MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

5th Floor, Metro Plaza, Bittan Market, Bhopal - 462 016

AGGREGATE REVENUE REQUIREMENT AND RETAIL SUPPLY TARIFF ORDER FOR FY 2024-25

Petition No. 73/2023

PRESENT:

S.P.S. Parihar, Chairman
Gopal Srivastava, Member (Law)
Prashant Chaturvedi, Member

IN THE MATTER OF:

Determination of Aggregate Revenue Requirement (ARR) and Retail Supply Tariff for FY 2024-25 based on the ARR & Tariff Petition filed by the Distribution Licensees namely Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (East DISCOM), Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (West DISCOM), Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (Central DISCOM), and M.P. Power Management Company Limited (MPPMCL)

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List of Abbreviations

A&G	Administrative and General Expenses
AB Cable	Aerial Bunched Cable
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
AS	Additional Surcharge
AT&C	Aggregate Technical and Commercial
ATPS	Amarkantak Thermal Power Station
BPSA	Bulk Power Supply Agreement
CAGR	Compounded Annual Growth Rate
CEA	Central Electrical Authority
CERC	Central Electricity Regulatory Commission
CFA	Cash Financial Assistance
CGS	Central Generating Station
CHPS	Chambal Hydro Power Scheme
COD	Commercial Operation Date
CUF	Capacity Utilisation Factor
CPP	Captive Power Plants
CSD	Consumer Security Deposit
CSS	Cross Subsidy Surcharge
CTPS	Chandrapur Thermal Power Station
CWIP	Capital Works in Progress
DA	Dearness Allowance
DBST	Differential Bulk Supply Tariff
DISCOM	Distribution Company
DSM	Deviation Settlement Mechanism
DTR	Distribution Transformer
DVC	Damodar Valley Corporation
EHT	Extra High Tension
ER	Eastern Region
FPPAS	Fuel and Power Purchase Adjustment Surcharge
FY	Financial Year
GFA	Gross Fixed Asset
GoI	Government of India
GoMP	Government of Madhya Pradesh
GPP	Gas Power Plant
GST	Goods and Services Tax
HP	Horse Power
HPS	Hydro Power Station
HT	High Tension
IDC	Interest During Construction
IEX	Indian Energy Exchange
IND-AS	Indian Accounting Standards

ISPS	Indira Sagar Power Station
IPDS	Integrated Power Development Scheme
IPP	Independent Power Producer
KAPS	Kakrapar Atomic Power Station
kV	kilo Volt
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kW	kilo Watt
kWh	kilo Watt hour
LED	Light Emitting Diode
LT	Low Tension
MD	Maximum Demand
MOD	Merit Order Despatch
MP	Madhya Pradesh
MPERC	Madhya Pradesh Electricity Regulatory Commission
MPPGCL or MP Genco	Madhya Pradesh Power Generating Company Limited
MPPMCL	Madhya Pradesh Power Management Company Limited
MPPTCL or MP Transco	Madhya Pradesh Power Transmission Company Limited
MPSEB	Madhya Pradesh State Electricity Board
MTPS	Mejia Thermal Power Plant
MU	Million Unit
MVA	Mega Volt Ampere
MW	Mega Watt
MYT	Multi-Year Tariff
NHDC	Narmada Hydroelectric Development Corporation
NPS	New Pension Scheme
NTPC	NTPC Limited
O&M	Operation & Maintenance
OA	Open Access
PAF	Plant Availability Factor
PF	Provident Fund
PGCIL	Power Grid Corporation of India Ltd.
PLF	Plant Load Factor
PoC	Point of Connection
PPA	Power Purchase Agreement
PTR	Power Transformer
PWW	Public Water Works
PXIL	Power Exchange India Limited
R&M	Repair & Maintenance
RBI	Reserve Bank of India
RSD	Reserve Shut Down
RDSS	Revamped Distribution Sector Scheme

RGGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RoE	Return on Equity
RPO	Renewable Purchase Obligation
SAC	State Advisory Committee
SBI	State Bank of India
SEZ	Special Economic Zone
SGTPS	Sanjay Gandhi Thermal Power Station
SLDC	State Load Despatch Centre
SPD	Solar Project Developers
SSP	Sardar Sarovar Project
TAPS	Tarapur Atomic Power Station
TBT	Terminal Benefit Trust
TMM	Technical Minimum
ToD	Time of Day
TPS	Thermal Power Station
TP	Tariff Policy
UDAY	Ujwal DISCOM Assurance Yojana
UMPP	Ultra Mega Power Plant
UI	Unscheduled Interchange
VAT	Value Added Tax
WR	Western Region
WRPC	Western Regional Power Committee

A1: ORDER

(Passed on this 6th Day of March, 2024)

1.1 This Order is in response to the Petition No. 73 of 2023 jointly filed by Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur, Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore, and Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal (hereinafter individually referred to as East DISCOM, West DISCOM and Central DISCOM, respectively, and collectively referred to as DISCOMs or Distribution Licensees or Licensees or the Petitioners), and MP Power Management Company Limited, Jabalpur (hereinafter referred as the MPPMCL or collectively with DISCOMs referred to as the Petitioners) before Madhya Pradesh Electricity Regulatory Commission (hereinafter referred to as MPERC or the Commission). This Petition has been filed under the provisions of "Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 and amendments thereof {RG-35(III) of 2021}" {hereinafter referred to as the MYT Regulations, 2021 or Regulations or Tariff Regulations}.

1.2 The Petitioners jointly filed a Petition bearing Petition No. 73 of 2023 on 30th November, 2023. Subsequently, the Commission on 8th December, 2023 notified the Second Amendment to MYT Regulations, 2021 and directed the Petitioners to revise the Petition accordingly. The Petitioners, on 12th December, 2023, submitted the revised Petition in accordance with the amended MYT Regulations, 2021. The motion hearing on the Petition was held by the Commission on 13th December, 2023, when the Commission admitted the Petition and directed the Petitioners to submit draft public notice for approval of the Commission.

1.3 The Commission vide its letter dated 05th January, 2024 sought clarification/ information to fill data gaps, based on the scrutiny of the Petition. Thereafter, the Commission vide letter dated 15th January, 2024 received communications from the Petitioners for extension of time by 15 days for submission of additional information and reply to data gaps. The Commission vide letter dated 17th January, 2024 allowed 7 days additional time for furnishing the additional information to data gaps.

1.4 The Commission vide letter dated 28th December, 2023, directed the Petitioners to publish the public notice as approved by the Commission in Hindi and English in the prominent newspapers of the State for inviting objections /comments/suggestions from the stakeholders on the subject Petition (Petition No. 73 of 2023) by 22nd January, 2024. Accordingly, the Petitioners published the public notice in the following newspapers:

Table 1 : List of Newspapers- Public Notice published by the Petitioners

Newspaper	Language
Nai Duniya, Jabalpur	Hindi
Dainik Bhaskar, Sagar	Hindi
Patrika, Jabalpur	Hindi
Hitvada, Jabalpur	English
Dainik Bhaskar, Satna	Hindi
Dainik Samay, Shadhol	Hindi
Nav Bharat, Bhopal	Hindi
The Times of India, Bhopal	English
Patrika, Indore	Hindi
The Free Press, Indore	English

1.5 In response to the public notice, the Commission received 67 comments (East DISCOM: 15 Nos., West DISCOM: 37 Nos., Central DISCOM: 15 Nos.) from different stakeholders. The Commission scheduled Public Hearings on 29th January, 2024 for East DISCOM, 30th January, 2024 for West DISCOM and 31st January, 2024 for Central DISCOM through video conferencing and heard the objections/comments/suggestions of stakeholders.

1.6 Details of objections/suggestions/comments received and response thereon from the Petitioners along with views of the Commission are given in Chapter '**A8: Public Objections/ suggestions and Comment on Licenses' Petition'** of this Order.

1.7 The Petitioners submitted the consolidated response to data gaps by way of clarifications and additional information vide letter dated 01st March, 2024.

Disclaimer for Rounding

1.8 In this Order, certain numbers as a whole, up to several decimal places have been rounded up or down. Therefore, there may be discrepancies between the totals of the individual numbers shown in the tables up to 2 decimal places and numbers given in the corresponding analysis in the text of this Order.

Snapshot of Petition

1.9 The Petitioners through instant Petition have submitted the Revised Aggregate Revenue Requirement (ARR) for FY 2024-25 and tariff proposal for FY 2024-25. The Petitioners have prayed to approve the net ARR of Rs 55,072 Crore and the Revenue Gap of Rs. 2,046 Crore for FY 2024-25 and to recover the same through a tariff hike of 3.86%. Summary of the Tariff proposal as submitted by the Petitioners for FY 2024-25 is as follows:

Table 2 : Summary of Tariff proposal for FY 2024-25 as submitted by Petitioners (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Aggregate Revenue Requirement	15,127.76	21,215.43	18,728.74	55,071.93
Revenue from sale of power as per existing tariff	14,555.87	20,445.22	18,024.87	53,025.96
Revenue Gap for FY 2024-25	**571.89**	**770.21**	**703.87**	**2,045.97**

State Advisory Committee

1.10 The Commission convened a meeting of the State Advisory Committee (SAC) on 23rd January, 2024 through video conferencing. SAC members provided valuable suggestions on the instant Retail Tariff Petition. The Commission has taken due cognisance of these suggestions while determining the ARR and Tariff for FY 2024-25.

Energy Accounting, Meterisation and technical & commercial loss reduction

1.11 The Commission has been emphasising the importance of energy accounting and meterisation from time to time separately and through previous Tariff Orders. Need for proper Energy Accounting and Energy Audit at various levels such as sub-stations, distribution feeders and distribution transformers as well as at the consumer end was also impressed upon the DISCOMs so as to provide reliable data about the actual level of technical and commercial losses. DISCOMs were directed to prepare and implement appropriate loss reduction strategies and schemes. Meterisation at various levels of the distribution network such as Feeder/ DTR and consumer metering is of prime importance to identify high loss areas and to take action to curb losses. The DISCOMs have achieved 100% meterisation of the domestic connections in urban area but the progress in DTR and consumer metering in rural areas is not satisfactory. There appears to be substantial progress with regard to Feeder meterisation, while meterisation of agricultural DTRs remains neglected by DISCOMs, although DTR metering is mandatory as per CEA Regulations. With regard to individual un-metered domestic connections in rural areas, West DISCOM has almost completed the meterisation, whereas, East and Central DISCOMs have unmetered Domestic Rural connections up to the level of 5.70% and 12.65%, respectively. For East and Central DISCOMs, the Commission has taken a serious note on the poor progress of meterisation in this category and is of the opinion that concerted efforts need to be made to account for the energy at all stages including the rural domestic connections. The first step to do so is to meterise all the remaining connections. Large number of stopped/defective meters pending for replacement for a long time indicate that the directions of the Commission are not followed by the DISCOMs in right spirit. Energy accounting is possible only when consumer meters are functioning properly and read in time. The energy accounting needs to be carried out on a system driven approach on regular basis. The Commission has also observed that there are number of existing Feeder meters, which are lying defective and need prompt replacements. The status as per periodic reports submitted by DISCOMs with regard to meterisation of un-metered rural domestic connections and agricultural predominant DTRs up to September, 2023 is given below:

Table 3: Status of meterisation of un-metered rural domestic consumers

DISCOM	Domestic Rural		
	Total no. of connections	No. of un-metered connections	Percentage (%) Un-metered
East DISCOM	33,54,078	1,91,272	5.70%
West DISCOM	23,11,327	20,696	0.90%
Central DISCOM	20,29,758	2,56,689	12.65%
State	**76,95,163**	**4,68,657**	**6.09%**

Table 4: Status of meterisation of agricultural DTRs

DISCOMs	Agricultural DTR		
	Total no. of Pre-Dominant Agricultural DTRs	No. of DTRs provided with meters	Percentage (%) of DTRs provided with meters
East DISCOM	1,16,418	16,278	13.98%
West DISCOM	1,87,303	14,023	7.49%
Central DISCOM	2,97,467	64,827	21.79%
State	**6,01,188**	**95,128**	**15.82%**

1.12 The Commission would like to emphasize that the directive for meterisation of agriculture predominant DTRs is an interim arrangement till meters on all individual agriculture connections are provided. The Commission is of the firm view that all consumers should be metered individually. The present regime of billing on benchmark consumption to either domestic or agriculture consumers provides no incentive for energy saving by the consumers and it makes accounting of actual losses impossible. The Commission has noted that the rate of meterisation of Agriculture DTRs is extremely slow and it needs to be enhanced. Without proper metering system in place, it is not possible to assess the demand and to perform energy audit of the agriculture consumers. **The Commission, therefore, directs the DISCOMs to expedite feeder meterisation including replacement of defective feeder meters and undertake DTR meterisation on priority basis. There is also a need to segregate Technical and Commercial losses.**

1.13 The purpose of providing meters on agriculture DTRs is to assess the consumption of flat rate agriculture consumers and perform energy audit in order to have a proper data on Distribution losses. The Commission desires that the DISCOMs should perform energy audit on the agriculture DTRs where the meters have already been installed. DISCOMs are also identified as designated consumers under Perform, Achieve and Trade (PAT) scheme within the framework of Energy Conservation Act, 2001. DISCOMs are required to conduct energy audit as per Bureau of Energy Efficiency (BEE) (Manner and Intervals for Conduct of Energy Audit in Electricity Distribution Companies) Regulations, 2021 and amendments thereof. It is expected that DISCOMs will take all measures to comply with energy audit requirements laid down under the Energy Conservation Act, 2001.

