



**ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY
COMMISSION**

Order on Petition

for

True Up for FY 2023-24,

APR for FY 2024-25,

ARR & Tariff for FY 2025-26

&

Approval of Business Plan and ARR for the MYT control Period FY 2025-26 to

FY 2029-30

For

**Department of Power,
Government of Arunachal Pradesh**

Issued on 26-03-2025

Arunachal Pradesh State Electricity Regulatory Commission

अरुणाचल प्रदेश राज्य विद्युत नियामक आयोग

2nd floor, O.T. BUILDING, T.T. MARG, NITI VIHAR

MARKET ITANAGAR-791111

Website: www.apserc.nic.in

THIS SPACE IS INTENTIONALLY LEFT BLANK



Arunachal Pradesh State Electricity Regulatory Commission (APSERC)
Itanagar, Arunachal Pradesh

Petition No.: TP - 01 -2025 & Petition No. MP 10 OF 2024

In the matter of:

Approval of ARR for True up of FY 2023-24, APR for FY 2024-25 and ARR & Tariff for FY 2025-26 along with approval of Business Plan and ARR for the MYT control period FY 2025-26 to FY 2029-30.

&

Application praying for review of Order dated 26.07.2024 issued by Hon'ble Commission on Petition no. MP-04 of 2024 regarding approval of new service connection charges in electrified areas up to a load of 150 KW in compliance of Regulation 3.6.4(10) of Arunachal Pradesh State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2024.

In the matter

Department of Power, Government of Arunachal Pradesh (APDOP) ----- Petitioner

CORAM:

Shri R. K. Joshi, Chairperson

Shri Nich Rika, Member (Law)

ORDER

(Passed on 26th March, 2025)

1. The Commission in exercise of the powers vested in it under Section 62(1)(d) read with Section 62(3) and Section 64 (3)(a) of the Electricity Act, 2003 and APSERC (Multi Year Tariff) Regulations, 2018 & APSERC (Multi Year Tariff) Regulations, 2024 and other enabling provisions in this regard, issues this order, determining the True up for FY24, APR for FY 25, ARR & Retail Tariff for FY26 and approval of Business Plan for the MYT control period FY 2025-26 to FY 2029-30 for supply of electricity by the Department of Power, Arunachal Pradesh (APDOP) to the consumers of electricity in the state of Arunachal Pradesh.
2. The MYT Regulations, 2018 and 2024 state that the Distribution Licensee shall file the tariff petition for a FY including Business Plan for a control period, complete in all respects, along with requisite fee as prescribed in the APSERC (Fees) Regulations, 2011 and amendments thereof on or before 30th November of the preceding year. Hence, the tariff petition for the FY 2025-26 along with Business Plan has to be filed by the Licensee on or before 30/11/2024.

APDOP filed the Petition before the Commission on 29/11/2024. However, the Petitions lacked requisite information which was submitted by the Department on 10/01/2025 after which the Commission admitted the petition on 15/01/2025.

3. This order consists of eleven chapters that includes detailed analysis of the True up of FY 2023-24, APR for FY 2024-25 & ARR & Business Plan for the control period FY 2025-26 to FY 2029-30 along with Retail Supply Tariff Rates for the FY 2025-26.
4. While issuing the order on petitions the Commission has taken into consideration of the following:
 - (a) Audited accounts of FY 2023-24 which have been verified by M/s Gadly Shaw and Associates.
 - (b) Provisions of APSERC (Multi Year Tariff) Regulations, 2018.
 - (c) Provisions of APSERC (Multi Year Tariff) Regulations, 2024
 - (d) Documents and information submitted by the Petitioner.
5. The Commission directs the licensee to publish the order in two leading newspapers, one in Hindi and the other in English, having wide circulation in the State within 7 days of the issue of this Tariff Order. The publication shall include a general description of the tariff and its effect on the various classes of consumers. Further, the Commission directs the Licensee to take all necessary steps for implementation of this order so that the energy bills are prepared accordingly, strictly in terms of the approved tariff and tariff schedule approved by the Commission.
6. The Commission has also disposed of the Petition No MP-10 of 2024 regarding service connection charges for electrified areas up to 150kW along with this order.
7. The directives contained in the Chapter-11 should be strictly adhered to and compliance thereof, as desired by the Commission must be placed before it within the stipulated time by APDOP.
8. This retail tariff order shall be effective from 01/04/2025 and shall remain in force till 31/03/2026, unless amended or revised.

