00	83.57	7.36	
EHV IV - Railways (Metro & Monorail)	3	0	3		200	-	-	5.90	5.43	0.38	13.00	-	13	42.47	-	42.47	2.34		25.06	-	-	-	-	-	-	0.00			27.40	0.00	27.40	6.45	
HT V - Public Services	49	0	49								48.00	-	48.00	117.18	-	117.18	17.28	-	76.99	-	-4.91	-	-	-	-2.19	9.36	-	-	96.53	-	96.53		
EHV - Public Services	1	0	1		400	-	-	6.57	6.16	0.61	8.00	-	8	61.37	-	61.37	2.88		40.32	-	-2.35	-	-	-	-	0.00	0.15		41.01	0.00	41.01	6.68	
HT VI - EV Charging Stations	2	0	2		0	0.80	0.78	7.61	7.46	0.00	9.00	-	9	15.01	-	15.01	-		11.42	-	-0.76	-	-	-	-0.58	1.20			11.29	0.00	11.29	7.52	
HT subtotal	381	2	383								765.00	0.28	765.28	2,804.59	0.25	2,804.84	245.16	0.07	1,754.13	0.16	-99.39	-0.01	-	-	-51.13	140.62	4.52	-	1,993.91	0.22	1,994.13	7.11	
LT Category																																	
LT I (A) - Residential (BPL)																																	
LT I (B) - Residential	227721	518751	746472								-	-	-	860.04	1,486.94	2,346.98	54.40	96.92	617.23	768.84	-	-	-	-	-	237.47	0.29	0.51	909.39	866.27	1,775.66	7.57	
- S1 (0-100 units)	73026	85514	158540	90		2.76		2.00		0.00			0	219.62	567.13	786.75	13.05	10.73	43.92	113.43	-	-	-	-	-	60.64			117.61	124.16	241.77	3.07	
- S2 (101-300 units)	90779	294571	385350	135		2.76		5.20		0.00			0	259.70	622.38	882.07	17.33	49.01	135.04	323.64	-	-	-	-	-	71.71			224.08	372.64	596.73	6.77	
- S3 (> 301-500 Units)	36947	101941	138888	135		2.76		10.79		0.00			0	106.07	188.99	295.06	9.89	22.73	114.45	203.92	-	-	-	-	-	29.29			153.63	226.66	380.28	12.89	
- S4 (Above 500 units (balance units))	26969	36725	63694	160		2.76		11.79		0.00			0	274.65	108.44	383.10	14.12	14.45	323.82	127.85	-	-	-	-	-	75.84	0.29	0.51	414.07	142.81	556.88	14.54	
LT II - Commercial	32207	14238	46445								372.91	20.95	393.86	661.34	97.08	758.42	68.85	10.86	396.22	57.66	-17.33	-0.81	1.01	0.64	-	182.61	1.11	0.05	632.47	68.40	700.86	9.24	
(A) - Up to 20 kW	26588	13761	40349	475		2.76		5.92		0.00			0	140.78	72.90	213.68	15.16	7.84	83.34	43.15	1.46	0.08	-0.43	0.03	-	38.87	0.08	0.03	138.47	51.15	189.62	8.87	
(B) - > 20 kW & < 50kW	2852	327	3179		300	2.76	2.65	5.97	5.74	0.00	91.34	10.23	102	100.63	10.19	110.82	13.15	1.47	60.08	6.08	-3.88	-0.39	0.00	0.00	-	27.79	0.12	0.00	97.25	7.17	104.42	9.42	
(C) - > 50kW	2767	150	2917		300	2.76	2.65	6.02	5.79	0.00	281.57	10.72	292	419.93	14.00	433.93	40.55	1.54	252.80	8.43	-14.92	-0.50	1.44	0.61	-	115.95	0.92	0.01	396.74	10.08	406.82	9.38	
LT III (A) - Industry < 20 kW	1414	1233	2647	475	0	2.76		5.80		0.00			0	23.36	13.20	36.57	0.81	0.70	13.55	7.66	0.30	0.01	-0.13	0.00	-	6.45	0.01	0.01	20.99	8.38	29.37	8.03	
LT III (B) - Industry > 20kW	1095	138	1233		400	2.76	2.67	5.85		0.00	109.48	5.22	115	224.36	5.08	229.44	21.02	1.00	131.25	2.97	-7.96	-0.18	0.00	0.00	-	61.95	1.19	0.00	207.45	3.80	211.25	9.21	
LT IV - Public Services	593	166	759								-	-	-	41.21	3.66	44.87	0.34	0.09	23.99	2.13	(1.70)	(0.15)	(0.25)	(0.00)	-	11.38	-	-	33.75	2.07	35.82	7.98	
LT V - EV Charging Stations	824	7	831		0	2.76	2.65	5.65	5.42	0.00	12.76	0.11	13	10.61	0.07	10.68	-	-	5.99	0.04	-0.33	-0.00	-0.08	-0.00	-	2.93	0.08	0.00	8.60	0.03	8.63	8.09	
LT subtotal	263854	534533	798387								495.15	26.28	521.43	1,820.93	1,606.03	3,426.96	145.42	109.58	1,188.23	839.30	-27.02	-1.13	0.55	0.63	-	502.78	2.69	0.56	1,812.65	948.95	2,761.60	8.06	
Cash Discount																																	
Total	264235	534535	798770								1,260.15	26.56	1,286.71	4,625.52	1,606.27	6,231.80	390.58	109.65	2,942.36	839.45	-126.41	-1.14	0.55	0.63	-51.13	643.40	7.21	0.56	3,806.56	949.17	4709.24	7.56	

Annexure 2: Revenue with Revised Tariffs for FY 2026-27

Consumer Categories	Consumers			Components of tariff							Contract Demand			Sales			Full year revenue excluding Government subsidy (Rs. Crore)															Average Billing Rate
	Direct	CO	Total	Fixed Charges	Demand Charges	Wheeling Charge	Wheeling Charge	Energy Charges	Energy Charges	CSS	Direct	CO	Total	Direct	CO	Total	Revenue from Fixed / Demand Charges	Revenue from Fixed / Demand Charges	Revenue from Energy Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from ToD Charges	PF Penalty/ Rebate	PF Penalty/ Rebate	LFI Incentive	Revenue from Wheeling charge	Revenue from Green Power Tariff	Revenue from Green Power Tariff	Total Revenue	Total Revenue	Total Revenue	
																	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	Direct	Direct	CO	Direct	CO		
	Nos	Nos	Nos	Rs/Conne ction /month	Rs/kVA/M onth	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh	Rs./kWh	MVA	MVA	MVA	MU	MU	MU	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	
HT Category																																
EHV - Industry	3	0	3		400	-	-	5.80	5.67	0.23	138.00	-	138	899.37	-	899.37	49.68		521.63	-	-30.46	-	-	-	-	0.00			540.86	0.00	540.86	6.01
HT I - Industry	133	1	134		400	0.70	0.69	5.80	5.67	0.00	326.00	0.01	326	1,115.85	-	1115.85	117.36		647.19	-	-39.24	-	-	-	-50.68	78.13	2.81	755.58	0.00	755.58	6.77	
EHV - Commercial	1	0	1		300	-	-	5.95	5.89	0.64	32.00	-	32	99.23	-	99.23	8.64		59.04	-	-3.94	-	-	-	-	0.00		63.74	0.00	63.74	6.42	
HT II - Commercial	165	1	166		300	0.70	0.69	5.95	5.89	0.21	166.00	0.27	166	407.72	0.25	407.97	44.82	0.07	242.59	0.15	-15.35	-0.01	-	-	-0.10	28.55	1.63	302.14	0.21	302.36	7.41	
HT III - Group Housing Society (Residential)	21	0	21		400	0.70	0.69	5.00	4.91	0.00	15.00	-	15	49.14	-	49.14	5.40		24.57	-	-	-	-	-	-	3.44	0.06	33.47	0.00	33.47	6.81	
HT IV - HT - Mono/Metro/Railways	17	0	17								60.00	-	60.00	171.55	-	171.55	10.80	-	94.35	-	-	-	-	-	-	8.74	-	-	113.89	-	113.89	
HT IV - Railways (22/33 KV)	14	0	14		200	0.70	0.64	5.50	5.06	0.00	46.00	-	46	124.82	-	124.82	8.28		68.65	-	-	-	-	-	-	8.74		85.67	0.00	85.67	6.86	
EHV IV - Railways (Metro & Monorail)	3	0	3		200	-	-	5.50	5.06	0.26	14.00	-	14	46.72	-	46.72	2.52		25.70	-	-	-	-	-	-	0.00		28.22	0.00	28.22	6.04	
HT V - Public Services	47	0	47								48.00	-	48.00	120.70	-	120.70	17.28	-	73.62	-	-4.70	-	-	-	-2.26	8.45	-	-	92.40	-	92.40	
EHV - Public Services	1	0	1		400	-	-	6.10	5.72	0.45	8.00	-	8	61.99	-	61.99	2.88		37.81	-	-2.20	-	-	-	-	0.00	0.15	38.64	0.00	38.64	6.23	
HT VI - EV Charging Stations	2	0	2		0	0.70	0.69	7.05	6.90	0.00	9.00	-	9	15.46	-	15.46	-		10.89	-	-0.72	-	-	-	-0.59	1.08		10.66	0.00	10.66	6.90	
HT subtotal	389	2	391								802.00	0.28	802.28	2,940.99	0.25	2,941.24	256.86	0.07	1,711.71	0.15	-96.60	-0.01	-	-	-53.62	128.39	4.66	-	1,951.39	0.21	1,951.60	6.64
LT Category																																
LT I (A) - Residential (BPL)																																
LT I (B) - Residential	243902	517369	761271								-	-	-	981.40	1,492.89	2,474.29	58.23	96.95	617.77	691.66	-	-	-	-	-	235.70	0.33	0.52	912.03	789.13	1,701.16	6.88
- S1 (0-100 units)	78119	82093	160212	90		2.40		1.90		0.00			-	251.62	567.13	818.75	13.96	10.30	47.81	107.75	-	-	-	-	-	60.43		122.20	118.06	240.26	2.93	
- S2 (101-300 units)	96457	294571	391028	135		2.40		4.70		0.00			-	297.64	622.38	920.02	18.42	49.01	139.89	292.52	-	-	-	-	-	71.48		229.79	341.53	571.32	6.21	
- S3 (> 301-500 Units)	40824	103980	144804	135		2.40		9.24		0.00			-	124.35	192.77	317.12	10.93	23.19	114.90	178.12	-	-	-	-	-	29.86		155.69	201.31	357.00	11.26	
- S4 (Above 500 units (balance units))	28502	36725	65227	160		2.40		10.24		0.00			-	307.79	110.61	418.40	14.93	14.45	315.18	113.27	-	-	-	-	-	73.92	0.33	0.52	404.35	128.23	532.58	12.73
LT II - Commercial	35111	14238	49349								402.00	21.00	423.00	727.48	98.82	826.29	74.56	10.87	410.03	55.44	-17.81	-0.75	1.11	0.70	-	174.72	1.23	0.05	643.82	66.30	710.12	8.59
(A) - Upto 20 kW	29247	13761	43008	475		2.40		5.60		0.00			0	154.86	74.35	229.21	16.67	7.84	86.72	41.64	1.61	0.09	-0.48	0.03	-	37.19	0.08	0.04	141.80	49.64	191.44	8.35
(B) - > 20 kW & < 50kW	2974	327	3301		300	2.40	2.31	5.63	5.41	0.00	98.00	10.00	108	110.69	10.19	120.88	14.11	1.44	62.32	5.73	-4.03	-0.37	0.00	0.00	-	26.58	0.13	0.00	99.12	6.81	105.93	8.76
(C) - > 50kW	2890	150	3040		300	2.40	2.31	5.65	5.43	0.00	304.00	11.00	315	461.93	14.28	476.20	43.78	1.58	260.99	8.07	-15.40	-0.48	1.59	0.67	-	110.94	1.01	0.01	402.90	9.85	412.75	8.67
LT III (A) - Industry < 20 kW	1462	1233	2695	475	0	2.40		5.45		0.00			0	24.35	13.47	37.81	0.83	0.70	13.27	7.34	0.31	0.01	-0.14	0.00	-	5.85	0.01	0.01	20.14	8.06	28.20	7.46
LT III (B) - Industry > 20kW	1137	138	1275		400	2.40	2.32	5.50		0.00	114.00	5.00	119	232.91	5.13	238.04	21.89	0.96	128.10	2.82	-7.77	-0.17	0.00	0.00	-	55.94	1.23	0.00	199.39	3.61	203.00	8.53
LT IV - Public Services	611	166	777								-	-	-	45.04	3.70	48.73	0.35	0.09	25.00	2.05	-1.77	-0.15	(0.27)	(0.00)	-	10.82	-	-	34.11	2.00	36.11	7.41
LT V - EV Charging Stations	906	7	913		0	2.40	2.31	5.34	5.13	0.00	16.00	-	16	13.26	0.07	13.33	-	-	7.09	0.04	-0.38	-0.00	-0.10	-0.01	-	3.18	0.10	0.00	9.89	0.03	9.92	7.44
LT subtotal	283129	533151	816280								532.00	26.00	558.00	2,024.43	1,614.07	3,638.50	155.86	109.57	1,201.25	759.35	-27.43	-1.06	0.60	0.70	-	486.20	2.90	0.57	1,819.39	869.13	2,688.52	7.39
Cash Discount																													-37.04	-12.04	-49.08	
Total	283518	533153	816671								1,334.00	26.28	1,360.28	4,965.42	1,614.32	6,579.74	412.72	109.65	2,912.96	759.50	-124.03	-1.07	0.60	0.70	-53.62	614.59	7.56	0.57	3,770.78	869.34	4591.04	6.98