1.14 In the earlier Tariff Orders, the Commission had directed the Petitioners to make concerted efforts to reduce the distribution losses in line with the loss trajectory specified by the Commission. The Commission has provided sufficient time to the DISCOMs and specified the loss reduction trajectory with achievable targets. The loss reduction trajectory specified in the MYT Regulations, 2021 and amendments thereof for FY 2024-25 is given in the following table:

Table 5: Distribution Loss Trajectory specified in the Regulations

DISCOMs	FY 2024-25
East DISCOM	19.49%
West DISCOM	13.40%
Central DISCOM	19.57%

1.15 The actual loss level for FY 2022-23 reported by the DISCOMs in the Tariff Petition is as follows:

Table 6: Actual Distribution Loss for FY 2022-23

DISCOMs	FY 2022-23
East DISCOM	27.39%
West DISCOM	12.60%
Central DISCOM	22.91%

1.16 The Commission appreciates the performance of West DISCOM in achieving lower Distribution losses as compared to the loss trajectory specified by the Commission. On the other hand, particularly in East DISCOM loss levels are much higher than as compared to loss trajectory specified, which needs immediate corrective steps. The stakeholders, in their objections, have also pointed out and shown concern over the high loss level of the DISCOMs. It has been submitted by stakeholders that the higher loss level is adversely affecting the financial viability of DISCOMs as well as services to be delivered to their consumers. The Commission has allowed only normative losses in the Tariff Order, so that consumers are not burdened on account of the inefficiencies of the Distribution Licensees.

1.17 In order to bail out the DISCOMs from high debt and to ensure financial turnaround of the DISCOMs, the Government of India had launched Ujwal DISCOM Assurance Yojana (UDAY). Madhya Pradesh also participated in the UDAY Scheme and committed to reduce Aggregate Technical & Commercial (AT&C) losses as per prescribed targets in a time bound manner. The Commission had admitted the capital investment schemes of the DISCOMs in the past years for reduction of losses. The Government of India is also providing financial and technological support to the DISCOMs through various schemes. However, it appears that the Central and East DISCOMs are lacking in implementation of these schemes resulting in failure to reduce the distribution losses to desired levels.

1.18 In the last Tariff Order, the Commission had directed the DISCOMs to install meters on the remaining unmetered predominant agricultural DTRs for proper energy accounting and for recording consumption by the agricultural pumps. However, the progress in this regard is still far from satisfactory. The East and Central DISCOMs also need to focus on meterisation of rural unmetered Domestic connections and the directions of the Commission should be followed in “letter and spirit”. Not replacing defective meters in rural areas or not reading these, defeats the purpose of meterisation. The Commission would like to draw attention of the State Government in this regard and emphasizes the need to implement a concrete program to achieve the targeted loss level in a time bound manner for making the DISCOMs financially viable.

1.19 The Commission has noted that the Government of India has launched Revamped Distribution Sector Scheme (RDSS) with an objective of improving quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The scheme has targeted to reduce AT&C losses to Pan-India levels of 12-15% and to reduce the gap between ACS and ARR gap to zero by FY 2024-25. This scheme is reform based and result linked. DISCOMs of the State are participating in the scheme and committed to reduce AT&C losses as per prescribed targets under the approved Scheme for Madhya Pradesh in a time bound manner. The Commission has admitted the capital investment plan under RDSS and directed the Petitioners that outcome of the capital investment under RDSS be monitored closely and that envisaged results through capital investment are met in a timely manner.

Aggregate Revenue Requirement of DISCOMs

1.20 The Commission has determined the revised ARR and Retail Supply Tariff for FY 2024-25 for the DISCOMs in this Order as shown below in the table:

Table 7: ARR admitted by the Commission for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM		West DISCOM		Central DISCOM		State	
	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted
Power Purchase Cost including Inter-State Transmission Charges	10,384.26	9,398.83	17,351.04	16,138.58	13,755.60	13,166.89	41,490.90	38,704.29
Intra-State Transmission including SLDC Charges	1,687.65	1,691.59	1,706.14	1,709.37	1,708.97	1,710.49	5,102.76	5,111.44
O&M Expenses	1,922.24	1,988.03	1,952.46	1,906.59	1,926.91	1,910.63	5,801.60	5,805.25
Depreciation	375.53	386.20	344.90	209.57	437.41	380.09	1,157.84	975.86
Interest & Finance Charges								
On Project Loans	306.16	254.62	132.05	132.27	382.30	345.54	820.52	732.43
On Working Capital Loans	30.87	63.57	17.17	19.46	33.45	54.53	81.49	137.56
On Consumer Security Deposit	59.04	83.37	70.14	141.57	73.67	110.27	202.86	335.21
Return on Equity	237.85	237.85	176.98	172.74	276.08	272.30	690.91	682.88
Bad & Doubtful Debts	2.00	0.00	2.00	0.00	2.00	0.00	6.00	0.00
Total Expenses Admitted	**15,005.60**	**14,104.06**	**21,752.89**	**20,430.15**	**18,596.39**	**17,950.72**	**55,354.88**	**52,484.92**
Less: Other income and Non-Tariff Income	181.66	162.35	219.69	172.76	179.25	149.48	580.60	484.58
Total ARR Admitted	**14,823.94**	**13,941.71**	**21,533.19**	**20,257.39**	**18,417.15**	**17,801.24**	**54,774.28**	**52,000.34**
Revenue at Existing Tariff	14,555.87	14,165.45	20,445.22	20,564.65	18,024.87	18,012.02	53,025.96	52,742.12
Revenue Gap/(Surplus) at Existing Tariff	**268.07**	**(223.74)**	**1,087.97**	**(307.26)**	**392.28**	**(210.78)**	**1,748.32**	**(741.77)**

1.21 From the above, it can be observed that the Commission has admitted standalone ARR (excluding true up of previous years) of Rs. 52,000.34 Crore for FY 2024-25 against the Petitioners' claim of Rs. 55,774.28 Crore. The Commission, while approving the ARR, has undertaken thorough review of the Petitioners' submission and has admitted only the prudent expenses in accordance with the provision of the MYT Regulations, 2021 and amendments thereof. Instead of considering actual loss level, the Commission allowed ARR on normative loss level specified by the Commission, so that the inefficiency of the Distribution Licensee is not passed on to the Consumers. The revenue for FY 2024-25 at existing tariff is Rs. 52,742.12 Crore. Accordingly, on standalone basis for FY 2024-25, the DISCOMs are in Revenue Surplus of Rs. 741.77 Crore. The Commission has recently approved following True-ups Order for MPPGCL, MPPTCL and DISCOMs as follows:

(i) Revenue Gap of Rs. 395.73 Crore in True-up of ARR of FY 2022-23 of MP Power Transmission Company Ltd. approved vide Order dated 28th February, 2024.

(ii) Revenue Surplus of Rs. 1,539.78 Crore in True-up of ARR of FY 2021-22 of MP Genco approved vide Order dated 31st March, 2023.

(iii) Revenue Gap of Rs. 1,922.60 Crore in True-up of ARR of FY 2022-23 of DISCOMs approved vide Order dated 5th March, 2024.

1.22 These True-up amounts (Surplus/Gap) have been admitted by the Commission after carrying out due diligence and the same needs to be considered while approving ARR and tariff for FY 2024-25 to enable recovery of the same for DISCOMs. Therefore, considering the above True-ups, the Revenue Gap at existing tariff for FY 2024-25 works out as Rs.36.77 Crore. In order to allow recovery of the same, the Commission in this Order has allowed a tariff hike of 0.07% against the Petitioners' claim of 3.86%.

1.23 The ARR admitted for the DISCOMs for FY 2024-25, Revenue at Existing Tariff and Proposed/Admitted Tariff is shown in the following table:

Table 8: ARR admitted and Revenue at Existing/Approved Tariff for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM		West DISCOM		Central DISCOM		State	
	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted
Total ARR (excluding True-up)	**14,823.94**	**13,941.71**	**21,533.19**	**20,257.39**	**18,417.15**	**17,801.24**	**54,774.28**	**52,000.34**
Revenue Gap of MP Transco True-up of FY 2022-23	0.00	136.86	0.00	163.36	0.00	95.51	0.00	395.73
Revenue Surplus of MP Genco True-up of FY 2021-22	436.00	431.14	574.00	600.51	530.00	508.13	1,540.00	1,539.78
Revenue Gap of MP DISCOMs True-up of FY 2022-23	1,016.24*	527.19	461.73*	759.52	1,168.23*	635.89	2,646.20*	1,922.60
Total ARR (including True-up)	**15,404.18**	**14,174.62**	**21,420.93**	**20,579.75**	**19,055.37**	**18,024.52**	**55,880.47**	**52,778.89**
Revenue at Existing Tariff	14,555.87	14,165.45	20,445.22	20,564.65	18,024.87	18,012.02	53,025.96	52,742.12
Revenue Gap/(Surplus) at Existing Tariff	**848.31#**	**9.17**	**975.71#**	**15.11**	**1,030.50#**	**12.49**	**2,854.51#**	**36.77**
Revenue at Proposed Tariff	15,127.76	14,174.84	21,215.43	20,580.05	18,728.74	18,024.79	55,071.93	52,779.68
Revenue Gap/(Surplus) at Proposed Tariff	**276.42#**	**(0.22)**	**205.50#**	**(0.30)**	**326.63#**	**(0.27)**	**808.54#**	**(0.79)**

** The Revenue Gap mentioned in DISCOMs Petition and Tariff Petition is revised based on Petitioners' reply to additional data gaps in the True-up of FY 2022-23 and considering carrying cost.*

 # Revenue at existing and proposed tariff as projected by the Petitioners in Tariff Petition has been considered and Revenue Gap at existing and proposed tariff has been re-worked based on Petitioners' reply to additional data gaps in True-up of FY 2022-23

1.24 The Commission would like to highlight here that the utmost care is taken by the Commission while approving the ARR, Retail Tariff, so that inefficiency of the DISCOMs is not passed onto the consumers of the State. It is notable that in True up of FY 2022-23, the Petitioner had claimed Revenue Gap of Rs. 2,646.20 Crore. However, the Commission after exercising prudence check of the said claim and considering the stakeholders observations has admitted Revenue Gap of Rs. 1,922.60 Crore, thereby disallowing expenses towards inefficiency of the DISCOMs.

1.25 The Licensees are directed to keep in view the provision of relevant Regulations and ensure compliance with performance criteria. They are also encouraged to avail incentives in terms of R&M expenses, capitalisation of approved CAPEX and Return on Equity, which are available for better performance for improving consumer services.

1.26 In case of grant of tariff subsidy by the State Government for consumers, action as mandated under Section 65 of the Electricity Act, 2003 and in accordance with Electricity (Second Amendment) Rules, 2023 shall be ensured by all concerned and such consumers shall be billed accordingly by the Distribution Licensees.

1.27 The Commission through 1st and 2nd Amendment to MYT Regulations, 2021 has specified the mechanism for recovery of Fuel and Power Purchase Adjustment Surcharge (FPPAS) on monthly basis so that uncontrollable costs on account of variations in the fuel and power purchase charges are adjusted/recovered in a timely manner in accordance with the provisions of the Electricity Act, 2003. It is brought to the notice of the Commission that DISCOMs is adopting a selective approach in pass-through of FPPAS. Positive FPPAS for the month is being billed to consumers, while negative FPPAS for the month were not passed on to consumers. Various stakeholders in public hearings and in written submissions requested the Commission to direct the Petitioners to pass through the FPPAS applicable for the month, irrespective of being positive or negative. In view of the above, the Petitioners are directed to pass through positive or negative FPPAS applicable for the month to the consumers in accordance with the provisions of the Regulations, along with the associated mechanism/modalities as specified in the MYT Regulations, 2021, and any amendments thereof.