Date: 26/03/2025

Place: Itanagar

Sd/-
Shri Nich Rika,
Member (Law)

Sd/-
Shri R. K. Joshi
Chairperson



Secretary

Table of Contents

CHAPTER 1: INTRODUCTION	1
1.1. ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION	1
1.2. FUNCTIONS OF THE STATE COMMISSION	1
1.3. ARUNACHAL PRADESH - GEOGRAPHICAL REALITY	2
1.4. ARUNACHAL PRADESH DEPARTMENT OF POWER	2
1.5. ADMISSION OF PETITION AND HEARING PROCESS	2
1.6. PUBLIC RESPONSE TO THE TARIFF PETITION:	3
1.7. LAYOUT OF THE ORDER	3
CHAPTER 2: SUMMARY OF THE PETITION	5
2.1 POWER SUPPLY POSITION	5
2.2 SUMMARY OF THE PETITION: AGGREGATE REVENUE REQUIREMENT	8
2.3 ARR AND ACS GAP -FY 2023-24, FY 2024-25 & FY 2025-26 TO FY 2029-30	9
2.4 TARIFF- EXISTING Vs PROPOSED FOR FY 2025-26	10
2.5 PRAYER OF PETITIONER	11
CHAPTER 3: TRUE UP OF FY 2023-24 & APR FOR FY 2024-25	12
3.1 NUMBER OF CONSUMERS AND SALES	12
PETITIONERS SUBMISSION	12
COMMISSIONS ANALYSIS	16
3.2 POWER PROCUREMENT AND COST	19
PETITIONERS SUBMISSION	19
COMMISSIONS ANALYSIS	22
A) INTER & INTRA-STATE TRANSMISSION CHARGES ALONG WITH NERLDC FEES AND OTHER CHARGES- COMMISSION'S ANALYSIS	25
3.3 LOSSES: DISTRIBUTION AND AT&C LOSS	26
PETITIONERS SUBMISSION	26
COMMISSIONS ANALYSIS	27
3.4 ENERGY REQUIREMENT AND AVAILABILITY	30
PETITIONERS SUBMISSION	30
COMMISSIONS ANALYSIS	31
3.5 OPERATIONS AND MAINTENANCE (O&M) EXPENSES	32
PETITIONERS SUBMISSION	32
COMMISSIONS ANALYSIS	33
3.6 DEPRECIATION	35
PETITIONERS SUBMISSION	35
COMMISSIONS ANALYSIS	35
3.7 INTEREST ON LOAN AND FINANCE CHARGES	36
PETITIONERS SUBMISSION	36
COMMISSIONS ANALYSIS	36
3.8 INTEREST ON WORKING CAPITAL	36
PETITIONERS SUBMISSION	36
COMMISSIONS ANALYSIS	36
3.9 RETURN ON EQUITY	36
PETITIONERS SUBMISSION	36
COMMISSIONS ANALYSIS	37
3.10 PROVISIONS FOR BAD AND DOUBTFUL DEBTS	37
PETITIONERS SUBMISSION	37
COMMISSIONS ANALYSIS	37
3.11 RENEWABLE PURCHASE OBLIGATION	37
PETITIONERS SUBMISSION	37
COMMISSIONS ANALYSIS	38
3.1 ANNUAL LICENSE FEE AND TARIFF APPLICATION FEE FOR DEEMED DISTRIBUTION LICENSEE – COMMISSION'S ANALYSIS	39
3.2 NON-TARIFF INCOME	39

Secretary