Annexure 3: Revenue with Revised Tariffs for FY 2027-28

Consumer Categories	Consumers			Components of tariff							Contract Demand			Sales			Full year revenue excluding Government subsidy (Rs. Crore)																	Average Billing Rate
	Direct	CO	Total	Fixed Charges	Demand Charges	Wheeling Charge	Wheeling Charge	Energy Charges	Energy Charges	CSS	Direct	CO	Total	Direct	CO	Total	Revenue from Fixed / Demand Charges	Revenue from Fixed / Demand Charges	Revenue from Energy Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from ToD Charges	PF Penalty/ Rebate	PF Penalty/ Rebate	LFI Incentive	Revenue from Wheeling charge	Revenue from Green Power Tariff	Revenue from Green Power Tariff	Total Revenue	Total Revenue	Total Revenue			
																	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	CO	CO			
	Nos	Nos	Nos	Rs/Connection /month	Rs/kVA/M onth	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh	Rs./kWh	MVA	MVA	MVA	MU	MU	MU	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs./kWh		
HT Category																																		
EHV - Industry	3	0	3		400	-	-	5.55	5.43	0.13	145.00	-	145	962.08	-	962.08	52.20		533.95	-	-31.18	-	-	-	-	0.00			554.98	0.00	554.98	5.77		
HT I - Industry	136	1	137		400	0.68	0.67	5.55	5.43	0.00	342.00	0.01	342	1,171.64	-	1171.64	123.12		650.26	-	-39.42	-	-	-	-53.21	80.09	2.95	763.79	0.00	763.79	6.52			
EHV- Commercial	1	0	1		300	-	-	5.85	5.79	0.74	34.00	-	34	99.23	-	99.23	9.18		58.05	-	-3.87	-	-	-	-	0.00		63.36	0.00	63.36	6.39			
HT II - Commercial	170	1	171		300	0.68	0.68	5.85	5.79	0.32	173.00	0.27	173	407.72	0.25	407.97	46.71	0.07	238.51	0.15	-15.09	-0.01	-	-	-0.10	27.87	1.63	299.54	0.21	299.75	7.35			
HT III - Group Housing Society (Residential)	22	0	22		400	0.68	0.67	4.90	4.81	0.00	16.00	-	16	54.05	-	54.05	5.76		26.49	-	-	-	-	-	-	3.69	0.07	36.01	0.00	36.01	6.66			
HT IV: HT - Mono/Metro/Railways	18	0	18								66.00	-	66.00	188.70	-	188.70	11.88	-	101.90	-	-	-	-	-	-	9.39	-	-	123.16	-	123.16			
HT IV - Railways (22/33 KV)	15	0	15		200	0.68	0.63	5.40	4.97	0.00	51.00	-	51	137.31	-	137.31	9.18		74.15	-	-	-	-	-	-	9.39		92.71	0.00	92.71	6.75			
EHV IV - Railways (Metro & Monorail)	3	0	3		200	-	-	5.40	4.97	0.28	15.00	-	15	51.39	-	51.39	2.70		27.75	-	-	-	-	-	-	0.00		30.45	0.00	30.45	5.93			
HT V - Public Services	45	0	45								48.00	-	48.00	124.32	-	124.32	17.28	-	72.73	-	-4.64	-	-	-	-2.32	8.50	-	-	91.54	-	91.54			
EHV - Public Services Others	1	0	1		400	-	-	5.85	5.49	0.35	8.00	-	8	62.61	-	62.61	2.88		36.62	-	-2.13	-	-	-	-	0.00	0.16	37.53	0.00	37.53	5.99			
HT VI - EV Charging Stations	2	0	2		0	0.68	0.67	7.13	6.99	0.00	9.00	-	9	15.92	-	15.92	-		11.35	-	-0.75	-	-	-	-0.61	1.09		11.08	0.00	11.08	6.96			
HT subtotal	397	2	399								841.00	0.28	841.28	3,086.26	0.25	3,086.51	269.01	0.07	1,729.86	0.15	-97.09	-0.01	-	-	-56.24	130.63	4.81	-	1,980.98	0.21	1,981.19	6.42		
LT Category																																		
LT I (A) - Residential (BPL)																																		
LT I (B) - Residential	261288	516165	777453								-	-	-	1,120.11	1,498.96	2,619.07	62.35	97.00	687.39	680.72	-	-	-	-	-	260.68	0.37	0.53	1,010.78	778.25	1,789.03	6.83		
- S1 (0-100 units)	83567	78809	162376	90		2.33		1.90		0.00			-	288.29	567.13	855.41	14.93	9.89	54.77	107.75	-	-	-	-	-	67.09		136.80	117.65	254.44	2.97			
- S2 (101-300 units)	102490	294571	397061	135		2.33		4.53		0.00			-	341.13	622.38	963.50	19.57	49.01	154.53	281.94	-	-	-	-	-	79.39		253.49	330.95	584.43	6.07			
- S3 (> 301-500 Units)	45108	106060	151168	135		2.33		9.04		0.00			-	145.77	196.63	342.40	12.07	23.65	131.78	177.75	-	-	-	-	-	33.92		177.78	201.40	379.18	11.07			
- S4 (Above 500 units (balance units))	30123	36725	66848	160		2.33		10.04		0.00			-	344.93	112.82	457.75	15.78	14.45	346.30	113.28	-	-	-	-	-	80.27	0.37	0.53	442.72	128.25	570.97	12.47		
LT II - Commercial	38291	14238	52529								433.00	21.00	454.00	800.23	100.59	900.82	80.69	10.87	453.82	56.53	-19.76	-0.76	1.22	0.77	-	186.23	1.35	0.05	703.54	67.45	771.00	8.56		
(A) - Upto 20 kW	32172	13761	45933	475		2.33		5.60		0.00			0	170.35	75.84	246.19	18.34	7.84	95.39	42.47	1.77	0.10	-0.53	0.04	-	39.64	0.09	0.04	154.71	50.49	205.20	8.34		
(B) - > 20 kW & < 50kW	3101	327	3428		300	2.33	2.24	5.65	5.43	0.00	105.00	10.00	115	121.76	10.19	131.95	15.12	1.44	68.80	5.76	-4.44	-0.37	0.00	0.00	-	28.34	0.14	0.00	107.95	6.83	114.78	8.70		
(C) - > 50kW	3018	150	3168		300	2.33	2.24	5.70	5.48	0.00	328.00	11.00	339	508.12	14.56	522.68	47.23	1.58	289.63	8.30	-17.09	-0.49	1.74	0.73	-	118.25	1.11	0.01	440.88	10.13	451.01	8.63		
LT III (A) - Industry < 20 kW	1512	1233	2745	475	0	2.33		5.40		0.00			0	25.37	13.73	39.11	0.86	0.70	13.70	7.42	0.33	0.01	-0.14	0.00	-	5.90	0.02	0.01	20.66	8.14	28.80	7.37		
LT III (B) - Industry > 20kW	1180	138	1318		400	2.33	2.25	5.45		0.00	118.00	5.00	123	241.78	5.18	246.96	22.66	0.96	131.77	2.82	-7.99	-0.17	0.00	0.00	-	56.27	1.28	0.00	203.98	3.62	207.60	8.41		
LT IV - Public Services	632	166	798								-	-	-	49.23	3.73	52.96	0.36	0.09	27.32	2.07	-1.94	-0.15	(0.30)	(0.00)	-	11.46	-	-	36.90	2.02	38.92	7.35		
LT V - EV Charging Stations	997	7	1004		0	2.33	2.23	5.49	5.27	0.00	20.00	-	20	16.58	0.08	16.65	-	-	9.09	0.04	-0.49	-0.00	-0.12	-0.01	-	3.86	0.12	0.00	12.46	0.03	12.50	7.51		
LT subtotal	303900	531947	835847								571.00	26.00	597.00	2,253.29	1,622.27	3,875.56	166.92	109.62	1,323.09	749.60	-29.86	-1.07	0.66	0.77	-	524.39	3.13	0.58	1,988.34	859.51	2,847.85	7.35		
Cash Discount																																		
Total	304297	531949	836246								1,412.00	26.28	1,438.28	5,339.56	1,622.52	6,962.07	435.93	109.70	3,052.96	749.74	-126.95	-1.08	0.66	0.77	-56.24	655.02	7.94	0.58	3,969.32	859.71	4777.11	6.86		