1.28 The Commission in this Order has determined the Green Energy Charges for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking certification to this effect. Besides, Tariff has been determined for Green Energy for consumers availing Green Energy from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof. The Petitioners are directed to develop procedure/ mechanism for issuance of Green Energy Certificate for the consumers availing Green Energy from the distribution licensees within one month from the issuance of this Order and the same should be made available on the websites of distribution licensees for the consumer access. The Petitioners are also directed to develop detailed operational and requisite guidelines/procedure for rating of green energy consumption for the consumers of the distribution licensees. The guidelines/procedure should be submitted to the Commission for approval within three months from date of issuance of this Order.

1.29 In compliance to the directives given in the Judgment by Hon’ble APTEL, the Commission has determined the ratio of Average Billing Rate to the Voltage-wise Cost of Supply (VCoS) for various consumer categories based on the proposals submitted by the DISCOMs. It may be mentioned here that the data/ information for working out the VCoS needs to be further validated to get a fair and correct picture. In absence of requisite data, the VCoS vis-a-vis cross subsidy percentage worked out in this Tariff Order is only indicative in nature.

Implementation of the Order

1.30 The Distribution Licensees must take immediate steps to implement this Order after giving seven (7) days Public Notice in prominent newspapers having State-wide circulation, in accordance with Regulation 1.30 of MPERC (Details to be furnished and fee payable by licensee or generating company for determination of tariff and manner of making application) Regulations, 2004, as amended from time to time. The tariff determined by this Order shall be effective from 1st April 2024 with the condition that Distribution Licensees have given public notice at least 7 days prior to 1st April 2024.The tariff determined by this Order shall be applicable until amended or modified by an Order of this Commission.

1.31 The detailed Order provides for the grounds and reasons of determining the ARR, discusses the functional and financial performance of the three DISCOMs and includes a section dealing with the status report on compliance of the Commission's Directives as well as responses of the Distribution Licensees thereto along with the Commission's observations on the suggestions/objections/comments received from various stakeholders on ARR and Tariff proposal. The Commission directs the Petitioners that this Order be implemented along with directions given and conditions mentioned in the detailed Order and in the Tariff Schedules annexed with (Annexure-2 and Annexure-3) this Order. It is further ordered that the DISCOMs are permitted to issue bills to the consumers in accordance with the provisions of this Tariff Order and applicable Regulations.

Sd/-	Sd/-	Sd/-
(Prashant Chaturvedi)	**(Gopal Srivastava)**	**(S.P.S. Parihar)**
Member	**Member (Law)**	**Chairman**

Date: 6th March,2024
Place: Bhopal

A2: AGGREGATE REVENUE REQUIREMENT FOR PETITIONERS

Sales Forecast

Sales forecast as submitted by the Petitioners

2.1 For projection of sales for FY 2024-25, the Petitioners have considered the past growth trends for each consumer category as historical trend method has proved to be reasonably accurate and well accepted method for estimating the load, number of consumers and energy consumption. The Petitioners further submitted that as per Regulation 25.1 of MYT Regulations, 2021, category-wise and slab-wise sales are to be determined based on the actual/audited data of the preceding three years. However, the preceding three years include COVID-19 year as well. Hence, in order to normalize the abnormal effect of COVID-19 on sales projections, the Petitioners have taken preceding five years data, i.e., from FY 2018-19 to FY 2022-23 and the sales data of FY 2023-24 up to the month of August 2023.

2.2 Accordingly, category and slab-wise actual data of the sale of electricity, number of consumers, connected / contracted load, etc., as per the annual R-15 statement corresponding to said period are taken and Compounded Annual Growth Rates (CAGR) of sales have been computed by the Petitioners from the past sales for each category and sub-category. The approach being followed by the Petitioners is as follows:-

(a) Analyse 5-year, 4-year, 3-year and 2-year CAGRs and Year-on-Year growth rate in Number of Consumers, Sales and Demand of each category and its sub-categories in respect of Urban and Rural consumers separately.

(b) After analysis of the data, appropriate / reasonable growth rates have been assumed for future consumer forecasts from the past CAGRs of the Category/Sub-category by the three DISCOMs.

(c) During the analysis, if an abnormal growth rate (high or low) relative to the current trend is observed, then the same is normalized for the purpose of projection for ensuing year.

(d) In cases where the past data shows a declining trend, nil growth has been considered.

(e) The growth rate assumed is then applied on sales per consumer / sales per kW and connected load while forecasting the connected load, number of consumers and sales in each category/sub-category.

2.3 The Petitioners submitted that they have considered the specific consumption, i.e., consumption per consumer and / or consumption per unit load, which is the basic forecasting variable and is widely used in load and energy sales forecasting. The basic intent in using this model is that the specific consumption per consumer and / or consumption per unit load captures the trends and variations in the usage of electricity over a growth cycle more precisely. Further, this method has also been recommended by the Central Electricity Authority (CEA).

2.4 Details of the category-wise sales as projected by the Petitioners, is given in the table as follows:

Table 9: Category-wise sales projected by Petitioners for FY 2024-25 (MU)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
LV-1: Domestic	6,474	6,380	7,155	20,009
LV-2: Non-Domestic	1,444	1,623	1,539	4,607
LV-3: Public Water Works & Street Light	467	783	585	1,835
LV-4 LT Industrial	536	836	388	1,760
LV 5: Agriculture and Allied Activities	7,480	11,817	10,725	30,022
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	0	2	0	2
LT Total	**16,402**	**21,440**	**20,392**	**58,234**
HV-1: Railway Traction	0	0	55	55
HV-2: Coal Mines	525	0	22	546
HV-3.1: Industrial	3,479	6,419	4160	14,057
HV-3.2: Non-Industries	305	597	548	1,450
HV-4: Seasonal	13	10	1	24
HV-5: Irrigation, Public Water Works and Other than Agricultural	258	1,403	387	2,047
HV-6: Bulk Residential Users	255	49	161	464
HV-7: Synchronization of Power for Generators connected to the Grid	4	34	5	43
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	0	12	10	22
HV 9: Metro Rail	0	7	13	20
HT Total	**4,837**	**8,531**	**5,362**	**18,729**
Total Sales for State	**21,239**	**29,971**	**25,753**	**76,963**

Commission's Analysis on Sales forecast

2.5 The Commission has observed that the Petitioners have relied on the actual data pertaining to FY 2018-19 to FY 2023-24 (up to August) for projection of number of consumers, connected load and sales for FY 2024-25. In order to project number of consumers, connected load and sales for FY 2024-25, the Commission has found it appropriate to consider last five years data from FY 2018-19 to FY 2022-23 and FY 2023-24 (up to December).

2.6 Based on the actual data, the Commission has also computed projected connected load per consumer and sales per unit load (kW) and / or demand (kVA) and sales per consumer.

2.7 Approach adopted by the Commission, for projection of number of consumers, connected load and sales is as follows:

- Number of consumers, Connected Load / Contract Demand for FY 2024-25 have been projected based on the analysis of corresponding data of last 5 years and considering the appropriate CAGR.

- In order to have more realistic projections, the Commission has re-assessed the Sales for FY 2023-24 considering 9 months actual data, i.e., April to December, 2023 and estimated the sales for January to March, 2024 by considering the proportion of actual energy sales in last 3 months (January – March, 2023) with respect to actual energy sales during first nine months of FY 2022-23 (April to December 2022). Using this average proportion of sales, the Commission has extrapolated the actual energy sales till the month of December, 2023 for the full year to assess the revised estimated energy sales for FY 2023-24. Thereafter, the Commission analysed category-wise and sub-category wise 5-Year CAGR, 4 Year CAGR, 3 Year CAGR, 2 Year CAGR and Year-on-Year growth rate, compared the same with the growth rates considered by the Petitioners for projections, and considered appropriate growth rates for projection of sales for FY 2024-25.

- For Categories LV-6 and HV-8 (Electric Vehicle and Charging Stations), wherein no typical trend in growth rates has been observed, the number of consumers, connected load and sales have been projected as per Petitioners' submission.

- For HV-1 (Railway Traction) and HV-9 (Metro Rail), number of consumers, connected load and sales have been considered as proposed by the Petitioners.

2.8 Based on above approach, the sales admitted for FY 2024-25 by the Commission is as follows:

Table 10: Category wise sales admitted by the Commission for State for FY 2024-25 (MU)

Consumer Categories	East DISCOM	West DISCOM	Central DISCOM	State
LV-1: Domestic	6,554.41	6,569.44	6,748.24	19,872.08
LV-2: Non-Domestic	1,321.92	1,628.42	1,473.61	4,423.96
LV-3: Public Water Works & Street Light	491.26	784.87	698.29	1,974.42
LV-4 LT Industrial	487.75	810.03	383.19	1,680.97
LV 5: Agriculture and Allied Activities	7,101.35	11,875.14	10,555.08	29,531.57
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	0.33	1.40	0.34	2.07
LT Total	**15,957.03**	**21,669.29**	**19,858.74**	**57,485.07**
HV-1: Railway Traction	0.00	0.00	55.32	55.32
HV-2: Coal Mines	526.58	0.00	24.11	550.69
HV-3.1: Industrial	3,028.81	4,903.34	3,550.60	11,482.75
HV-3.2: non-Industrial	281.36	556.28	572.63	1,410.28
HV-3.3: shopping malls	6.69	47.38	37.70	91.76
HV-3.4: Power Intensive Industries	260.64	1,585.04	1,077.95	2,923.62
HV-3: HT Industrial, Non-Industrial and shopping malls	3,577.49	7,092.03	5,238.88	15,908.40
HV-4: Seasonal	7.62	16.36	1.11	25.10
HV-5: Irrigation, Public Water Works and Other than Agricultural	267.77	1,297.05	415.94	1,980.76
HV-6: Bulk Residential Users	236.22	47.37	152.46	436.05

Consumer Categories	East DISCOM	West DISCOM	Central DISCOM	State
HV-7: Synchronization of Power for Generators connected to the Grid	3.63	32.45	4.59	40.68
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	0.00	12.28	9.53	21.80
HV-9: Metro Rail	0.00	6.75	13.57	20.31
HT Total	**4,619.32**	**8,504.29**	**5,915.52**	**19,039.12**
Total Sales for State (LT + HT)	**20,576.35**	**30,173.58**	**25,774.26**	**76,524.19**

Energy Balance

Petitioners' Submission

2.9 The Petitioners submitted that for projecting the energy requirement for FY 2024-25, annual sales have been converted into monthly sales using the sales profile actually observed in the past years for each DISCOM.

2.10 Further, the Petitioners submitted that the Commission in the MYT Regulations, 2021 has specified normative distribution loss levels for the MYT period from FY 2022-23 to FY 2026-27, whereas the actual losses for East, West and Central DISCOMs for FY 2022-23 stands at 27.39%, 12.60% and 22.91%, respectively.

2.11 The Petitioners submitted that they have undertaken various steps like strengthening of the network infrastructure, addition of network elements and vigorously undertaking the Energy Audit visits to reduce the losses and to keep a close tab on the losses. As per Petitioners' submission, they have achieved a significant reduction in distribution losses during the past period and these efforts shall continue and will be enhanced. The loss reduction is a gradual process and also increasingly difficult as the loss levels come down. As per Petitioners' it is very crucial that the loss reduction trajectory should be realistic. Loss trajectory would result in substantial financial burden on Petitioners by way of disallowance in power purchase cost. Having recognized this, the MoP has advised that the Commission should fix the realistic trajectory for reducing the AT&C losses and determine the cost reflective tariffs.

2.12 Government of India (GoI) Ministry of Power (MoP) vide its letter F.No.24-3/3/2019-PFC (MoP) Part (2) (E-263367) dated 30th May, 2023 has advised that the DISCOMs as well as the State Regulators should consider the Aggregate Technical and Commercial (AT&C) loss trajectory formulated by MoP under the RDSS scheme for tariff determination.

2.13 On 26th July, 2023 MoP notified the Electricity (Second Amendment) Rules, 2023. In the said amended Rules, under the framework for sustainability (Rule 20), in order to define a definite and reasonable goal for reduction of AT&C loss, it is prescribed that the AT&C loss reduction trajectory would be approved by the State Commissions for tariff determination in accordance with the trajectory agreed by the respective State Governments and approved by the Central Government under any national scheme or programme, or otherwise.

2.14 Subsequently, the MoP vide its letter F.No.24-3/3/2019-PFC (MoP) Part(2) (E-263367) dated

30th May 2023 has formulated Loss trajectory from FY 2021-22 to FY 2027-28 for the Petitioners under RDSS scheme that needs to be considered for tariff determination.

2.15 The Commission amended the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) (2nd Amendment) Regulations, 2021, wherein it has revised the normative loss reduction trajectory for FY 2024-25 to FY 2026-27, in line with GoI Rules.