Annexure 4: Revenue with Revised Tariffs for FY 2028-29

Consumer Categories	Consumers			Components of tariff							Contract Demand			Sales			Full year revenue excluding Government subsidy (Rs. Crore)																	Average Billing Rate
	Direct	CO	Total	Fixed Charges	Demand Charges	Wheeling Charge	Wheeling Charge	Energy Charges	Energy Charges	CSS	Direct	CO	Total	Direct	CO	Total	Revenue from Fixed / Demand Charges	Revenue from Fixed / Demand Charges	Revenue from Energy Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from ToD Charges	PF Penalty/ Rebate	PF Penalty/ Rebate	LFI Incentive	Revenue from Wheeling charge	Revenue from Green Power Tariff	Revenue from Green Power Tariff	Total Revenue	Total Revenue	Total Revenue			
																	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	Direct	Direct	CO	Direct	CO				
	Nos	Nos	Nos	Rs/Conne ction /month	Rs/KVA/M onth	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh	Rs./kWh	MVA	MVA	MVA	MU	MU	MU	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs./kWh		
HT Category																																		
EHV - Industry	3	0	3		400	-	-	5.70	5.58	0.24	152.00	-	152	1,029.16	-	1029.16	54.72		586.62	-	-34.25	-	-	-	-	0.00			607.09	0.00	607.09	5.90		
HT I - Industry	139	1	140		400	0.66	0.65	5.70	5.58	0.00	359.00	0.01	359	1,230.22	-	1230.22	129.24		701.23	-	-42.51	-	-	-	-55.87	81.19	3.10	816.36	0.00	816.36	6.64			
EHV- Commercial	1	0	1		300	-	-	5.90	5.84	0.83	36.00	-	36	99.23	-	99.23	9.72		58.54	-	-3.90	-	-	-	-	0.00		64.36	0.00	64.36	6.49			
HT II - Commercial	175	1	176		300	0.66	0.65	5.90	5.84	0.42	180.00	0.27	180	407.72	0.25	407.97	48.60	0.07	240.55	0.15	-15.22	-0.01	-	-	-0.10	26.91	1.63	302.37	0.21	302.58	7.42			
HT III - Group Housing Society (Residential)	23	0	23		400	0.66	0.65	5.05	4.96	0.00	17.00	-	17	59.46	-	59.46	6.12		30.03	-	-	-	-	-	-	3.92	0.07	40.14	0.00	40.14	6.75			
HT IV: HT - Mono/Metro/Railways	19	0	19								73.00	-	73.00	207.57	-	207.57	13.14	-	114.16	-	-	-	-	-	-	9.97	-	-	137.27	-	137.27			
HT IV - Railways (22/33 KV)	16	0	16		200	0.66	0.61	5.50	5.06	0.00	56.00	-	56	151.04	-	151.04	10.08		83.07	-	-	-	-	-	-	9.97		103.12	0.00	103.12	6.83			
EHV IV - Railways (Metro & Monorail)	3	0	3		200	-	-	5.50	5.06	0.39	17.00	-	17	56.53	-	56.53	3.06		31.09	-	-	-	-	-	-	0.00		34.15	0.00	34.15	6.04			
HT V - Public Services	43	0	43								48.00	-	48.00	128.05	-	128.05	17.28	-	76.83	-	-4.90	-	-	-	-2.39	8.45	-	-	95.26	-	95.26			
EHV - Public Services Others	1	0	1		400	-	-	6.00	5.63	0.47	8.00	-	8	63.23	-	63.23	2.88		37.94	-	-2.21	-	-	-	-	0.00	0.16	38.77	0.00	38.77	6.13			
HT VI - EV Charging Stations	2	0	2		0	0.66	0.65	7.38	7.23	0.18	9.00	-	9	16.40	-	16.40	-		12.11	-	-0.80	-	-	-	-0.63	1.08		11.76	0.00	11.76	7.17			
HT subtotal	405	2	407								882.00	0.28	882.28	3,241.03	0.25	3,241.28	281.70	0.07	1,858.01	0.15	-103.80	-0.01	-	-	-58.99	131.51	4.96	-	2,113.39	0.21	2,113.60	6.52		
LT Category																																		
LT I (A) - Residential (BPL)																																		
LT I (B) - Residential	279972	515134	795106								-	-	-	1,278.69	1,505.14	2,783.83	66.78	97.08	794.37	694.10	-	-	-	-	-	285.48	0.41	0.54	1,147.03	791.71	1,938.75	6.96		
- S1 (0-100 units)	89395	75657	165052	90		2.23		1.90	0.00				-	330.29	567.13	897.42	15.97	9.50	62.76	107.75	-	-	-	-	-	73.74		152.47	117.25	269.72	3.01			
- S2 (101-300 units)	108900	294571	403471	135		2.23		4.55	0.00				-	390.96	622.38	1013.34	20.79	49.01	177.89	283.18	-	-	-	-	-	87.29		285.97	332.19	618.16	6.10			
- S3 (> 301-500 Units)	49841	108181	158022	135		2.23		9.24	0.00				-	170.89	200.56	371.45	13.34	24.12	157.90	185.32	-	-	-	-	-	38.15		209.40	209.44	418.84	11.28			
- S4 (Above 500 units (balance units))	31836	36725	68561	160		2.23		10.24	0.00				-	386.54	115.08	501.62	16.67	14.45	395.82	117.84	-	-	-	-	-	86.30	0.41	0.54	499.20	132.83	632.03	12.60		
LT II - Commercial	41774	14238	56012								467.00	21.00	488.00	880.25	102.40	982.65	87.42	10.87	508.00	58.57	-22.15	-0.78	1.34	0.85	-	196.52	1.48	0.05	772.61	69.55	842.17	8.57		
(A) - Upto 20 kW	35389	13761	49150	475		2.23		5.70	0.00				0	187.38	77.36	264.74	20.17	7.84	106.81	44.09	1.95	0.11	-0.58	0.04	-	41.83	0.10	0.04	170.28	52.13	222.41	8.40		
(B) - > 20 kW & < 50kW	3233	327	3560		300	2.23	2.15	5.75	5.53	0.00	113.00	10.00	123	133.94	10.19	144.13	16.27	1.44	77.02	5.86	-4.97	-0.38	0.00	0.00	-	29.90	0.15	0.00	118.37	6.92	125.29	8.69		
(C) - > 50kW	3152	150	3302		300	2.23	2.15	5.80	5.57	0.00	354.00	11.00	365	558.93	14.85	573.78	50.98	1.58	324.18	8.61	-19.13	-0.51	1.92	0.81	-	124.78	1.23	0.01	483.96	10.50	494.46	8.62		
LT III (A) - Industry < 20 kW	1564	1233	2797	475	0	2.23		5.50	0.00				0	26.44	14.01	40.45	0.89	0.70	14.54	7.71	0.34	0.01	-0.15	0.00	-	5.90	0.02	0.01	21.54	8.43	29.97	7.41		
LT III (B) - Industry > 20kW	1225	138	1363		400	2.23	2.16	5.55	0.00	122.00	5.00	127	250.99	5.23	256.22	23.42	0.96	139.30	2.90	-8.45	-0.18	0.00	0.00	-	56.03	1.33	0.00	211.64	3.69	215.33	8.40			
LT IV - Public Services	654	166	820								-	-	-	53.83	3.77	57.60	-	-	30.41	2.13	-2.16	-0.15	(0.33)	(0.00)	-	12.02	-	-	39.95	1.98	41.92	7.28		
LT V - EV Charging Stations	1097	7	1104		0	2.23	2.14	5.81	5.58	0.00	25.00	-	25	20.72	0.08	20.80	-	-	12.04	0.05	-0.65	-0.00	-0.15	-0.01	-	4.63	0.16	0.00	16.01	0.04	16.05	7.72		
LT subtotal	326286	530916	857202								614.00	26.00	640.00	2,510.91	1,630.63	4,141.54	178.52	109.61	1,498.65	765.45	-33.07	-1.09	0.72	0.84	-	560.58	3.39	0.60	2,208.79	875.40	3,084.19	7.45		
Cash Discount																																		
Total	326691	530918	857609								1,496.00	26.28	1,522.28	5,751.95	1,630.88	7,382.83	460.22	109.68	3,356.66	765.59	-136.88	-1.10	0.72	0.84	-58.99	692.09	8.36	0.60	4,322.18	875.61	5142.72	6.97		

Annexure 5: Revenue with Revised Tariffs for FY 2029-30

Consumer Categories	Consumers			Components of tariff							Contract Demand			Sales			Full year revenue excluding Government subsidy (Rs. Crore)																	Average Billing Rate
	Direct	CO	Total	Fixed Charges	Demand Charges	Wheeling Charge	Wheeling Charge	Energy Charges	Energy Charges	CSS	Direct	CO	Total	Direct	CO	Total	Revenue from Fixed / Demand Charges	Revenue from Fixed / Demand Charges	Revenue from Energy Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from ToD Charges	PF Penalty/ Rebate	PF Penalty/ Rebate	LFI Incentive	Revenue from Wheeling charge	Revenue from Green Power Tariff	Revenue from Green Power Tariff	Total Revenue	Total Revenue	Total Revenue			
																	Direct	CO	Direct	CO	Direct	CO	Direct	CO	Direct	Direct	Direct	CO	Direct	CO				
	Nos	Nos	Nos	Rs/Connection /month	Rs/KVA/Month	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh	Rs./kWh	MVA	MVA	MVA	MU	MU	MU	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs Crore	Rs./kWh		
HT Category																																		
EHV - Industry	3	0	3		400	-	-	5.40	5.28	0.28	160.00	-	160	1,100.92	-	1100.92	57.60		594.50	-	-34.71	-	-	-	-	0.00			617.38	0.00	617.38	5.61		
HT I - Industry	142	1	143		400	0.63	0.62	5.40	5.28	0.00	377.00	0.01	377	1,291.73	-	1291.73	135.72		697.54	-	-42.29	-	-	-	-58.66	81.90	3.25	817.46	0.00	817.46	6.33			
EHV - Commercial	1	0	1		300	-	-	5.55	5.49	0.89	38.00	-	38	99.23	-	99.23	10.26		55.07	-	-3.67	-	-	-	-	0.00		61.66	0.00	61.66	6.21			
HT II - Commercial	180	1	181		300	0.63	0.63	5.55	5.49	0.50	187.00	0.27	187	407.72	0.25	407.97	50.49	0.07	226.28	0.14	-14.32	-0.01	-	-	-0.10	25.85	1.63	289.84	0.20	290.04	7.11			
HT III - Group Housing Society (Residential)	24	0	24		400	0.63	0.62	4.80	4.71	0.00	18.00	-	18	65.40	-	65.40	6.48		31.39	-	-	-	-	-	-	4.15	0.08	42.10	0.00	42.10	6.44			
HT IV: HT - Mono/Metro/Railways	20	0	20								81.00	-	81.00	228.33	-	228.33	14.58	-	117.59	-	-	-	-	-	-	10.53	-	-	142.70	-	142.70			
HT IV - Railways (22/33 KV)	17	0	17		200	0.63	0.58	5.15	4.74	0.00	62.00	-	62	166.14	-	166.14	11.16		85.56	-	-	-	-	-	-	10.53		107.26	0.00	107.26	6.46			
EHV IV - Railways (Metro & Monorail)	3	0	3		200	-	-	5.15	4.74	0.37	19.00	-	19	62.19	-	62.19	3.42		32.03	-	-	-	-	-	-	0.00		35.45	0.00	35.45	5.70			
HT V - Public Services	41	0	41								48.00	-	48.00	131.89	-	131.89	17.28	-	74.52	-	-4.75	-	-	-	-2.47	8.36	-	-	92.94	-	92.94			
EHV - Public Services	1	0	1		400	-	-	5.65	5.30	0.47	8.00	-	8	63.86	-	63.86	2.88		36.08	-	-2.10	-	-	-	-	0.00	0.16	37.02	0.00	37.02	5.80			
HT VI - EV Charging Stations	2	0	2		0	0.63	0.62	7.24	7.10	0.40	9.00	-	9	16.89	-	16.89	-		12.23	-	-0.81	-	-	-	-0.65	1.07		11.84	0.00	11.84	7.01			
HT subtotal	413	2	415								926.00	0.28	926.28	3,405.97	0.25	3,406.22	295.29	0.07	1,845.20	0.14	-102.66	-0.01	-	-	-61.88	131.87	5.13	-	2,112.95	0.20	2,113.15	6.20		
LT Category																																		
LT I (A) - Residential (BPL)																																		
LT I (B) - Residential	300058	514272	814330								-	-	-	1,460.02	1,511.46	2,971.48	71.54	97.18	843.06	640.54	-	-	-	-	-	311.69	0.46	0.55	1,226.75	738.27	1,965.02	6.61		
- S1 (0-100 units)	95630	72631	168261	90		2.13		1.90		0.00			-	378.42	567.13	945.55	17.09	9.12	71.90	107.75	-	-	-	-	-	80.79		169.77	116.87	286.65	3.03			
- S2 (101-300 units)	115711	294571	410282	135		2.13		3.83		0.00			-	448.09	622.38	1070.46	22.09	49.01	171.62	238.37	-	-	-	-	-	95.66		289.37	287.38	576.75	5.39			
- S3 (> 301-500 Units)	55071	110345	165416	135		2.13		8.78		0.00			-	200.34	204.57	404.91	14.74	24.61	175.90	179.62	-	-	-	-	-	42.77		233.40	204.22	437.63	10.81			
- S4 (Above 500 units (balance units))	33646	36725	70371	160		2.13		9.78		0.00			-	433.18	117.38	550.56	17.62	14.45	423.65	114.80	-	-	-	-	-	92.48	0.46	0.55	534.20	129.80	664.00	12.06		
LT II - Commercial	45591	14238	59829								503.00	21.00	524.00	968.27	104.24	1,072.51	94.62	10.87	529.75	56.49	-23.00	-0.73	1.47	0.93	-	206.71	1.63	0.05	811.19	67.62	878.81	8.19		
(A) - Upto 20 kW	38928	13761	52689	475		2.13		5.40		0.00			0	206.12	78.91	285.02	22.19	7.84	111.30	42.61	2.14	0.12	-0.64	0.05	-	44.00	0.11	0.04	179.11	50.66	229.77	8.06		
(B) - > 20 kW & < 50kW	3371	327	3698		300	2.13	2.05	5.45	5.24	0.00	121.00	10.00	131	147.33	10.19	157.52	17.42	1.44	80.30	5.55	-5.19	-0.36	0.00	0.00	-	31.45	0.17	0.00	124.16	6.64	130.80	8.30		
(C) - > 50kW	3292	150	3442		300	2.13	2.05	5.50	5.29	0.00	382.00	11.00	393	614.82	15.15	629.97	55.01	1.58	338.15	8.33	-19.95	-0.49	2.11	0.89	-	131.25	1.35	0.01	507.92	10.32	518.24	8.23		
LT III (A) - Industry < 20 kW	1617	1233	2850	475	3	2.13		5.20		0.00			0	27.55	14.29	41.84	0.92	0.70	14.33	7.43	0.35	0.01	-0.16	0.00	-	5.88	0.02	0.01	21.34	8.15	29.50	7.05		
LT III (B) - Industry > 20kW	1272	138	1410		400	2.13	2.06	5.25		0.00	127.00	5.00	132	260.55	5.28	265.83	24.38	0.96	136.79	2.77	-8.30	-0.17	0.00	0.00	-	55.62	1.38	0.00	209.88	3.57	213.45	8.03		
LT IV - Public Services	677	166	843								-	-	-	58.86	3.81	62.67	0.00	0.00	31.20	2.02	-2.21	-0.14	(0.36)	(0.00)	-	12.57	-	-	41.20	1.87	43.07	6.87		
LT V - EV Charging Stations	1207	7	1214		0	2.13	2.05	5.74	5.51	0.00	31.00	-	31	25.90	0.08	25.98	-	-	14.86	0.05	-0.81	-0.00	-0.19	-0.01	-	5.53	0.19	0.00	19.59	0.04	19.63	7.56		
LT subtotal	350422	530054	880476								661.00	26.00	687.00	2,801.16	1,639.16	4,440.32	191.47	109.71	1,569.99	709.30	-33.96	-1.03	0.78	0.92	-	597.99	3.68	0.61	2,329.96	819.52	3,149.48	7.09		
Cash Discount																																		
Total	350835	530056	880891								1,587.00	26.28	1,613.28	6,207.13	1,639.41	7,846.54	486.76	109.78	3,415.19	709.44	-136.62	-1.04	0.78	0.92	-61.88	729.86	8.81	0.61	4,442.91	819.72	5204.10	6.63		

Annexure 6: Tariff Schedule for 5th MYT Control Period – FY 2025-26 to FY 2029-30**THE TATA POWER COMPANY LIMITED – DISTRIBUTION BUSINESS
SCHEDULE OF ELECTRICITY TARIFFS
(With effect from 1 April, 2025)**

The Maharashtra Electricity Regulatory Commission, in exercise of the powers vested in it under Sections 61 and 62 of the Electricity Act, 2003 and all other powers enabling it in this behalf, has determined, by its Tariff Order dated 28 March, 2025 in Case No. 210 of 2024, the Tariff for supply of electricity by the Distribution Licensee, The Tata Power Company Limited – Distribution Business (TPC-D) to various classes of consumers as applicable from **1 April, 2025.**

General

1. These Tariffs will supersede all Tariffs so far in force.
2. The Tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.
3. The Tariffs are exclusive of the separate Electricity Duty, Tax on Sale of Electricity and other levies by the Government or other competent authorities, which will be payable by consumers over and above the Tariffs.
4. The Tariffs are applicable for supply at one point only.
5. The Distribution Licensee may measure the Maximum Demand for any period shorter than 30 minutes of maximum / 15 minutes use, subject to conformity with the Commission's Electricity Supply Code Regulations, 2021 where it considers that there are considerable load fluctuations in operation.
6. The Tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.
7. Unless specifically stated to the contrary, the figures of Energy Charge and Wheeling Charge are denominated in Rupees per unit (kWh or kVAh as case may be) for the energy consumed during the month.
8. The Wheeling Charges shall be levied on the EHT consumers depending on the outcome of the pending litigation in respect of levy of Wheeling Charges to EHV consumers and till the time outcome, the EHV wheeling charges to be considered NIL.
9. Fuel Adjustment Charge (FAC) computed in accordance with provisions of MYT Regulations, 2024 and Commission's directions in this regard from time to time shall be applicable to all categories of consumers, and will be charged over and above the base tariff.

LOW TENSION (LT) TARIFF**LT I (A): LT – Residential (BPL)****Applicability:**

This Below Poverty Line (BPL) Tariff category is applicable to Residential consumers who have a Sanctioned Load upto 0.25 kW and who have consumed upto 360 units per annum in the previous financial year. The eligibility of such consumers will be reassessed at the end of each financial year. If more than 360 units have been consumed in the previous financial year, the LT I (B) - Residential Tariff shall thereafter be applicable, and such consumer cannot revert thereafter to the BPL category irrespective of his future consumption level.

The categorisation of BPL consumers will be reassessed at the end of the financial year on a pro-rata basis if there has been consumption for only a part of the year. The categorisation of BPL consumers who have been added during the previous year would be assessed on a pro rata basis, i.e., 30 units per month.

This BPL category will also be applicable to all new consumers subsequently added in any month with a Sanctioned Load of upto 0.25 kW and consumption between 1 to 30 units (on pro rata basis of 1 unit/day) in the first billing month.