2.16 The Commission, vide its letter No. MPERC/RE/2023/2762 dated 8th December, 2023 directed the Licensee to submit the revised Petition considering the revised distribution losses as per Second Amendment to Tariff Regulations 2021. In view of the above, the Petitioners have considered the distribution loss levels for FY 2024-25 as per the revised trajectory specified by the Commission in line with the trajectory approved by MoP under RDSS scheme.

2.17 The Petitioners further submitted that while assessing the monthly normative energy requirement for the Licensees, the Commission considers constant distribution losses (being equal to yearly approved Discoms wise distribution losses) for all the months of a particular year, whereas in actual scenario, the Distribution Losses cannot be constant throughout the year for any Distribution Licensee. There are various factors, which affect the distribution losses such as ambient temperature, average current flow, input energy, output energy/billing units, etc. In case of Madhya Pradesh, the majority portion of monthly billing attributable to agriculture consumers are being done on normative basis, due to which there are many instances where the distribution losses work out to be negative.

2.18 The normative distribution losses are approved for a year as specified in the applicable Tariff Order or Regulations, however, nowhere has it been specified that the Distribution Licensee has to maintain constant distribution losses throughout the year. It is to be noted that similar to year-wise approval of normative Distribution Losses for DISCOMs, the Commission also approves Renewable Energy Purchase Obligation (RPO) target on yearly basis. Further, the Normative Plant Availability Factor (NAPAF) for allowance of Fixed Charges to Generating Companies are being approved by the Commission as 85%, which is also on yearly basis. Similarly, the Commission also approves Normative Plant Load Factor (NAPLF) for allowance of incentives to Generating Companies as 85% for the year. It is submitted that the assessment of RPO target or NPAF or NPLF are being done on cumulative basis at the end of the year. However, for the assessment of Distribution Losses, different approach has been adopted, which results not only in differential treatment for DISCOMs but also in disallowance of actual legitimate cost being incurred corresponding to scheduling of Stations, which as per the Commission’s methodology will never get schedule.

2.19 In this regard, the Petitioners submitted that the normative profiling of distribution losses in tandem with actual distribution losses is done in such a manner that at the end of the year the distribution losses comes out within the norms. The basic intention here is that the methodology for assessment of distribution losses should be so designed that in case the Distribution Licensee achieves the normative level of losses, then there should not be any disallowance.

2.20 The Petitioners have therefore, assessed the normative profiling of distribution losses for FY 2024-25 in tandem with actual distribution losses recorded during FY 2022-23. It is to be noted that in either of the methods, i.e., with constant distribution losses over the year or with profiled distribution losses in tandem with actuals, the total normative energy requirement for a particular year would remain the same. It is only that the month-wise normative scheduling of stations would differ, which tantamount to actual scheduling only if the profiling with actual losses is considered.

2.21 The Intra-State transmission losses of 2.63% for FY 2022-23 as reported by MPPTCL to MPPMCL have been considered for FY 2024-25. Further, inter-State transmission losses have been computed as per Regulation 10 of CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 in which it is specified that Inter-State transmission (ISTS) losses shall be calculated on all-India average basis for each week. The Petitioners have considered the Inter-State transmission losses as per monthly actual PGCIL losses on all-India average basis considering the weekly losses for the period of 6th November, 2022 to 5th November 2023 (52-weeks data).

2.22 Based on the above, the Petitioners have projected energy requirement for FY 2024-25 by grossing up the projected sales by normative distribution losses and projected transmission losses, as shown in the table below:

Table 11: Energy Requirement proposed by Petitioners for FY 2024-25 (MU)

Particulars	Unit	East DISCOM	West DISCOM	Central DISCOM	State
Sales	MU	21,239	29,971	25,753	76,963
Distribution loss	%	19.49%	13.40%	19.57%	17.25%
Distribution loss	MU	5,140	4,639	6,266	16,046
Energy Requirement at DISCOM Boundary	MU	26,380	34,610	31,020	93,009
Intra-State Transmission Losses	%	2.63%	2.63%	2.63%	2.63%
Intra-State Transmission Losses	MU	713	935	865	2,512
Energy Requirement at State Boundary	MU	27,092	35,545	32,884	95,522
Inter-State Transmission Losses	MU	649	918	788	2,355
Ex-Bus Energy Requirement	**MU**	**27,741**	**36,463**	**33,672**	**97,877**

Commission's Analysis

2.23 Regarding the Petitioners' request to consider the normative profiling in tandem with actual loss profiling as submitted by the Petitioners while assessing the month-wise distribution losses, it is observed that the Petitioners had filed the Review Petition on True-up Order of FY 2021-22 (P. No. 24/2023) to revisit the above said approach. The Commission in its Order dated 07th November, 2023 on Review Petition filed by the Petitioners decided not to revise the approach..

2.24 The Commission would like to mention that like other accounting, Regulatory accounting is also based on principle of conservation. DISCOMs may even demand accounting of losses on daily/hourly or 15 minutes block wise to justify estimation of schedules. However, while estimating the losses, the Commission has to go by the loss target given to the licensee, which is on annual basis. Secondly, despite directions given year after year, Petitioners are not putting system in place proper energy accounting through which losses may be worked out. Under such circumstances, the Commission has to follow the same approach which was adopted so far in the determining normative energy requirement.

2.25 For arriving at the total quantum of energy requirement, the Commission has considered annual sales grossed up by specified loss levels as per the calculations shown in subsequent paragraphs/tables. Further, to compute the monthly energy requirement for FY 2024-25, monthly sales profile, which is based on the actual sales profile of past years, as submitted by the Petitioners, has been considered.

2.26 The distribution loss level trajectory as specified for FY 2024-25 in the 2nd amendment of MYT Regulations, 2021 is given in the table below:

Table 12: Loss targets as per Regulations (in %)

DISCOMs	FY 2024-25
East	19.49%
West	13.40%
Central	19.57%

2.27 The Commission has considered the distribution losses as specified in the 2nd Amendment of MYT Regulations, 2021 for projecting the energy requirement for FY 2024-25. The Commission has adopted the earlier approved methodology for approval of monthly loss and has not considered any deviation in the monthly losses as proposed by the Petitioner and has considered the normative losses as specified in the 2nd Amendment of MYT Regulations, 2021 for every month.

2.28 Further, the Commission has considered the Inter-State transmission losses as 3.56% based on actual PGCIL losses on all India Average basis considering the weekly losses for the period of 20th February, 2023 to 19th February, 2024 (52-weeks data).

2.29 Intra-State transmission losses have been considered as per actual losses for FY 2022-23, i.e., 2.63% as submitted by MPPTCL in their annual report of regulatory compliance for FY 2022-23.

2.30 The energy balance / Energy requirement computed based on admitted sales and normative losses for FY 2024-25, is shown in the following tables:

Table 13: Energy requirement admitted by the Commission for FY 2024-25

Particular	East DISCOM	West DISCOM	Central DISCOM	State
Total Sales (MU)	20,576.35	30,173.58	25,774.26	76,524.19
Distribution loss (%)	19.49%	13.40%	19.57%	17.22%
Distribution loss (MU)	4,981.16	4,668.89	6,271.32	15,921.37
Input at T-D interface (MU)	25,557.50	34,842.48	32,045.58	92,445.56

Particular	East DISCOM	West DISCOM	Central DISCOM	State
Intra State Transmission loss (%)	2.63%	2.63%	2.63%	2.63%
Intra State Transmission loss (MU)	690.32	941.11	865.56	2,496.99
Input at G-T interface (MU)	26,247.82	35,783.58	32,911.14	94,942.55
Inter State Transmission Losses (MU)	638.78	936.72	800.15	2,375.65
Power Purchase Requirement for FY 2024-25 (MU)	**26,886.60**	**36,720.31**	**33,711.29**	**97,318.19**

Assessment of Energy Availability

Petitioners' Submission

2.31 The Petitioners have assessed availability of energy for the State, on the following basis:

(a) Existing long-term allocated generation capacity of MP.

(b) New generation capacity additions during FY 2024-25 for Renewables, Central Sector, Joint Venture and by private players awarded through competitive bidding.

(c) Allocation of generation capacity to MP from various Central Generating Stations.

2.32 Allocation of power to MP from Central Generating Stations is as per Western Regional Power Committee letter No. WRPC/Comml-I/6/Alloc/2023/505 dated 24th July, 2023 and from Eastern Region NTPC Kahalgaon-2 as per GoI MoP letter no. I/31/2006-Th.2 dated 21st February, 2007 and from Northern Region as per Northern Regional Power Committee file No. CEA-GO-17-14(16)/1/2023-NRPC dated 30th September 2023. Allocation from MP Genco and other sources have been considered based on inputs provided and latest updates from their concerned offices.

2.33 MPPMCL has already decided to foreclose the PPAs with DVC for 400 MW (MTPS and CTPS) and 100 MW (DTPS) w.e.f. 01st March, 2018 and 15th May, 2017, respectively. Hence, no power is being scheduled from these stations after the said date. However, since September, 2020, power on STOA basis is being scheduled from 100 MW DVC (DTPS) through LOI dated 10th July, 2020. Similarly, LOI for 200 MW from DVC (CTPS) on STOA basis has also been issued on 10th July, 2020. Thus, costs of these plants have also been considered while calculating the power purchase cost for FY 2024-25.

2.34 During FY 2022-23, power from Essar, BLA and Sugen Torrent Generating Stations has been scheduled following MoD whereas in the Tariff Order for FY 2022-23 and FY 2023-24, the Commission had not considered availability and the cost thereon from these plants. The Petitioners requested the Commission to consider the availability from these plants for FY 2024-25 as the PPAs with these plants remain in force.

2.35 NPCIL Kakrapar Unit 3 and 4 with 100 MW allocated capacity for MP State has scheduled Commercial Operation from July-23, while Unit 4 is expected to be commissioned by December, 2023. Accordingly, a capacity addition of 219 MW has been considered by the Petitioners against the aforesaid generating units.

2.36 In the Tariff Order for FY 2023-24, the Commission has considered 100% allocation of M/s Lanco Amarkantak TPS Unit 1 to MPPMCL. The Petitioners have considered only 50% allocation of M/s Lanco Amarkantak TPS Unit 1 due to the following reasons:

(i) The Settlement Agreement signed between the parties viz MPPMCL, PTC and Lanco, a special clause has been incorporated mentioning that the generator needs to seek permission from buyer before procurement of coal from alternate sources other than linkage coal and in case of denial by Procurer, deemed capacity charges for capacity which could not be generated due to this denial, shall be payable. Additionally, in case of refusal by Procurer, the VC (variable charge) shall also increase due to increase in GHSR and Aux. Consumption as per the Power Supply Agreement (PSA).

(ii) Accordingly, considering the fact that the Coal India Ltd. will not be able to supply the Annual Contracted Quantity as per previous experience, M/s Lanco requested MPPMCL to grant permission for procurement of non-linkage coal from alternate sources so as to run the plant at normative parameters.

(iii) In view of above, MPPMCL, through letter dated 01.11.2022, intimated M/s Lanco, that the State shall be procuring only the power generated from FSA coal and further disallowed blending of FSA and Non-FSA coal for supply of power to MPPMCL.