The BPL Tariff is applicable only to individuals and not to institutions.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kWh)	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
BPL Category	12	2.00	2.76

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kWh)	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
BPL Category	12	1.90	2.40

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kWh)	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
BPL Category	12	1.90	2.33

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kWh)	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
BPL Category	12	1.90	2.23

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kWh)	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
BPL Category	12	1.90	2.13

ToD Slabs	Period	Duration (hours)	ToD for BPL Residential Consumers				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
-	00:00 hrs to 06:00 hrs	6	0%	0%	0%	0%	0%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	- Rs. 0.50/kWh (Rebate)	- Rs. 0.55/kWh (Rebate)	- Rs. 0.60/kWh (Rebate)	- Rs. 0.65/kWh (Rebate)	- Rs. 0.70/kWh (Rebate)
Peak Hours	17:00 hrs to 24:00 hrs	7	0%	0%	0%	0%	0%

Note:

- a) ToD Rebate applicable to LT I category subject to installation of Smart Meters

LT I (B): LT – Residential**Applicability:**

This Tariff category is applicable for electricity used at Low/Medium Voltage for operating various appliances used for purposes such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/leisure, water pumping in the following premises:

- Private residential premises, Government / semi-Government residential quarters; Private Corporate bodies staff quarters / Hostels / Rest Houses;
- Premises used exclusively for worship, such as temples, gurudwaras, churches, mosques, etc.; provided that halls, gardens or any other part of such premises that may be let out for a consideration or used for commercial activities would be charged at the applicable LT-II Tariff, unless specified in other category;

- c) Government / Private / Co-operative Housing Societies / Colonies / Complexes (where electricity is used exclusively for domestic purposes) only for common facilities such as Water Pumping / Street and other common area Lighting / Lifts /Parking Lots/ Fire-fighting Pumps and other equipment, etc.;
- d) Sports Clubs or facilities / Health Clubs or facilities / Gymnasium / Swimming Pool / Community Hall of Government / Private / Co-operative Housing Colonies / complexes - provided that they are situated in the same premises, and are for the exclusive use of the members and employees of such Housing Colonies/complexes;
- e) Telephone booths owned/operated by Persons with Disabilities/Handicapped persons;
- f) Residential premises used by professionals like Teachers, Lawyers, Doctors, Engineers, Chartered Accountants, etc., in furtherance of their professional activities, but not including Nursing Homes and Surgical Wards or Hospitals;
- g) Single-phase household Flour Mills (Ghar-ghanti) used only for captive purposes;
- h) A residential LT consumer with consumption upto 500 units per month (current month of supply) who undertakes construction or renovation activity in his existing premises: such consumer shall not require a separate temporary connection, and would be billed at this Residential Tariff rate;
- i) Home-stay facilities at tourist destinations and religious places.
- j) Consumers undertaking business or commercial / industrial / non-residential activities from a part of their residence, whose monthly consumption is upto 300 units a month and annual consumption in the previous financial year was upto 3600 units. The applicability of this Tariff to such consumers will be assessed at the end of each financial year. In case consumption has exceeded 3600 units in the previous financial year, the consumer will thereafter not be eligible for the Tariff under this category but be charged at the Tariff otherwise applicable for such consumption, with prior intimation to him.
- k) Entities supplied electricity at a single point at Low/Medium Voltage for residential purposes, in accordance with the Electricity (Removal of Difficulties) Eighth Order, 2005, in the following cases:
 - (i) a Co-operative Group Housing Society which owns the premises, for making electricity available to the members of such Society residing in the same premises for residential purposes; and
 - (ii) a person, for making electricity available to its employees residing in the same premises for residential purposes.
- l) Crematoriums and Burial Grounds for all purposes, including area lighting, Electric Kiln, Water Pumps, etc

- m) Temporary purposes for public religious functions / festivals like Ganesh Utsav, Navaratri, Eid, Moharrum, Ram Lila, Diwali, Christmas, Guru Nanak Jayanti, Gopalkala Utsav, Dashera etc., and for areas where community prayers are held; and for functions to commemorate anniversaries of personalities and National or State events for which Public Holidays have been declared, such as Gandhi Jayanti, Ambedkar Jayanti, Chhatrapati Shivaji Maharaj Jayanti, Republic Day, Independence Day, Maharashtra Day, etc.:

Provided that such temporary connection shall be subjected to 1.5 times of Fixed Charges.

Note:

This Tariff category shall also be applicable to consumers who are supplied power at High Voltage for any of the purposes above other than (i) to (j) above.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kWh)	Fixed Charge / Demand Charge ^{\$\$}	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
0-100 units	90	2.00	2.76
100-300 units	135	5.20	2.76
301-500 units	135	10.79	2.76
Above 500 units	160	11.79	2.76

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kWh)	Fixed Charge / Demand Charge ^{\$\$}	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
0-100 units	90	1.90	2.40
100-300 units	135	4.70	2.40
301-500 units	135	9.24	2.40
Above 500 units	160	10.24	2.40

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kWh)	Fixed Charge / Demand Charge ^{\$\$}	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
0-100 units	90	1.90	2.33
100-300 units	135	4.53	2.33
301-500 units	135	9.04	2.33
Above 500 units	160	10.04	2.33

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kWh)	Fixed Charge / Demand Charge ^{\$\$}	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
0-100 units	90	1.90	2.33
100-300 units	135	4.55	2.33
301-500 units	135	9.24	2.33
Above 500 units	160	10.24	2.33

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kWh)	Fixed Charge / Demand Charge ^{\$\$}	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)
0-100 units	90	1.90	2.13
100-300 units	135	3.83	2.13
301-500 units	135	8.78	2.13
Above 500 units	160	9.78	2.13

ToD Slabs	Period	Duration (hours)	ToD for Residential Consumers				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
-	00:00 hrs to 06:00 hrs	6	0%	0%	0%	0%	0%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	- Rs. 0.50/kWh (Rebate)	- Rs. 0.55/kWh (Rebate)	- Rs. 0.60/kWh (Rebate)	- Rs. 0.65/kWh (Rebate)	- Rs. 0.70/kWh (Rebate)
Peak Hours	17:00 hrs to 24:00 hrs	7	0%	0%	0%	0%	0%

Note:

- ^{\$\$}: The above Fixed Charges are for single-phase connections. A Fixed Charge of Rs. 160 per month will be levied on Residential consumers availing 3-phase supply. An Additional Fixed Charge of Rs.250 per 10 kW load or part thereof above 10 kW load.
- Professionals like Teachers, Lawyers, Doctors, Professional Engineers, Chartered Accountants, etc., occupying premises exclusively for conducting their profession, shall not be eligible for this Tariff, and will be charged at the Tariff applicable to the respective categories.
- ToD Rebate applicable to LT I category subject to installation of Smart Meters

LT II: LT – Non-Residential or Commercial**A. 0 – 20 KW****Applicability:**

This Tariff category is applicable for electricity used at Low/Medium voltage in non-residential, non-industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- a) Non-Residential, Commercial and Business premises, including Shopping Malls and Showrooms, Exhibition Centres;
- b) Warehouse / Godowns
- c) Combined lighting and power supply for facilities relating to Entertainment, including film studios, cinemas and theatres (including multiplexes), Hospitality, Leisure, Meeting/Town Halls, and places of Recreation and Public Entertainment;
- d) Offices, including Commercial Establishments;
- e) Marriage Halls, Restaurants / Canteens / Cafeterias, Ice-cream parlours, Coffee / Tea Shops, Guest Houses, Internet / Cyber Cafes, Telephone Booths not covered under the LT I category, and Fax / Photocopy shops;
- f) Automobile and all other types of repairs, servicing and maintenance centres (unless specifically covered under another Tariff category); Retail Gas Filling Stations, Petrol Pumps and Service Stations, including Garages;
- g) Toll Collection Plazas;
- h) Tailoring Shops, Computer Training Institutes, Private Training Centres, Typing Institutes, Photo Laboratories, Laundries, Beauty Parlours and Saloons, Mobile Shops;
- i) Banks and ATM centres, Telephone Exchanges, TV Stations, Microwave Stations, Radio Stations;
- j) Common facilities, like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting, etc., in Commercial Complexes;
- k) Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not covered under any other category;
- l) External illumination of monuments/ historical/ heritage buildings approved by Maharashtra Tourism Development Corporation (MTDC) or the concerned Local Authority;

- m) Construction of all types of structures/ infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines for all purposes;

Note:

Residential LT consumers with consumption above 500 units per month (current month of supply) and who undertake construction or renovation activity in their existing premises shall not require a separate Temporary category connection, and shall be billed at the LT-II Commercial Tariff rate;

- n) Milk Collection Centres, Standalone milk refrigeration, storage centres;
- o) Sewage Treatment Plants/ Common Effluent Treatment Plants for Commercial Complexes not covered under the LT – Public Services or LT – Industry categories;
- p) Advertisements, hoardings (including hoardings fixed on lamp posts/installed along roadsides), and other commercial illumination such as external flood-lights, displays, neon signs at departmental stores, malls, multiplexes, theatres, clubs, hotels and other such establishments
- q) Temporary supply for any of the activity not covered under Residential category:

Provided that Temporary supply consumer shall pay 1.5 times applicable Fixed/Demand Charges and applicable 1.25 times Energy Charges:

Provided further that temporary supply for operating Fire-Fighting pumps and equipment in residential or other premises shall be charged as per the Tariff category applicable to such premises.

B. 20kW and \leq 50 kW and (C) $>$ 50kW

Applicability:

As per the applicability described in LT II (A) and for the Sanctioned Load in the range applicable in this sub-category., i.e., LT II (B) and LT II (C)

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh/ kVAh)	Wheeling Charge (Rs./kWh/kVAh)
(A) 0-20 kW	Rs. 475 per month	5.92	2.76
(B) $>$ 20 kW and \leq 50 kW	Rs. 300 per kVA	5.74	2.65
(C) $>$ 50 kW	Rs. 300 per kVA	5.79	2.65

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh/ kVAh)	Wheeling Charge (Rs./kWh/kVAh)
(A) 0-20 kW	Rs. 475 per month	5.60	2.40
(B) >20 kW and \leq 50 kW	Rs. 300 per kVA	5.41	2.65
(C) > 50 kW	Rs. 300 per kVA	5.43	2.65

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh/ kVAh)	Wheeling Charge (Rs./kWh/kVAh)
(A) 0-20 kW	Rs. 475 per month	5.60	2.33
(B) >20 kW and \leq 50 kW	Rs. 300 per kVA	5.43	2.23
(C) > 50 kW	Rs. 300 per kVA	5.48	2.23

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh/ kVAh)	Wheeling Charge (Rs./kWh/kVAh)
(A) 0-20 kW	Rs. 475 per month	5.70	2.19
(B) >20 kW and \leq 50 kW	Rs. 300 per kVA	5.53	2.11
(C) > 50 kW	Rs. 300 per kVA	5.57	2.11

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh/ kVAh)	Wheeling Charge (Rs./kWh/kVAh)
(A) 0-20 kW	Rs. 475 per month	5.40	2.13
(B) >20 kW and \leq 50 kW	Rs. 300 per kVA	5.24	2.05
(C) > 50 kW	Rs. 300 per kVA	5.29	2.05

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- a) The ToD Tariff is applicable to the LT – II (A) – above 10 KW, LT-II (B) and (C) categories, and optionally available to LT- II (A) (below 10 kW) category consumers having ToD meter installed.
- b) Tariff in Rs./kWh will be applicable for LT II (A)- Commercial upto 20 kW and Rs./kVAh will be applicable for LT II (B) & (C) - Commercial.