2.37 The details of upcoming capacity additions anticipated during FY 2024-25 are as follows:

Table 14: Details of Capacity Addition with respect to Solar Projects during FY 2024-25

Project	Capacity (MW)	Expected commissioning	Annual Energy (MU)	Operational Months during FY 2024-25	Energy assessed for FY 2024-25 (MU)
KUSUM A	150	Mar-25	276	0	0
KUSUM C	350	Mar-25	644	0	0
NHPC	300	Apr-24	705	11	646
	320	Apr-24	815	11	747
CPSU	1,000	Sep-24	2,295	6	1,148
Total	**2,120**		**4,735**		**2,541**

Table 15: Details of Capacity Addition with respect to Wind Projects during FY 2024-25

Project	Capacity (MW)	Expected commissioning	Annual Energy (MU)	Operational Months during FY 2024-25	Energy assessed for FY 2024-25 (MU)
1200 SECI - MP Specific	66	Jul-24	223	8	149
	44	Sep-24	149	6	74
Total	**110**		**372**		**223**

Table 16: Details of Capacity Addition with respect to MSW Projects during FY 2024-25

Project	Capacity (MW)	Expected commissioning	Annual Energy (MU)	Operational Months during FY 2024-25	Energy assessed for FY 2024-25 (MU)
6 MW	6	Apr-24	18	11	16
Total	**6**		**18**		**16**

Table 17: Details of Capacity Addition with respect to Hydro Projects during FY 2024-25

Project	Capacity (MW)	Expected commissioning	Annual Energy (MU)	Operational Months during FY 2024-25	Energy assessed for FY 2024-25 (MU)
Amhata-II	3.80	Mar-24	1.41	12	1.41
Amhata-IV	3.80	Oct-24	1.41	6	0.71
NHPC - Lower Subhansiri	13.13	Mar-24	48.70	12	48.70
	13.13	Apr-24	48.70	11	44.64
	13.13	May-24	48.70	10	40.59
	13.13	Jun-24	48.70	9	36.53
	13.13	Jul-24	48.70	8	32.47
	13.13	Aug-24	48.70	7	28.41
	13.13	Sep-24	48.70	6	24.35
	13.13	Oct-24	48.70	5	20.29
NHPC - Tiesta 500 MW	90	Apr-24	434	11	397
NHPC - Rangit 120 MW	43	May-24	181	10	151
Total	**246**		**1,007**		**826**

2.38 Further, in addition to above renewable capacity addition, the Petitioners have also contracted for medium-term power through PFC Consulting Limited (PFCCL) for 378 MW from 01st April, 2023 to 30th March, 2028. The energy from aforesaid source is also considered for FY 2024-25. The Petitioners have also filed a separate Petition (Petition No. 51 of 2023) for approval of the procurement of additional quantum and Power Purchase Agreement for medium-term power for five years from FY 2023-24 through Tariff Based Competitive Bidding carried out by PFCCL for aggregate power requirement for a group of States under Scheme to Harness and Allocate Koyla Transparently in India (SHAKTI) B (V) policy. The details of medium-term power through PFCCL are as shown below:

Table 18: Details of energy anticipated through PFCCL for FY 2024-25

Particulars	Capacity (MW)	PAF Considered	FC (Rs./kWh)	EC (Rs./kWh)	Energy Availability (MU)
PFCCL	378	85%	2.595	2.704	2,814.59

2.39 As regards estimation of availability from Hydro Power Plants (HPPs) for FY 2024-25, the Petitioners have worked out the month-wise average actual availability over the past 3 years from existing HPPs and the same has been considered for the respective months of FY 2024-25. Further, with respect to new capacity addition towards HPPs, the availability is considered based on the design energy of respective plants. Further, the energy so anticipated for FY 2024-25 from new HPPs from its COD is then apportioned over the respective months of FY 2024-25 based on the actual month-wise availability profiling of existing HPPs.

2.40 For the assessment of availability from existing solar and non-solar power plants, the Petitioners have considered the actual month-wise generation recorded over the past year, i.e., FY 2022-23 against the respective plants. For new/upcoming projects, the CUF has been estimated as per PPA of the respective plant and the energy so anticipated for FY 2024-25 from new solar and non-solar power plants from its COD is then apportioned over the respective months of FY 2024-25 based on the actual month-wise availability profiling of existing solar and non-solar power plants.

2.41 The following table shows allocated capacity from existing stations as well as the new capacity additions, which are expected to become operational during FY 2024-25:

Table 19: Allocated stations submitted by the Petitioners for FY 2024-25

Sr. No	Source	Plant Capacity (MW)	MP's Share in %	MP's Share in MW
1	Amarkantak TPS Ph-III	210	100%	210
2	Satpura TPS Ph-IV	500	100%	500
3	SGTPS Ph-I & II	840	100%	840
4	SGTPS Ph-III	500	100%	500
5	Shri Singaji STPS Phase-I	1,200	100%	1,200
6	Shri Singaji STPS Phase-II	1,320	100%	1,320
A	**Total (MP Genco Thermal-MP Share)**	**4,570**		**4,570**
7	Rani Awanti Bai Sagar, Bargi HPS	90	100%	90
8	Bansagar Ph I HPS (Tons)	315	100%	315
9	Bansagar Ph-II HPS (Silpara)	30	100%	30
10	Bansagar Ph-III HPS (Deolond)	60	100%	60
11	Bansagar Ph-IV HPS (Jhinna)	20	100%	20
12	Birsinghpur HPS	20	100%	20
13	Madikheda HPS	60	100%	60
14	Rajghat HPS	45	60%	27
15	Gandhisagar HPS	115	50%	58
16	Ranapratap Sagar HPS	172	50%	86
17	Jawahar Sagar HPS	99	50%	50
18	Pench HPS	160	67%	107
B	**Total (MP Genco Hydel)**	**1,186**		**922**
19	NHDC Indira Sagar HPS	1,000	100%	1,000
20	NHDC Omkareshwar HPS	520	100%	520
21	NVDA Sardar Sarovar HPS	1,450	57%	827
22	Rihand HPS	300	15%	45
23	Matatila HPS	31	32.68%	10
24	SJVN Rampur HPS	412	0.22%	0.91

Sr. No	Source	Plant Capacity (MW)	MP's Share in %	MP's Share in MW
25	SJVN Jhakri HPS	1,500	0.24%	3.60
26	Tehri HPS	1,000	0.24%	2.40
27	Koteshwar HPP	400	0.24%	0.96
28	NHPC Parbati III	520	0.37%	1.92
29	NHPC Chamera II	300	0.44%	1.32
30	NHPC Chamera III	231	0.37%	0.85
31	NHPC Dulhasti	390	0.37%	1.44
32	NHPC Dhauliganga	280	0.37%	1.04
33	NHPC Sewa II	120	0.37%	0.44
34	NHPC Uri II	240	0.37%	0.89
35	NHPC Kishanganga	330	0.37%	1.22
36	NTPC Koldam HPP I	800	0.17%	1.36
37	NTPC Singrauli Small HPP	8	0.37%	0.03
38	NHPC Lower Subansiri HEP (Unit-1 to Unit-8)	2,000	5.25%	105
39	NHPC -Tiesta	500	18.00%	90
40	NHPC - Rangit	120	35.83%	43
41	SAS Hydel Project Pvt Ltd.	-	-	9.75
42	Amhata Hydro Energy Pvt. Ltd.	3.6	100%	3.60
43	Amhata Hydro Energy Pvt. Ltd. - II	3.6	100%	3.60
44	Amhata Hydro Energy Pvt. Ltd. - IV	3.6	100%	3.60
45	Sirmour Small Hydel Pvt. Ltd.	-	-	24
46	NVDA Indira sagar LBC HPS	15	100%	15
47	NVDA Bargi LBC HPS	10	100%	10
48	Mini & Micro Hydel Plants	-	-	7.26
C	**Total (JV Hydel & Other Hydel)**	**12,488**		**2,735.19**
49	NTPC Korba	2,100	21.55%	452.63
50	NTPC Korba III	500	12.50%	62.50
51	NTPC Vindyachal I	1,260	33.12%	417.26
52	NTPC Vindyachal II	1,000	29.85%	298.47
53	NTPC Vindyachal III	1,000	22.55%	225.47
54	NTPC Vindyachal IV	1,000	25.64%	256.41
55	NTPC Vindyachal V Unit 1	500	25.57%	127.86
56	NTPC Sipat I	1,980	14.29%	283
57	NTPC Sipat II	1,000	16.85%	168.47
58	NTPC Mouda I	1,000	0.00%	0
59	NTPC Mouda II Unit 1	1,320	0.00%	0
60	NTPC Solapur STPS	1,320	22.41%	295.80
61	NTPC Gadarwara STPS, Unit-1	800	50.00%	400
62	NTPC Lara STPS, Raigarh, Unit I	800	9.21%	147.42
63	NTPC Khargone STPS, Unit-I & II	1,320	50.00%	660
64	NTPC Kawas GPP	656	0.00%	0
65	NTPC Gandhar GPP	657	0.00%	0
66	KAPP Kakrapar	440	23.68%	104.21
67	KAPP Kakrapar Unit 3	700	14.29%	100
68	KAPP Kakrapar Unit 4	700	15.57%	109
69	TAPP Tarapur	1,080	19.21%	207.50

Sr. No	Source	Plant Capacity (MW)	MP's Share in %	MP's Share in MW
70	NTPC Gadarwara STPS, Unit-2	800	50.00%	400
D	**Total WR Region**	**21,933**		**4,716**
71	NTPC Kahalgaon II	1,500	4.93%	74
72	LoI through DVC (Sep-2020 to Mar-2032)	-	-	100
E	**Total ER Region**	**1,500**		**174**
73	NTPC Auraiya GPP	663	0.36%	2.40
74	NTPC Dadri GPP	830	0.38%	3.10
75	NTPC Anta GPP	419	0.37%	1.50
76	NTPC Firoz Gandhi Unchahar I	420	0.03%	0.10
77	NTPC Firoz Gandhi Unchahar II	420	0.10%	0.40
78	NTPC Firoz Gandhi Unchahar III	210	0.09%	0.20
79	NTPC Firoz Gandhi Unchahar IV	500	0.10%	0.50
80	NTPC Rihand TPS-I	1000	0.08%	0.80
81	NTPC Rihand TPS-II	1000	0.09%	0.90
82	NTPC Rihand TPS-III	1000	0.10%	1.00
83	NTPC NCTP Dadri II	980	0.09%	0.90
84	NTPC Singrauli	2000	0.08%	1.60
85	NTPC IGPS I Jhajjar	1500	0.18%	2.80
86	MEJA Urja Nigam	660	0.18%	1.20
87	NTPC Tanda	660	0.06%	0.40
88	Rajasthan (NPCIL)	440	0.37%	1.60
89	NARORA (NPCIL)	440	0.35%	1.60
F	**Total NR Region**	**13,142**		**20.90**
90	Torrent Power	1,148	4%	50
91	BLA Power, Unit-I & II	90	35%	32
92	Jaypee Bina Power	500	70%	350
93	Lanco Amarkantak TPS Unit 1	300	50%	150
94	Reliance UMPP, Sasan	3,960	38%	1,485
95	Essar Power STPS	1,200	5%	60
96	Jaiprakash Power STPS, Nigri	1,320	38%	495
97	MB Power STPS, Unit-I	600	35%	210
98	MB Power STPS, Unit-II	600	35%	210
99	Jhabua Power STPS, Unit-1	600	35%	210
100	PFCCL	-	-	378
G	**Total (IPPs)**	**10,318**		**3,630**
101	Renewable Energy (Solar)	5,886	100%	5,886
102	Renewable Energy (other than Solar)	3,614	100%	3,614
103	Bio Mass/Bio gas/MSW	42	100%	42
H	**Total Renewable Energy**	**9,542**		**9,542**
I	**Grand Total**	**74,679**		**26,311**

2.42 The Petitioners submitted that the Commission does not factor in the provision of its own "Detailed Operating Procedure (DOP) for Backing Down of Coal unit(s) of the State Generating Stations having 100% installed capacity tied up with MP Power Management Company/DISCOMs of MP and for IPPs as per provision in PPA with MPPMCL for taking such units under Reserve Shut Down on scheduling below Technical Minimum Schedule and part load operation" as approved vide Order dated 29th January, 2020 in accordance with

Clause 8.8 (6) of the aforesaid Madhya Pradesh Electricity Grid Code (Revision-II), 2019 issued on 21st June, 2019. The approved DOP lays down (i) the methodology for identifying the generating stations or units thereof to be backed down in specific grid conditions such as low system demand, during regulation of power supply, incidence of high renewables, etc.; (ii) the procedure for taking generating units under RSD; (iii) the role of different agencies; and (iv) the data requirements, etc. The DOP also provided "Technical Minimum" (TMM) for operation in respect of a unit(s) of a Thermal Generating Station as 55% of Maximum Continuous Rating or MCR loading.

2.43 The Petitioners submitted that as per DOP, day ahead scheduling is being undertaken by MPPMCL/Discoms, wherein it has to ensure "Technical Minimum" scheduling for their tied-up stations. Further, in case of IPPs also, the DOP stipulates that all the beneficiaries including pseudo beneficiary of IPP shall be responsible for maintaining technical minimum generation of the generating unit(s). All the beneficiaries are required to give technical minimum requisition of their share in the IPP's unit(s), in case unit(s) is required to be kept on bar for smooth operation of the Grid.

2.44 The criterion for Technical Minimum Scheduling is squarely applicable for Central Generating Stations also as per relevant Regulations/Code of the Central Electricity Regulatory Commission (CERC) and DOP as approved by the Hon'ble CERC vide its Order No. L-1/219/2017-CERC dated 5th May, 2017. However, the Commission does not factor-in the Technical Minimum scheduling while estimating the power purchase requirement. Instead, the Commission directly applies the Merit Order Despatch (MOD) Principle on the energy available against the stations. This amounts to those stations falling below the MoD rank at which the normative energy requirement (and surplus sale if any) is fulfilled, remaining under backdown or RSD throughout the year. However, in actual scenario, it is not possible even when the actual loss of the Petitioners remains within the normative range. Due to this approach of the Commission, there exists a substantial variation in actual power purchase cost as compared to that approved, which can be seen in the past year True-up of ARR. The Petitioners therefore requested the Commission to factor in the TMM scheduling while estimating the power purchase requirement and cost for FY 2024-25.