LT III: LT- Industry:**LT III (A): LT - Industry upto 20 kW load****LT III (B): LT - Industry, above 20 kW load****Applicability:**

This Tariff category is applicable for electricity for Industrial use, at Low/Medium Voltage, for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Administrative Offices / Canteens, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; lifts, water pumps, fire-fighting pumps and equipment, street and common area lighting; Research and Development units, etc. -

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply;

This Tariff category shall also be applicable for use of electricity / power supply by an Information Technology (IT) or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITeS Policy of Government of Maharashtra.

This category shall be also applicable to integrated logistics parks under Government of Maharashtra Policy, 2018

It shall also be applicable for use of electricity / power supply for (but not limited to) the following purposes:

- a) Dhobi / Laundry activities
- b) Flour Mill, Dal Mill, Rice Mill, Poha Mill, Masala Mill, Saw Mill, , Cattle / Poultry Feed Manufacturing Plants;
- c) Ice Factory, Ice-cream manufacturing units, Milk Processing and Chilling Plants (Dairy);
- d) Hotel / Motels / Youth Clubs, Resorts / Cottages / Service Apartment, Tourist Villas / Tourists Apartment.
- e) District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner.
- f) Engineering Workshops, Engineering Goods Manufacturing units; Printing Presses; Transformer Repair Workshops; Tyre Remoulding / Rethreading units; and

Vulcanizing units, Rubber product manufacturing, Packaging material manufacturing;

- g) Ordinance / Ammunition Factories of Defence Establishments;
- h) Mining, Quarrying and Stone Crushing units;
- i) Garment Manufacturing units;
- j) Soap and cosmetics, Deodorant manufacturing, etc
- k) LPG/CNG bottling plants, and associated retail gas filling station, etc.;
- l) Sewage Treatment Plant/ Common Effluent Treatment Plant for industries, and not covered under the LT – Public Service category;
- m) Start-up power for Generating Plants, i.e., the power required for trial run of a Power Plant during Commissioning of the Unit and its Auxiliaries, and for its start-up after planned or forced outage (but not for construction);
- n) Brick Kiln (Bhatti), Biomass Pellet;
- o) Biotechnology Industries covered under the Biotechnology Policy of Government of Maharashtra;
- p) Cold Storages, Packaged Drinking water plant;
- q) Food (including seafood and meat) Processing units, Khandsari / Jaggery Manufacturing Units;
- r) Stand-alone Research and Development units;
- s) Telecommunications Towers and associated telecom infrastructure but does not cover offices / outlets etc;
- t) Powerlooms including other allied activities like, Warping, Doubling, Twisting, etc., connected at Low/Medium Tension only;
- u) Auxiliary Power Supply to EHV / Distribution Substations (but not for construction);
- v) Ready-mix Concrete or hot mix plants.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(A): 0-20 kW	Rs. 475 per month	5.80	2.76
LT III(B): Above 20kW	Rs. 400 per kVA	5.66	2.65

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(A): 0-20 kW	Rs. 475 per month	5.45	2.40

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(B): Above 20kW	Rs. 400 per kVA	5.32	2.31

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(A): 0-20 kW	Rs. 475 per month	5.40	2.33
LT III(B): Above 20kW	Rs. 400 per kVA	5.27	2.23

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(A): 0-20 kW	Rs. 475 per month	5.50	2.23
LT III(B): Above 20kW	Rs. 400 per kVA	5.37	2.14

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kWh / kVAh)	Fixed/ Demand Charge	Energy Charge (Rs./kWh / kVAh)	Wheeling Charge (Rs./kWh / kVAh)
LT III(A): 0-20 kW	Rs. 475 per month	5.20	2.13
LT III(B): Above 20kW	Rs. 400 per kVA	5.08	2.05

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- a) The ToD Tariff is applicable to the LT – III (A) – above 10 KW, LT-III (B) and (C) categories, and optionally available to LT- III (A) category (below 10 kW) consumers having ToD meter installed.
- b) Tariff in Rs./kWh will be applicable for LT III (A)- Industrial upto 20 kW and Rs./kVAh will be applicable for LT III (B) – Industrial.

LT IV: Public Services**Applicability:**

This Tariff category is applicable for electricity supply at Low/Medium Voltage for Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Bank and Pathology Laboratories; Libraries and public reading rooms;

It shall also be applicable for electricity used for Hostels / Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions / Hospitals, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients.

This Tariff is also applicable for electricity supply at Public Sanitary Conveniences.

It shall also be applicable for use of electricity / power supply for (but not limited to) the following purposes:

- a) Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Bank, Laboratories; Libraries and public reading rooms.
- b) Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions /Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients;
- c) All offices of Government and Municipal/ Local Authorities/ Local Self Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, Polices Stations and Police Chowkies, Post Offices, Armed Forces / Defence and Para Military establishments;
- d) Service-oriented Spiritual Organisations;
- e) Accommodation facilities provided by religious trusts registered under Maharashtra Public Trust Act for devotees;
- f) State or Municipal/Local Authority Transport establishments, including their Workshops;
- g) Fire Service Stations; Jails, Prisons; Courts;
- h) Airports;
- i) Ports and Jetties and provisions for Shore Power Supply;
- j) Railway/Metro/Monorail Stations, including Shops, Workshops, Yards, etc., if the supply is at Low/ Medium Voltage.

- k) All Students Hostels affiliated to Educational Institutions not covered under LT Public Service – Government;
- l) All other Students' or Working Men/Women's / Youth Hostels;
- m) Other types of Homes/Hostels, such as (i) Homes / Hostels for Destitutes, Disabled Persons (physically or mentally handicapped persons, etc) and mentally ill persons (ii) Remand Homes (iii) Dharamshalas, (iv) Rescue Homes, (v) Orphanages – subject to verification and confirmation by the Distribution Licensee's concerned Zonal Chief Engineer or equivalent;
- n) Dam operation including Lighting and other activities, etc;
- o) pumping of water, purification of water and allied activities relating to Public Water Supply Schemes, Sewage Treatment Plants, Common Effluent Treatment Plants and waste processing units
- p) lighting of public streets/ thorough fares which are open for use by the general public Provided that Street lights in residential complexes, commercial complexes, industrial premises, etc. will be billed at the Tariff of the respective applicable categories.
- q) Lighting in Public Gardens (i.e. which are open to the general public free of charge);
- r) Traffic Signals and Traffic Islands;
- s) Public Water Fountains;

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab	Fixed Charge (Rs./Connection / Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	475	5.82	2.76	5.57	2.65

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	475	5.55	2.40	5.31	2.31

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab	Fixed Charge (Rs./Connection/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	475	5.55	2.33	5.31	2.23

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab	Fixed Charge (Rs./Connection/Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	475	5.56	2.23	5.41	2.14

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab	Fixed Charge (Rs./Connection/Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	475	5.30	2.13	5.07	2.05

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- The ToD Tariff is compulsorily applicable to the LT IV category with Contract Demand/Sanctioned Load above 10 kW; and optionally available to the LT IV category with Contract Demand/Sanctioned Load up to 10 kW having ToD meter installed.*
- Tariff in Rs./kWh will be applicable for LT IV – Public Services upto 20 kW and Rs./kVAh will be applicable for LT IV – Public Services with load above 20 kW.

LT V: LT – Electric Vehicle (EV) Charging Stations**Applicability:**

This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping station for electric vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises. The Consumer has an option to seek a separate connection for EV charging under this category.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	-	5.65	2.76	5.42	2.65

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	-	5.34	2.40	5.13	2.31

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	-	5.49	2.33	5.27	2.23

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	-	5.81	2.23	5.58	2.14

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kWh)	Wheeling Charge (Rs./kWh)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
All Consumption	-	5.74	2.13	5.51	2.05

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- The ToD Tariff is compulsorily applicable to the LT V category with Contract Demand/Sanctioned Load above 10 kW; and optionally available to the LT V category with Contract Demand/Sanctioned Load up to 10 kW having ToD meter installed.*
- Tariff in Rs./kWh will be applicable for LT V – EV Charging Station upto 20 kW and Rs./kVAh will be applicable for LT V – EV Charging Station with load above 20 kW.*

EXTRA HIGH TENSION (EHT) and HIGH TENSION (HT) TARIFF**EHT I and HT I: HT – Industry****Applicability:**

This Tariff category is applicable for electricity for Industrial use at Extra High Voltage (220 kV/132 kV/110 kV) and High Voltage (33 kV/22kV/11 kV) for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Administrative Offices / Canteen, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; lifts, water pumps, fire-fighting pumps and equipment, street and common area lighting; Research and Development units, etc.

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply.

This Tariff category shall be applicable for use of electricity / power supply by an Information Technology (IT) or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITes Policy of Government of Maharashtra.

This Tariff Category shall be also applicable to integrated logistics park under Government of Maharashtra Policy, 2018.

It shall also be applicable for use of electricity / power supply for (but not limited to) the following purposes:

- a) Dhobi and Laundry activities
- b) Flour Mills, Dal Mills, Rice Mills, Poha Mills, Masala Mills, Saw Mills, Cattle / Poultry feed manufacturing plants;
- c) Ice Factories, Ice-cream manufacturing units, Milk Processing and Chilling Plants (Dairy);
- d) Hotel / Motels / Youth Clubs, Resorts / Cottages / Service Apartment, Tourist Villas / Tourists Apartment.
- e) District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner
- f) Engineering Workshops, Engineering Goods manufacturing units; Printing Presses; Transformer Repair Workshops; Tyre Remoulding / Rethreading units, and

Vulcanizing units, Rubber product manufacturing, Packaging material manufacturing;

- g) Ordinance / Ammunition Factories of Defence Establishments;
- h) Mining, Quarrying and Stone Crushing units;
- i) Garment Manufacturing units;
- j) Soap and cosmetics, Deodorant manufacturing, etc;
- k) LPG/CNG bottling plants and associated retail filling stations;
- l) Sewage Treatment Plant/ Common Effluent Treatment Plant for industries, and not covered under the HT – Public Services (Others);
- m) Start-up power for Generating Plants, i.e., the power required for trial run of a Power Plant during Commissioning of the Unit and its Auxiliaries, and for its start-up after planned or forced outage (but not for construction);
- n) Brick Kiln (Bhatti) /Biomass Pellet;
- o) Biotechnology Industries covered under the Biotechnology Policy of Government of Maharashtra;
- p) Cold Storages;
- q) Food (including Seafood and meat) Processing units.
- r) Stand-alone Research and Development units,
- s) Seed manufacturing
- t) Dedicated Water Supply Schemes to Power Plants
- u) Auxiliary Power Supply to EHV/Distribution Substation (but not for construction)
- v) Telecommunications Towers and associated telecom infrastructure but does not cover offices / outlets etc.
- w) Ready-mix Concrete or hot mix plants.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	6.11	0.04
HT	Rs. 400 per kVA	6.11	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.67	0.04
HT	Rs. 400 per kVA	5.67	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.43	0.04
HT	Rs. 400 per kVA	5.43	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.58	0.04
HT	Rs. 400 per kVA	5.58	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.28	0.04
HT	Rs. 400 per kVA	5.28	0.62

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- Demand Charge shall be applicable at the rate of 25% of the above rates on the start-up demand contracted by the Power Plant (as referred to at (h) above) with the Distribution Licensee.*
- Discount of 10% in wheeling charges will be provided to Data Centers on their electricity consumption through 100% Green Energy either through open access or through Green Tariff or combination thereof.*
- The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.*

EHT II and HT II: HT- Commercial**Applicability:**

This Tariff category is applicable for electricity used at Extra High Voltage (220 kV/132 kV/110 kV) and High Voltage (33 kV/22 kV/11 kV) in non-residential, non-industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- a) Non-Residential, Commercial and Business premises, including Shopping Malls and Showrooms;
- b) Warehouse / Godowns;
- c) Combined lighting and power services for facilities relating to Entertainment, including film studios, cinemas and theatres (including multiplexes), Hospitality, Leisure, Meeting/Town Halls, and places of Recreation and Public Entertainment;
- d) Offices, including Commercial Establishments;
- e) Marriage Halls, Restaurants / Canteens / Cafeterias, Ice-cream parlours, Coffee Shops, Guest Houses, Internet / Cyber Cafes, Telephone Booths and Fax / Photocopy shops;
- f) Automobile and all other types of repairs, servicing and maintenance centres (unless specifically covered under another Tariff category); Retail Gas Filling Stations, Petrol Pumps & Service Stations, including Garages Toll Collection plazas;
- g) Tailoring Shops, Computer Training Institutes, Typing Institutes, Private Training Centers, Photo Laboratories, Beauty Parlours and Saloons;
- h) Banks and ATM centres, Telephone Exchanges, TV Stations, Micro Wave Stations, Radio Stations;
- i) Common facilities, like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting, etc., in Commercial Complexes;
- j) Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not covered under any other category;
- k) External illumination of monuments/ historical/heritage buildings approved by Maharashtra Tourism Development Corporation (MTDC) or the concerned Local Authority;
- l) Construction of all types of structures/ infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines for all purposes;

Note:

Residential HT consumers with consumption above 500 units per month (current month of supply) and who undertake construction or renovation activity in their existing premises shall not require a separate Temporary category connection but be billed at the HT-II Commercial Tariff;

- m) Milk Collection Centres, standalone milk refrigeration and storage centres;
- n) Sewage Treatment Plant/ Common Effluent Treatment Plant for Commercial Complexes, not covered under the Public Services or Industrial category;
- o) Advertisements, hoardings (including hoardings fixed on lamp posts/installed along roadsides), and other commercial illumination such as external flood-lights, displays, neon signs at departmental stores, malls, multiplexes, theatres, clubs, hotels and other such establishments;
- p) Temporary supply for any of the activity not covered under any other HT category:
Provided that Temporary supply consumer shall pay 1.5 times applicable Fixed/Demand Charges and 1.25 times applicable Energy Charges.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 300 per kVA	6.23	0.04
HT	Rs. 300 per kVA	6.23	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 300 per kVA	5.89	0.04
HT	Rs. 300 per kVA	5.89	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 300 per kVA	5.79	0.04
HT	Rs. 300 per kVA	5.79	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 300 per kVA	5.84	0.04
HT	Rs. 300 per kVA	5.84	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 300 per kVA	5.49	0.04
HT	Rs. 300 per kVA	5.49	0.62

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

Note:

- A consumer in the HT II category requiring single-point supply for the purpose of downstream consumption by separately identifiable entities shall have to operate as a Franchisee authorised as such by the Distribution Licensee; or such downstream entities shall be required to take separate individual connections and be charged under the Tariff category applicable to them.*
- The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.*

EHT III and HT III: HT - Group Housing Society (Residential)**Applicability:**

Entities supplied electricity at a single point at High Voltage (33 kV / 22 kV / 11 kV) for residential purposes in accordance with the Electricity (Removal of Difficulties) Eighth Order, 2005, in the following cases:

- a) a Co-operative Group Housing Society which owns the premises, for making electricity available to the members of such Society residing in the same premises for residential purposes;
- b) a person, for making electricity available to its employees residing in the same premises for residential purposes.
- c) Serving Armed Forces / Paramilitary forces residential establishments. These consumers shall be eligible for 20% discount on energy charges including FAC. This 20% discount is also applicable to defence.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.35	0.04
HT	Rs. 400 per kVA	5.35	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	4.91	0.04
HT	Rs. 400 per kVA	4.91	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	4.81	0.04
HT	Rs. 400 per kVA	4.81	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	4.96	0.04
HT	Rs. 400 per kVA	4.96	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	4.71	0.04
HT	Rs. 400 per kVA	4.71	0.62

ToD Slabs	Period	Duration (hours)	ToD for HT Group Housing Society				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
-	00:00 hrs to 06:00 hrs	6	0%	0%	0%	0%	0%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	- Rs. 0.50/kWh (Rebate)	- Rs. 0.55/kWh (Rebate)	- Rs. 0.60/kWh (Rebate)	- Rs. 0.65/kWh (Rebate)	- Rs. 0.70/kWh (Rebate)
Peak Hours	17:00 hrs to 24:00 hrs	7	0%	0%	0%	0%	0%

Note:

The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.

EHT IV and HT IV- Railways/Metro/Monorail**Applicability:**

This Tariff category is applicable to power supply at Extra High Voltage (220 kV/132 kV/110 kV) and High Voltage (33 kV/22 kV/11 kV) for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 200 per kVA	5.43	0.04
HT	Rs. 200 per kVA	5.43	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 200 per kVA	5.06	0.04
HT	Rs. 200 per kVA	5.06	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 200 per kVA	4.97	0.04
HT	Rs. 200 per kVA	4.97	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 200 per kVA	5.06	0.04
HT	Rs. 200 per kVA	5.06	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 200 per kVA	4.74	0.04
HT	Rs. 200 per kVA	4.74	0.62

The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.

EHT V and HT V - Public Services**Applicability:**

This Tariff category is applicable for electricity supply at Extra High Voltage (220 kV/132 kV/110 kV) and High Voltage (33 kV/22 kV/11 kV) for Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks and Pathology Laboratories; Libraries and public reading rooms;

It shall also be applicable for electricity used for Hostels, Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions / Health Care facilities, provided that they are situated in the same premises and are meant primarily for the students / faculty/ employees/ patients of such Educational Institutions and Hospitals.

This tariff is also applicable for electricity supply at Public Sanitary Conveniences.

This Tariff category is applicable for electricity supply at Extra High Voltage (220 kV/132 kV/110 kV) and High Voltage (33 kV/22 kV/11 kV) for:

- a) Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks and Pathology Laboratories; Libraries and public reading rooms
- b) Sports Clubs and facilities / Health Clubs, Students / Working Men / Women / Youth hostel and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions / Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients;
- c) All offices of Government and Municipal/ Local Authorities/ Local Self-Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats; Police Stations and Police Chowkies; Post Offices; Armed Forces/Defence and Para-Military establishments;
- d) Service-oriented Spiritual Organisations;
- e) Accommodation facilities provided by religious trusts registered under Maharashtra Public Trust Act for devotees. State or Municipal/Local Authority Transport establishments, including their Workshops;
- f) Fire Service Stations; Jails, Prisons; Courts;
- g) Airports;
- h) Ports and Jetties and provision for Shore Power Supply.

- i) Pumping of water, purification of water and allied activities relating to Public Water Supply Schemes, Sewage Treatment Plants and Common Effluent Treatment Plants;
- j) Waste Processing units and Water ATM not covered under HT IV category;
- k) Dam operation including Lighting and other activities, etc;
- l) Lighting of public streets/thorough fares which are open for use by the general public;

Provided that Street lights in residential complexes, commercial complexes, industrial premises, etc. will be billed at the Tariff of the respective applicable categories.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	6.16	0.04
HT	Rs. 400 per kVA	6.16	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.72	0.04
HT	Rs. 400 per kVA	5.72	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.49	0.04
HT	Rs. 400 per kVA	5.49	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.63	0.04
HT	Rs. 400 per kVA	5.63	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	Rs. 400 per kVA	5.30	0.04
HT	Rs. 400 per kVA	5.30	0.62

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.