2.45 The Petitioners further submitted that they fully agree with the argument that providing technical minimum scheduling to some stations throughout the financial year also does not depict the actual operational scenario as actual scheduling of TMM is based on 15-minute time block-wise demand vis-à-vis availability scenario. Thus, a balanced approach to protect the interest of consumers as well as licensees is proposed to ensure a minimum scheduling of say 40% for every thermal and gas station against the energy requirements and then apply the MoD principle for the remaining balance requirement. This will ensure continuity of the generation from the running stations during the need of hour and will also maintain grid stability.

2.46 After fully meeting the requirement of the State and selling surplus power on the Power Exchange based on past trend, the Petitioners on normative basis are expected to partially back-down some costlier plants so as to save the variable costs being incurred on them. The Petitioners have calculated partial backing down of units/stations at normative loss levels on monthly basis during those periods when their scheduling is not required at normative loss level to meet the demand and also when there is no net savings in case of selling such power in open market/exchange.

2.47 The following table shows the stations, which are considered by the Petitioners for partial/full back down:

Table 20: Power Plant-Wise backing down considered by the Petitioners for FY 2024-25 (MU)

Sr. No.	Sources	Energy Availability	Energy Scheduled	Surplus Sale	Energy Backdown
1	Amarkantak TPS Ph-III	1,416	1,230	125	61
2	Satpura TPS Ph-IV	3,693	2,635	369	689
3	SGTPS Ph-I & II	4,379	3,507	147	725
4	SGTPS Ph-III	3,461	2,549	462	450
5	Shri Singaji STPS Phase-I	7,293	5,058	450	1,785
6	Shri Singaji STPS Phase-II	8,010	5,809	381	1,820
A	**Total (MP Genco Thermal-MP Share)**	**28,252**	**20,787**	**1,935**	**5,531**
7	Rani Awanti Bai Sagar, Bargi HPS	412	412	0	0
8	Bansagar Ph I HPS (Tons)	972	972	0	0
9	Bansagar Ph-II HPS (Silpara)	88	88	0	0
10	Bansagar Ph-III HPS (Deolond)	100	100	0	0
11	Bansagar Ph-IV HPS (Jhinna)	108	108	0	0
12	Birsinghpur HPS	46	46	0	0
13	Madikheda HPS	133	133	0	0
14	Rajghat HPS	60	60	0	0
15	Gandhisagar HPS	106	106	0	0
16	Ranapratap Sagar HPS	83	83	0	0
17	Jawahar Sagar HPS	126	126	0	0
18	Pench HPS	242	242	0	0
B	**Total (MP Genco Hydel)**	**2,474**	**2,474**	**0**	**0**
19	NHDC Indira Sagar HPS	2,261	2,261	0	0
20	NHDC Omkareshwar HPS	1,158	1,158	0	0
21	NVDA Sardar Sarovar HPS	1,785	1,785	0	0
22	Rihand HPS	86	86	0	0
23	Matatila HPS	35	35	0	0
24	SJVN Rampur HPS	2	2	0	0
25	SJVN Jhakri HPS	9	9	0	0
26	Tehri HPS	6	6	0	0
27	Koteshwar HPP	2	2	0	0
28	NHPC Parbati III	3	3	0	0
29	NHPC Chamera II	3	3	0	0
30	NHPC Chamera III	2	2	0	0
31	NHPC Dulhasti	4	4	0	0
32	NHPC Dhauliganga	3	3	0	0
33	NHPC Sewa II	1	1	0	0
34	NHPC Uri II	2	2	0	0
35	NHPC Kishanganga	3	3	0	0

Sr. No.	Sources	Energy Availability	Energy Scheduled	Surplus Sale	Energy Backdown
36	NTPC Koldam HPP I	3	3	0	0
37	NTPC Singrauli Small HPP	0	0	0	0
38	NHPC Lower Subansiri HEP Units	276	276	0	0
39	NHPC -Tiesta	397	397	0	0
40	NHPC - Rangit	151	151	0	0
41	SAS Hydel Project Pvt Ltd.	11	11	0	0
42	Amhata Hydro Energy Pvt. Ltd.	5	5	0	0
43	Amhata Hydro Energy Pvt. Ltd. - II	1	1	0	0
44	Amhata Hydro Energy Pvt. Ltd. - IV	1	1	0	0
45	Sirmour Small Hydel Pvt. Ltd.	143	143	0	0
46	NVDA Indira sagar LBC HPS	6	6	0	0
47	NVDA Bargi LBC HPS	7	7	0	0
48	Mini & Micro Hydel Plants	6	6	0	0
C	**Total (JV Hydel & Other Hydel)**	**6,374**	**6,374**	**0**	**0**
49	NTPC Korba	3,438	2,950	331	157
50	NTPC Korba III	476	409	67	0
51	NTPC Vindyachal I	2,969	2,192	507	269
52	NTPC Vindyachal II	2,167	1,873	100	194
53	NTPC Vindyachal III	1,680	1,447	119	114
54	NTPC Vindyachal IV	1,916	1,649	91	176
55	NTPC Vindyachal V Unit 1	952	791	74	87
56	NTPC Sipat I	1,938	1,432	256	250
57	NTPC Sipat II	1,311	931	192	188
58	NTPC Mouda I	0	0	0	0
59	NTPC Mouda II Unit 1	0	0	0	0
60	NTPC Solapur STPS	2,066	1,243	182	642
61	NTPC Gadarwara STPS, Unit-1	2,923	1,848	132	943
62	NTPC Lara STPS, Raigarh, Unit I	1,084	798	48	238
63	NTPC Khargone STPS, Unit-I & II	4,473	2,795	406	1,273
64	NTPC Kawas GPP	0	0	0	0
65	NTPC Gandhar GPP	0	0	0	0
66	KAPP Kakrapar	2,442	2,442	0	0
67	TAPP Tarapur	1,452	1,452	0	0
68	NTPC Gadarwara STPS, Unit-2	2,923	1,736	243	943
D	**Total WR Region**	**34,210**	**25,986**	**2,749**	**5,475**
69	NTPC Kahalgaon II	571	352	27	193
70	DVC (MTPS & CTPS)	702	419	35	248
E	**Total ER Region**	**1,273**	**771**	**61**	**441**
71	NTPC Auraiya GPP	48	24	0	24
72	NTPC Dadri GPP	63	40	3	20
73	NTPC Anta GPP	31	17	3	11
74	NTPC Firoz Gandhi Unchahar I	3	1	0	1
75	NTPC Firoz Gandhi Unchahar II	8	4	0	3
76	NTPC Firoz Gandhi Unchahar III	4	2	0	2
77	NTPC Firoz Gandhi Unchahar IV	10	5	0	4
78	NTPC Rihand TPS-I	16	14	2	0

Sr. No.	Sources	Energy Availability	Energy Scheduled	Surplus Sale	Energy Backdown
79	NTPC Rihand TPS-II	17	15	3	0
80	NTPC Rihand TPS-III	19	16	3	0
81	NTPC NCTP Dadri II	17	9	1	7
82	NTPC Singrauli	32	27	5	0
83	NTPC IGPS I Jhajjar	55	31	2	23
84	MEJA Urja Nigam	24	13	2	9
85	NTPC Tanda	8	5	0	3
86	Rajasthan (NPCIL)	32	32	0	0
87	NARORA (NPCIL)	31	31	0	0
F	**Total NR Region**	**419**	**288**	**24**	**107**
88	Torrent Power	241	205	6	29
89	BLA Power, Unit-I & II	198	133	8	58
90	Jaypee Bina Power	2,283	1,500	96	687
91	Lanco Amarkantak TPS Unit 1	941	708	118	115
92	Reliance UMPP, Sasan	11,112	10,394	718	0
93	Essar Power STPS	99	99	0	0
94	Jaiprakash Power STPS, Nigri	3,406	3,406	0	0
95	MB Power STPS, Unit-I	1,513	963	67	483
96	MB Power STPS, Unit-II	1,513	963	67	483
97	Jhabua Power STPS, Unit-1	1,464	1,038	103	323
98	PFCIL	2,815	2,025	133	657
G	**Total (IPPs)**	**25,584**	**21,434**	**1,316**	**2,834**
99	Renewable Energy (Solar)	11,966	11,966	0	0
100	Renewable Energy (other than Solar)	7,476	7,476	0	0
101	BioMass/Biogas/MSW	92	92	0	0
H	**Total Renewable Energy**	**19,533**	**19,533**	**0**	**0**
I	**IEX/Short Term Purchase**	**0**	**230**	**0**	**0**
J	**Total**	**118,120**	**97,877**	**6,085**	**14,388**

Commission's Analysis

2.48 The Commission observed that the Petitioners have not considered the allocation from Western and Northern Region as per the latest allocation specified by Regional Power Committee. Therefore, the Commission has considered the latest allocation of power from Western and Northern Regions for assessment of energy availability from Central Generating Stations (CGS).

2.49 The Commission has considered the CGS allocation from Western Region stations for FY 2024-25 as provided by Western Regional Power Committee vide their letter No. WRPC/Comml-I/6/Alloc/2023/12459 dated 03rd November, 2023 and from Eastern Region NTPC Kahalgaon-2 communicated vide GoI MoP letter no. 5/31/2006- dated 21st February, 2007 and from Northern Region as per Northern Regional Power Committee vide letter no. CEA-GO-17-14(16)/1/2023-NRPC dated 24th November, 2023. Further, the Commission has considered the allocation of remaining generating stations as per notification no. 2211/F-3-13/2016/XIII dated 21st March, 2016, by Energy Deptt. Govt. of Madhya Pradesh.

2.50 The Commission has considered allocation of existing stations to MPPMCL, and new capacity additions proposed during FY 2024-25 as shown in the following table:

Table 21: Allocation of Generating Station considered by the Commission for FY 2024-25

Sr. No.	Generating Stations	Region	Installed Capacity (MW)	Allocation (%)	Total (in MW)
I	**Central Generating Stations**		**37,902**		**4,776**
1	NTPC Korba	WR	2,100	19.05%	400
2	NTPC Korba III	WR	500	12.50%	63
3	NTPC Vindyachal I	WR	1,260	30.56%	385
4	NTPC Vindyachal II	WR	1,000	27.30%	273
5	NTPC Vindyachal III	WR	1,000	20.00%	200
6	NTPC Vindyachal IV	WR	1,000	25.64%	256
7	NTPC Vindyachal V Unit 1	WR	500	25.57%	128
8	NTPC Sipat I	WR	1,980	14.29%	283
9	NTPC Sipat II	WR	1,000	14.30%	143
10	NTPC Mouda I	WR	1,000	0.04%	0.41
11	NTPC Auraiya GPP	NR	663	0.36%	2
12	NTPC Dadri GPP	NR	830	0.38%	3
13	NTPC Anta GPP	NR	419	0.37%	2
14	NTPC Kahalgaon II	ER	1,500	4.93%	74
15	KAPP Kakrapar	WR	440	15.64%	69
16	KAPP Kakrapar Unit-3	WR	700	21.14%	148
17	KAPP Kakrapar Unit-4	WR	700	21.14%	148
18	TAPP Tarapur	WR	1,080	16.66%	180
19	RAPP Rawabhatta	NR	440	0.37%	2
20	NAPP Narora	NR	440	0.35%	2
21	NTPC Solapur STPS, Phase-1	WR	1,320	22.42%	296
22	NTPC Gadarwara STPS, Unit-1	WR	800	50.00%	400
23	NTPC Gadarwara STPS, Unit-2	WR	800	50.00%	400
24	NTPC Lara STPS, Raigarh, Unit I	WR	800	9.21%	74
25	NTPC Lara STPS, Raigarh, Unit II	WR	800	9.21%	74
26	NTPC Firoz Gandhi Unchahar I	NR	420	0.03%	0
27	NTPC Firoz Gandhi Unchahar II	NR	420	0.10%	0
28	NTPC Firoz Gandhi Unchahar III	NR	210	0.09%	0
29	NTPC Firoz Gandhi Unchahar IV	NR	500	0.10%	0
30	NTPC Rihand I	NR	1,000	0.08%	1
31	NTPC Rihand II	NR	1,000	0.09%	1
32	NTPC Rihand III	NR	1,000	0.10%	1
33	NTPC NCTP Dadri II	NR	980	0.09%	1
34	NTPC Singrauli	NR	2,000	0.08%	2
35	NTPC IGPS I Jhajjar	NR	1,500	0.18%	3
36	NTPC Khargone STPS, Unit-I	WR	660	50.00%	330
37	NTPC Khargone STPS, Unit-II	WR	660	50.00%	330
38	Meja Urja Nigam	NR	1,320	0.18%	2
39	NTPC Tanda Stage-II	NR	1,320	0.06%	1
40	DVC (MTPS & CTPS)	ER	1,840	5.43%	100
II	**MP Genco Power Station**		**5,756**		**5,490**
41	Amarkantak TPS Ph-III	State	210	100.00%	210