EHT VI and HT VI: HT – Electric Vehicle (EV) Charging Stations**Applicability:**

This Tariff category is applicable for Electric Supply at High Voltage (33 kV / 22 kV / 11 kV) for Electric Vehicle Charging Station including battery swapping station for Electric Vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises. The Consumer has an option to seek a separate connection for EV Charging under this category.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Tariff w.e.f. 1 April, 2025 to 31 March, 2026

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	-	8.20	0.04
HT	-	7.46	0.78

Tariff w.e.f. 1 April, 2026 to 31 March, 2027

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	-	7.55	0.04
HT	-	6.90	0.69

Tariff w.e.f. 1 April, 2027 to 31 March, 2028

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	-	7.62	0.04
HT	-	6.99	0.67

Tariff w.e.f. 1 April, 2028 to 31 March, 2029

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	-	7.84	0.04
HT	-	7.23	0.65

Tariff w.e.f. 1 April, 2029 to 31 March, 2030

Consumption Slab (kVAh)	Fixed Charge (Rs./kVA/ Month)	Energy Charge (Rs./kVAh)	Wheeling Charge (Rs./kVAh)
EHV	-	7.68	0.04
HT	-	7.10	0.62

ToD Slabs	Period	Duration (hours)	ToD Charge / (Rebate) for categories		
			FY 2025-26	FY 2026-27	FY 2027-28 to FY 2029-30
-	00:00 hrs to 06:00 hrs	6	-10%	-15%	-20%
-	06:00 hrs to 09:00 hrs	3	0%	0%	0%
Solar Hours	09:00 hrs to 17:00 hrs	8	-15% (April to September) -25% (October to March)	-15% (April to September) -25% (October to March)	-20% (April to September) -30% (October to March)
Peak Hours	17:00 hrs to 24:00 hrs	7	+20%	+20%	+20%

- a) *The Wheeling Charges shall be levied NIL on the EHT consumers till the matter is subjudice.*

MISCELLANEOUS AND GENERAL CHARGES

Fuel Adjustment Charge (FAC) / Power Purchase Cost Adjustment (PPCA) **Component of Z-factor Charge**

The Fuel Adjustment Charge (FAC) will be termed as Power Purchase Cost Adjustment (PPCA). PPCA component of the Z-factor Charge will be determined in accordance with the formula specified in the relevant Multi Year Tariff Regulations and any directions that may be given by the Commission from time to time, and will be applicable to all consumer categories for their entire consumption.

In case of any variation in the fuel prices and power purchase prices, the Distribution Licensee shall pass on the adjustments through the PPCA component of the Z-factor Charge accordingly.

The details of the applicable Z_{PPCA} for each month shall be available on the Distribution Licensee's website www.tatapower.com

Electricity Duty and Tax on Sale of Electricity

Electricity Duty and Tax on Sale of Electricity shall be levied in addition to the Tariffs approved by the Commission, and in accordance with the Government of Maharashtra stipulations from time to time. The rate and the reference number of the Government Resolution/ Order under which the Electricity Duty and Tax on Sale of Electricity are applied shall be stated in the consumers' energy bills. A copy of such Resolution / Order shall be provided on the Distribution Licensee's website www.tatapower.com

Power Factor Computation

Where the average Power Factor measurement is not possible through the installed meter, the following formula for calculating the average Power Factor during the billing period shall be applied:

$$\text{Average Power Factor} = \frac{\text{Total (kWh)}}{\text{Total (kVAh)}}$$

$$\text{Wherein the kVAh is} = \sqrt{\sum (\text{KWh})^2 + \sum (\text{RkVAh Lag} + \text{RkVAh Lead})^2}$$

Further, average PF so computed can be considered as leading or lagging based on the following test:

If "RkVAh lead" > "RkVAh lag" then "Average P.F." is to be treated as "Lead P.F."

If “RkVAh lead” = < “RkVAh lag” then “Average P.F.” is to be treated as “Lag P.F.”

Rebate on Bulk Consumption

Rebate for Bulk consumption for eligible consumers within HT-Industrial category shall be governed as per following conditions:

- a) All HT-Industrial consumers with monthly consumption in excess of 1 lakh units per month (0.1 MU per month) shall be eligible to avail Rebate on Bulk Consumption with a reverse telescopic slab structure as outlined below: Thus, the Commission has decided to introduce “Bulk Consumption” rebate in a reverse telescopic manner for HT Industrial consumers in following manner:

- I. For monthly consumption (> 1 Lakh units to 1 MU) per month: 2%
- II. For monthly consumption (> 1 MU to 5 MU) per month: 1.5%
- III. For monthly consumption (> 5 MU) per month: 1%

(Note – Units referred are in kVAh such as Lakh kVAh or Million kVAh)

- b) Bulk Consumption Rebate shall be applicable on the Energy Charge component including FAC of the Bill excluding taxes and duty.

Illustration:

Say a consumer consumes 15 MU during month then, its consumption more than 1 Lakh units upto 1 MU units rebate will be 2%/unit, for next 4 MU (i.e. upto consumption of 5 MU) rebate will be 1.5%/unit and for consumption in excess of 5 MU upto 15 MU, rebate will be 1%/unit.

Prompt Payment Discount

A prompt payment discount of one percent of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills within 7 days from the date of their issue.

Delayed Payment Charges

In case the electricity bill is not paid within the due date mentioned on the bill, delayed payment charges on the billed amount, including the taxes, cess, duties, etc., shall be levied on simple interest basis at the rate of 1.25% on the billed amount for the first month of delay.

Discount for digital payment

A discount of 0.25% of the monthly bill (excluding taxes and duties), subject to a cap of Rs. 500/-, shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

Discount for E-Bill

A discount of Rs. 10 per consumer per bill shall be provided for those opting for E-bills through written/email confirmation. No hard copy of the bills shall be generated for such consumers.

Rate of Interest on Arrears

The rate of interest chargeable on the arrears of payment of billed dues shall be as given below:

Sr. No.	Delay in Payment (months)	Interest Rate per annum (%)
1	Payment made after 60 days and before 90 days from the date of billing	12%
2	Payment made after 90 days from the date of billing	15%

Rebate for consumers with Prepaid connections

Consumers with prepaid metered connections shall be entitled for rebate of 2% in the Energy Charge Rate (incl FAC) applicable for the consumer category.

Load Factor Incentive

Consumers having Load Factor above 75% and upto 85% will be entitled to an incentive in the form of a rebate of 0.75% on the Energy Charges for every percentage point increase in Load Factor from 75% to 85%. Consumers having a Load Factor above 85 % will be entitled to a rebate of 1% on the Energy Charges for every percentage point increase in Load Factor from 85%. The total rebate will be subject to a ceiling of 15% of the Energy Charges applicable to the consumer.

This incentive is applicable only to consumers in the Tariff categories EHT I and HT I: Industry, EHT II and HT II: Commercial and EHT V and HT V: Public Services - (A) and (B) only.

The Load Factor incentive will be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee shall take a commercial decision on the schedule for such payments.

The Load Factor is to be computed as follows:

$$\text{Load Factor} = \frac{\text{Consumption during the month in MU}}{\text{Maximum Consumption possible during the month in MU}}$$

Maximum consumption possible = Contract Demand (kVA) × Unity Power Factor
× (Total no. of hours during the month, less actual interruptions hours recorded on meter for billing period)

In case the consumer exceeds its Contract Demand (including during the non-peak hours, i.e., 22:00 hrs to 06:00 hrs.) in any particular month, the Load Factor Incentive will not be payable to the consumer in that month.

Penalty for exceeding Contract Demand

In case a consumer (availing Demand-based Tariff) exceeds his Contract Demand, he will be billed at the applicable Demand Charge rate for the Demand actually recorded, and also be charged an additional amount at the rate of 150% of the applicable Demand Charge (only for the Demand in excess of the Contract Demand).

Under these circumstances, the consumer shall not be liable for any other action under Section 126 of the EA, 2003, since the penal additional Demand Charge provides for the penalty that the consumer is liable to pay for exceeding his Contract Demand. In case a consumer exceeds his Contract Demand on more than three occasions in a calendar year, the action to be taken would be governed by the provisions of the Supply Code Regulations.

In case any consumer exceeds the Contract Demand on more than three occasions in a calendar year, the action taken in such cases would be governed by the Supply Code.

Additional Demand Charges for Consumers having Captive Power Plant

For consumers having a Captive Power Plant, additional Demand Charges at the rate of Rs. 20/kVA/month shall be payable only on the extent of the Stand-by demand component and not on the entire Contract Demand. The additional Demand Charges will be levied on the Stand-by component only if the consumer's demand exceeds his Contract Demand.

Consumers' Security Deposit

As specified under Regulations 13 of the MERC (Supply Code Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations,

2021, Consumer shall pay Security Deposit and will be entitled for interest on such Security Deposit.

Definitions

Maximum Demand:

Maximum Demand in kilo-Watts or kilo-Volt Amperes, in relation to any period shall, unless otherwise provided in any general or specific Order of the Commission, mean twice the highest number of kilo-watt-hours or kilo-Volt Ampere hours supplied and taken during any consecutive thirty-minute blocks in that period.

Contract Demand:

Contract Demand means the demand in kilo-Watt (kW) or kilo-Volt Amperes (kVA), mutually agreed between the Distribution Licensee and the consumer as entered into in the agreement or agreed through other written communication. (For conversion of kW into kVA, the Power Factor of 0.80 shall be applied.)

Sanctioned Load:

Sanctioned Load means the load in kW mutually agreed between the Distribution Licensee and the consumer.

Billing Demand - LT Tariff categories:

Monthly Billing Demand will be the higher of the following:

- a) 65% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- b) 40% of the Contract Demand.

Note:

- *Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.*
- *In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change in Contract Demand is effected.*

Billing Demand - HT Tariff categories:

Monthly Billing Demand will be the higher of the following:

- a) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- b) 75% of the highest Billing Demand recorded during the preceding eleven months, subject to the limit of Contract Demand;

c) 75% of the Contract Demand.

Note:

- *Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.*
- *In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change of Contract Demand is effected.*

Appendix -I - List of persons who attended the TVS on 6 January 2025

Sr. No.	Name of the Participant	Organization
1	Mr. Vidyadhar Wagle	TPC-D
2	Mr. Rahul Ranade	TPC-D
3	Ms. Hawwa Inamdar	TPC-D
4	Mr. Yogiraj Belsare	TPC-D
5	Mr. S. V . Savarkar	TPC-D
6	Ms. Utkarsha H. Kachare	TPC-D

Appendix -II - List of persons who attended the E-Public Hearing on 18 February 2025

Sr. No.	Name of the Participant	Organization
1	Mr. Vidyadhar Wagle	TPC-D
2	Mr. Rahul Ranade	TPC-D
3	Ms. Hawwa Inamdar	TPC-D
4	Mr. Manish Dusane	MMRCL
5	Adv. Harinder Toor	MSEDCL
6	Adv. Matragupta Mishra	HPCL
7	Ms. Ann Josey	Prayas
8	Mr. Manoj Nirgudkar	Individual
9	Mr. Ponrathnam Nadarajan	Individual
10	Mr. Rakesh Bodalia	Individual
11	Mr. Blase Martin D'souza	Individual