Sr. No.	Generating Stations	Region	Installed Capacity (MW)	Allocation (%)	Total (in MW)
42	Satpura TPS Ph-IV	State	500	100.00%	500
43	SGTPS Ph-I & II	State	840	100.00%	840
44	SGTPS Ph-III	State	500	100.00%	500
45	Shri Singaji STPS, Ph-I	State	1,200	100.00%	1,200
46	Shri Singaji STPS, Ph-2	State	1,320	100.00%	1,320
47	Rani Awanti Bai Sagar, Bargi HPS	State	90	100.00%	90
48	Bansagar Ph I HPS (Tons)	State	315	100.00%	315
49	Bansagar Ph-II HPS (Silpara)	State	30	100.00%	30
50	Bansagar Ph-III HPS (Deolond)	State	60	100.00%	60
51	Bansagar Ph-IV HPS (Jhinna)	State	20	100.00%	20
52	Birsinghpur HPS	State	20	100.00%	20
53	Marhikheda HPS	State	60	100.00%	60
54	Rajghat HPS	State	45	57.00%	26
55	Gandhisagar HPS	State	115	50.00%	58
56	Ranapratap Sagar & Jawahar Sagar HPS	State	271	50.00%	136
57	Pench HPS	State	160	66.69%	107
III	**JV Hydel & Other Hydels**		**12,289**		**2,733**
58	NHDC Indira Sagar HPS	State	1,000	100.00%	1,000
59	NHDC Omkareshwar HPS	State	520	100.00%	520
60	Sardar Sarovar HPS	WR	1,450	57.00%	827
61	Rihand HPS	NR	300	15.00%	45
62	Matatila HPS	NR	31	32.68%	10
63	SJVN Rampur HPS	NR	412	0.22%	1
64	SJVN Jhakri HPS	NR	1,500	0.24%	4
65	Tehri HPS	NR	1,000	0.24%	2
66	Koteshwar HPP	NR	400	0.24%	1
67	NHPC Parbati III	NR	520	0.37%	2
68	NHPC Chamera II	NR	300	0.44%	1
69	NHPC Chamera III	NR	231	0.37%	1
70	NHPC Dulhasti	NR	390	0.37%	1
71	NHPC Dhauliganga	NR	280	0.04%	0.10
72	NHPC Sewa II	NR	120	0.37%	0.44
73	NHPC Kishanganga	NR	330	0.37%	1
74	NTPC Koldam HPP I	NR	800	0.17%	1
75	NTPC Singrauli Small HPP	NR	8	0.37%	0.03
76	NHPC Lower Subansiri HEP (Unit-1 to 8)	NER	2,000	5.25%	105
77	NHPC -Teesta	NR	500	18.00%	90
78	NHPC - Rangit	NER	120	35.83%	43
79	SAS Hydel Project Pvt Ltd.	State	10	100.00%	10
80	Amhata Hydro Energy Pvt. Ltd.	State	4	100.00%	4
81	Amhata Hydro Energy Pvt. Ltd. - II	State	4	100.00%	4
82	Amhata Hydro Energy Pvt. Ltd. - IV	State	4	100.00%	4
83	Sirmour Small Hydel Pvt. Ltd.	NR	24	100.00%	24
84	NVDA Indira sagar LBC HPS	State	15	100.00%	15
85	NVDA Bargi LBC HPS	State	10	100.00%	10
86	Mini & Micro Hydel Plants	State	7	100.00%	7
IV	**IPPs**		**8,854**		**3,570**

Sr. No.	Generating Stations	Region	Installed Capacity (MW)	Allocation (%)	Total (in MW)
87	BLA Power	State	90	35.00%	32
88	Jaypee Bina Power	State	500	65.00%	250
89	Lanco Amarkantak TPS Unit 1	WR	300	100.00%	300
90	Reliance UMPP, Sasan	WR	3,960	37.50%	1,485
91	Jaiprakash Power STPS, Nigri	WR	1,320	37.50%	495
92	MB Power STPS	WR	1,200	35.00%	420
93	Jhabua Power STPS, Unit-1	WR	600	35.00%	210
94	Power Finance Corporation Consulting Limited (PFCCL)	WR	884	42.76%	378
V	**Renewables**		**9,542**		**9,542**
95	Renewable Energy (Solar)		5,886	100.00%	5,886
96	Renewable Energy (other than Solar)		3,614	100.00%	3,614
97	Bio Mass/Bio gas/MSW		42	100.00%	42
VI	**Total**		**74,343**		**26,111**

2.51 The Commission in order to project energy availability for FY 2024-25 has analysed the following:

(i) Actual average scheduled energy in previous three years, i.e., FY 2021-22 to FY 2023-24 (up to December, 2023) as per State Energy Accounts;
(ii) Actual availability of Central Generating Stations as per Regional Energy Accounts for FY 2019-20 to FY 2022-23;
(iii) Actual availability of IPPs, MPPGCL, NHDC and NVDA as per State / Regional Energy Account for FY 2022-23;
(iv) Projections made by NHDC, NVDA and MPPGCL for FY 2024-25;
(v) Actual availability of RE Power from existing PPA for compliance of RPO.

Energy Availability from Central Generating Stations and Nuclear Power Plants

2.52 As regards the energy availability from Central Generating Stations (Thermal Power Plants), the Commission observed that the actual availability for FY 2022-23 is in line with the average of the scheduled energy in previous three years. Accordingly, the Commission has projected the availability for these stations considering the actual plant availability in FY 2022-23.

2.53 Further, the Commission has projected energy availability from the Central Hydro Generating Stations considering the actual plant availability in the previous years.

2.54 For Nuclear Power Corporation of India Ltd. (NPCIL) generating stations, the Commission has considered energy availability as per average of the actual energy scheduled in last three years as per State Energy Accounts.

Energy Availability from MPPGCL, NVDA and NHDC and IPP Generating Stations

2.55 The Commission has considered the energy availability from MPPGCL thermal generating stations and Hydro generating stations as per the projections submitted by MPPGCL.

2.56 Similarly, the energy availability projections as provided by the NHDC for Indira Sagar Power Station (ISPS), Omkareshwar (OSP) and as provided by NVDA for Sardar Sarovar Project (SSP) have been considered by the Commission for FY 2024-25.

2.57 As regards the energy availability from IPP Generating Stations, the Commission observed that the actual availability for FY 2022-23 is in line with the average of the scheduled energy in previous three years. Accordingly, the Commission has projected the availability for these stations except for Lanco Amarkantak TPS Unit-1 considering the actual plant availability in FY 2022-23.

2.58 For Lanco Amarkantak TPS Unit-1, the Commission has projected energy availability at 50% allocation of M/s Lanco Amarkantak TPS Unit-1 as per Petitioners' submission for FY 2024-25.

Energy Availability from Renewable Energy Generating Stations

2.59 The energy availability from Renewable Energy sources has been considered in accordance with existing Power Purchase Agreement (PPA) as per Petitioners' submission. The details of availability from existing PPAs for fulfilment of RPO projected for FY 2024-25 has been detailed in the subsequent Section of this Order.

Energy Availability from New Generating Stations

2.60 For the assessment of availability from new generating stations, the Commission has considered projected availability as submitted by the Petitioners for FY 2024-25.

2.61 Availability of concessional energy from Essar Power submitted in the Petition is not in accordance with the Commission's Order dated 4th May, 2016 in SMP No 51/2015. Therefore, the availability from Essar Power as proposed by the Petitioners for FY 2024-25 has not been considered in this Order. Also, the Commission has not considered the availability and the cost thereon, for the Sugen Torrent Generating Station in view of the approach previously followed by the Commission in its Retail Supply Tariff Orders from 2016-17 onwards. Moreover, the Petitioners could not respond satisfactorily to the Commission's queries through separate communications with regard to the PPA. However, the Petitioners are at liberty to approach the Commission through a separate Petition in this regard.

2.62 The Commission has analysed the Petitioners' submission regarding consideration of technical minimum schedule while applying merit order despatch. The Commission is of the view that the technical minimum scheduling to some stations throughout the financial year while estimating the power purchase requirement is not correct as projections do not depict the actual operational scenario in respect to actual availability and scheduling of generating stations. The Commission cannot arbitrarily assume technical minimum scheduling and burden the consumer with cost of such scheduling. Actual availability based on technical minimum scheduling may be examined at the time of true-up after applying prudence checks. Therefore, the Commission has decided to continue with its approach towards scheduling of generating stations to cater to the normative monthly energy requirement against available energy from each generating stations by applying merit order despatch principle and accordingly determine variable cost and revenue from sale of surplus energy, backing down of energy quantum and variable cost of power purchase for FY 2024-25.

2.63 The Commission while approving the variable cost in True-up of FY 2022-23 has already considered technical minimum scheduling. Accordingly, the Commission at the time of Turing-up of FY 2024-25 would consider technical minimum scheduling of thermal generating stations based on actual scheduling of generating stations for computation of variable cost by applying month-wise merit order despatch principle.

2.64 Based on the above, month-wise and generating station-wise details of projected availability for FY 2024-25 is shown in the following table:

Table 22 : Month wise energy availability projection for FY 2024-25 (MU)

Particulars	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
NTPC Korba	306.74	312.02	293.82	287.98	248.49	297.59	306.86	314.10	307.68	319.89	272.93	277.86	3,545.95
NTPC Korba III	47.07	42.72	30.51	37.55	47.59	46.09	48.42	48.90	50.73	50.68	45.85	46.70	542.82
NTPC Vindyachal I	259.03	248.06	249.44	257.56	220.52	227.30	245.76	254.49	266.08	239.99	216.70	265.88	2,950.82
NTPC Vindyachal II	201.73	202.55	155.66	162.18	167.86	167.31	182.39	202.08	175.88	198.27	194.53	210.18	2,220.63
NTPC Vindyachal III	154.99	158.80	120.26	143.56	134.48	133.27	162.79	161.22	160.65	157.18	135.39	130.55	1,753.13
NTPC Vindyachal IV	193.75	197.29	192.68	172.93	172.81	176.88	176.89	198.04	159.46	166.26	162.55	190.20	2,159.74
NTPC Vindyachal V Unit 1	75.02	92.09	87.83	90.66	90.03	86.69	94.32	92.15	93.36	92.54	84.42	51.95	1,031.07
NTPC Sipat I	137.56	172.12	168.42	177.49	181.11	141.54	153.33	184.90	184.87	189.46	172.84	175.91	2,039.56
NTPC Sipat II	118.07	113.39	101.58	113.30	112.33	107.48	95.83	117.14	110.62	118.59	80.68	108.12	1,297.12
NTPC Mouda I	8.38	4.81	4.86	6.92	6.61	5.65	2.91	5.86	12.21	14.17	13.13	11.46	96.97
NTPC Auraiya GPP	14.17	0.00	1.23	0.03	0.07	0.91	0.04	0.00	0.00	0.00	0.98	1.15	18.58
NTPC Dadri GPP	0.77	0.51	1.07	0.00	0.08	0.08	0.00	0.00	3.14	0.62	0.56	16.34	23.18
NTPC Anta GPP	0.00	9.85	0.00	0.00	0.69	0.83	0.10	0.00	0.00	0.00	0.00	0.00	11.47
NTPC Kahalgaon II	53.92	50.51	48.25	54.42	47.15	42.38	38.63	58.21	40.99	42.03	51.59	45.28	573.38
KAPP Kakrapar	59.17	64.00	55.99	65.77	70.59	63.95	68.11	63.86	70.02	77.35	69.76	72.74	801.31
KAPP Kakrapar Unit-3	65.86	68.06	65.86	68.06	68.06	65.86	68.06	65.86	68.06	68.06	61.47	68.06	801.31
KAPP Kakrapar Unit-4	65.86	68.06	65.86	68.06	68.06	65.86	68.06	65.86	68.06	68.06	61.47	68.06	801.31
TAPP Tarapur	118.53	136.34	141.79	144.98	149.58	144.60	152.19	144.80	144.98	111.91	108.60	129.02	1,627.33
RAPP Rawabhatta	1.24	0.93	1.30	1.31	1.29	1.15	0.69	0.70	0.62	0.57	0.31	0.65	10.76
NAPP Narora	0.70	0.39	0.60	0.71	0.61	0.68	0.72	0.48	0.75	0.53	0.34	0.83	7.32
NTPC Solapur STPS, Phase-1	117.82	58.91	71.57	184.67	218.04	199.48	170.57	230.28	274.59	182.98	292.14	286.15	2,287.21
NTPC Gadarwara STPS, Unit-1	337.02	211.72	199.15	258.05	312.91	308.12	211.63	288.09	255.33	286.95	315.04	296.80	3,280.79
NTPC Gadarwara STPS, Unit-2	337.02	211.72	199.15	258.05	312.91	308.12	211.63	288.09	255.33	286.95	315.04	296.80	3,280.79
NTPC Lara STPS, Raigarh, Unit I	50.49	50.12	50.15	50.31	43.31	41.40	37.00	43.98	41.14	50.31	56.21	60.21	574.63
NTPC Lara STPS, Raigarh, Unit II	69.87	38.09	56.19	57.32	64.13	41.76	44.34	61.11	99.88	8.79	12.54	20.62	574.63
NTPC Firoz Gandhi Unchahar I	2.57	1.45	1.30	3.85	3.46	3.10	2.28	1.19	2.00	0.79	7.28	7.57	36.84
NTPC Firoz Gandhi Unchahar II	0.21	0.27	0.11	0.56	0.32	0.27	0.23	0.25	0.19	0.11	0.31	0.27	3.10
NTPC Firoz Gandhi Unchahar III	0.17	0.10	0.07	0.22	0.13	0.07	0.15	0.30	0.07	0.03	0.14	0.22	1.66
NTPC Firoz Gandhi Unchahar IV	0.47	0.38	0.18	0.47	0.31	0.23	0.22	0.42	0.13	0.06	0.36	0.75	4.00
NTPC Rihand I	0.24	0.25	0.40	0.95	0.65	0.94	0.82	0.78	0.23	0.13	0.18	0.22	5.80
NTPC Rihand II	0.22	0.26	0.60	1.35	0.90	0.91	0.85	1.13	0.39	0.17	0.28	0.33	7.37
NTPC Rihand III	0.41	0.45	0.63	1.43	1.01	0.91	0.97	0.59	0.45	0.19	0.15	0.45	7.65
NTPC NCTP Dadri II	0.76	0.37	0.12	1.55	1.25	0.56	0.77	0.38	0.16	0.12	0.37	0.36	6.78
NTPC Singrauli	0.30	0.40	0.54	0.95	1.18	2.26	1.54	2.08	0.86	0.67	0.65	0.36	11.79
NTPC IGPS I Jhajjar	1.51	1.79	4.48	3.72	2.07	0.98	2.39	2.90	0.32	0.24	0.15	1.10	21.65
NTPC Khargone STPS, Unit-I	187.99	144.14	85.17	122.01	182.44	210.19	188.14	280.04	250.82	300.14	251.92	229.89	2,432.87
NTPC Khargone STPS, Unit-II	187.99	144.14	85.17	122.01	182.44	210.19	188.14	280.04	250.82	300.14	251.92	229.89	2,432.87
Meja Urja Nigam	0.86	0.48	0.68	0.77	0.86	0.95	0.72	0.79	0.74	0.47	0.22	0.91	8.43

Particulars	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
NTPC Tanda Stage-II	0.22	0.55	0.23	0.23	0.52	0.30	0.51	1.87	0.31	0.05	0.96	1.01	6.76
DVC (MTPS & CTPS)	57.68	59.60	57.68	59.60	59.60	57.68	59.60	57.68	59.60	59.60	53.84	59.60	701.79
Amarkantak TPS Ph-III	135.75	136.95	104.21	108.58	113.52	87.44	97.55	120.96	135.63	126.50	127.96	129.73	1,424.77
Satpura TPS Ph-IV	338.58	308.34	280.08	307.95	216.52	238.18	279.76	304.31	339.77	315.09	319.73	344.77	3,593.09
SGTPS Ph-I & II	365.46	252.15	345.51	333.83	317.19	301.98	321.92	340.16	415.25	365.81	337.50	399.82	4,096.58
SGTPS Ph-III	332.78	364.76	350.22	323.88	154.38	187.31	258.54	317.44	364.03	360.17	324.68	448.72	3,786.92
Shri Singaji STPS, Ph-I	768.41	611.81	486.34	403.80	451.39	507.79	678.73	674.08	806.02	680.54	652.93	826.30	7,548.13
Shri Singaji STPS, Ph-2	627.76	716.27	683.06	769.56	578.27	487.40	463.55	776.53	642.42	848.27	721.67	695.32	8,010.08
Rani Awanti Bai Sagar, Bargi HPS	24.46	25.50	26.01	44.34	55.36	50.27	52.94	31.98	19.39	28.14	36.68	28.32	423.40
Bansagar Ph I HPS (Tons)	95.11	85.61	64.60	77.00	96.38	115.94	114.23	96.13	97.96	69.13	52.24	68.08	1,032.40
Bansagar Ph-II HPS (Silpara)	7.38	8.07	6.19	5.91	2.83	6.39	10.40	9.97	9.25	7.78	6.23	8.41	88.80
Bansagar Ph-III HPS (Deolond)	0.00	0.00	8.45	28.66	18.32	10.14	18.82	0.00	0.00	1.23	4.42	7.46	97.50
Bansagar Ph-IV HPS (Jhinna)	5.63	5.21	3.59	4.65	4.29	7.27	9.61	8.72	10.98	8.81	8.48	9.57	86.80
Birsinghpur HPS	0.03	0.50	4.04	10.66	17.25	17.06	5.97	0.97	0.26	0.39	0.05	0.00	57.20
Marhikheda HPS	0.00	0.00	3.79	7.79	15.33	26.82	15.87	3.68	12.63	8.26	9.03	10.30	113.50
Rajghat HPS	0.09	1.69	0.67	6.14	9.85	11.23	6.37	1.10	2.70	4.41	7.46	3.64	55.35
Gandhisagar HPS	7.58	4.29	2.89	2.62	4.33	9.10	8.34	17.78	19.19	19.84	17.96	19.28	133.20
Ranapratap Sagar & Jawahar Sagar HPS	3.22	6.07	1.60	12.25	22.24	15.85	14.89	31.27	25.59	27.64	26.90	21.78	209.30
Pench HPS	5.21	7.79	12.57	14.57	34.73	31.47	35.43	22.37	13.66	14.49	14.20	8.01	214.51
NHDC Indira Sagar HPS	93.53	90.63	115.64	207.99	390.62	320.39	245.23	116.62	140.78	133.16	185.26	88.65	2,128.50
NHDC Omkareshwar HPS	52.58	47.81	63.03	126.87	187.60	164.55	132.36	56.55	61.12	65.19	96.70	49.47	1,103.85
Sardar Sarovar HPS	65.15	76.49	137.73	155.67	370.99	312.95	270.38	108.84	97.49	95.94	121.25	88.20	1,901.09
Rihand HPS	4.67	5.01	10.19	7.89	10.41	9.44	11.26	3.19	12.66	15.77	11.66	8.78	110.92
Matatila HPS	0.25	2.00	0.47	1.38	4.76	5.20	5.42	2.62	5.64	3.23	5.65	3.61	40.24
SJVN Rampur HPS	0.19	0.26	0.60	0.70	0.72	0.61	0.32	0.20	0.14	0.10	0.05	0.16	4.05
SJVN Jhakri HPS	0.70	1.00	2.26	2.74	2.82	2.34	1.18	0.72	0.53	0.35	0.18	0.60	15.43
Tehri HPS	0.38	0.24	0.35	0.60	1.11	0.79	0.69	0.47	0.54	0.41	0.26	0.54	6.37
Koteshwar HPP	0.18	0.13	0.19	0.25	0.42	0.28	0.25	0.17	0.20	0.16	0.11	0.23	2.55
NHPC Parbati III	0.23	0.30	0.79	1.13	0.92	0.53	0.36	0.20	0.14	0.09	0.05	0.16	4.89
NHPC Chamera II	0.51	0.59	0.99	0.79	1.08	0.83	0.42	0.24	0.16	0.13	0.07	0.33	6.15
NHPC Chamera III	0.28	0.35	0.60	0.61	0.65	0.46	0.20	0.10	0.10	0.08	0.04	0.18	3.65
NHPC Dulhasti	0.49	0.62	0.90	0.73	0.83	0.89	0.70	0.37	0.23	0.15	0.08	0.22	6.21
NHPC Dhauliganga	0.02	0.02	0.05	0.07	0.07	0.05	0.04	0.02	0.01	0.01	0.00	0.01	0.37
NHPC Sewa II	0.29	0.12	0.23	0.29	0.24	0.10	0.11	0.06	0.02	0.01	0.00	0.38	1.87
NHPC Kishanganga	0.57	0.43	0.61	0.72	0.61	0.33	0.22	0.13	0.10	0.08	0.06	0.42	4.27
NTPC Koldam HPP I	0.20	0.25	0.66	1.08	1.08	0.69	0.36	0.22	0.15	0.11	0.06	0.18	5.04
NTPC Singrauli Small HPP	0.02	0.01	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.18

Particulars	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
NHPC Lower Subansiri HEP (Unit-1 to 8)	2.07	2.49	3.93	17.22	37.59	50.84	46.82	21.31	20.76	23.48	34.42	15.05	275.99
NHPC -Teesta	0.00	10.86	11.75	39.85	71.07	79.87	60.89	22.82	22.23	25.15	36.87	16.12	397.49
NHPC – Rangit	0.00	0.00	4.58	15.53	27.70	31.13	23.73	8.90	8.66	9.80	14.37	6.28	150.67
SAS Hydel Project Pvt Ltd.	0.01	0.00	0.27	1.16	4.06	3.68	1.16	0.28	0.00	0.00	0.00	0.00	10.63
Amhata Hydro Energy Pvt. Ltd.	0.23	0.14	0.15	0.52	0.92	1.03	0.79	0.30	0.29	0.33	0.48	0.21	5.37
Amhata Hydro Energy Pvt. Ltd.- II	0.06	0.04	0.04	0.14	0.24	0.27	0.21	0.08	0.08	0.09	0.13	0.05	1.41
Amhata Hydro Energy Pvt Ltd.-IV	0.00	0.00	0.00	0.00	0.00	0.00	0.23	0.09	0.09	0.10	0.14	0.06	0.71
Sirmour Small Hydel Pvt. Ltd.	6.08	3.74	4.05	13.72	24.48	27.50	20.97	7.86	7.66	8.66	12.70	5.55	142.96
NVDA Indira sagar LBC HPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.42	1.46	1.53	1.21	0.68	6.31
NVDA Bargi LBC HPS	1.12	2.21	0.00	0.23	1.86	1.01	0.65	0.00	0.00	0.00	0.00	0.00	7.08
Mini & Micro Hydel Plants	0.30	0.04	0.00	0.00	0.63	0.36	0.12	0.94	1.28	1.15	0.57	0.17	5.57
BLA Power	11.03	8.81	9.21	9.41	7.89	9.40	9.77	12.22	9.62	8.12	7.66	13.42	116.56
Jaypee Bina Power	133.15	150.92	150.42	131.00	78.65	130.30	124.49	139.46	160.04	150.78	125.42	165.53	1,640.16
Lanco Amarkantak TPS Unit 1	76.83	83.51	82.71	81.59	76.39	73.06	78.73	79.46	79.19	76.30	71.81	81.15	940.73
Reliance UMPP, Sasan	897.77	927.70	897.77	927.70	927.70	897.77	927.70	897.77	927.70	927.70	837.92	927.70	10,922.88
Jaiprakash Power STPS, Nigri	281.28	252.35	291.08	312.85	316.70	308.42	226.94	278.36	308.22	239.07	301.83	306.39	3,423.49
MB Power STPS	278.06	258.92	241.83	276.98	263.38	273.50	199.92	285.96	258.54	248.23	281.79	332.48	3,199.60
Jhabua Power STPS, Unit-1	119.86	123.86	119.86	123.86	123.86	119.86	123.86	119.86	123.86	123.86	111.87	123.86	1,458.32
Power Finance Corporation Consulting Limited (PFCCL)	231.34	239.05	231.34	239.05	239.05	231.34	239.05	231.34	239.05	239.05	215.91	239.05	2,814.59
Renewable Energy (Solar)	530.11	900.42	910.63	756.47	920.34	1,059.20	1,272.94	1,054.83	1,071.00	1,103.55	1,171.27	1,215.05	11,965.81
Renewable Energy (other than Solar)	404.11	919.30	410.81	335.69	350.24	246.07	401.06	339.69	525.13	1,183.82	1,155.40	1,204.22	7,475.53
Bio Mass/Bio gas/MSW	7.57	7.82	7.57	7.82	7.82	7.57	7.82	7.57	7.82	7.82	7.06	7.82	92.06
Total	**9,155.09**	**9,521.15**	**8,697.71**	**9,244.03**	**9,744.13**	**9,648.76**	**9,818.87**	**10,079.32**	**10,418.93**	**10,975.09**	**10,772.23**	**11,296.93**	**1,19,372.24**

Assessment of Power Purchase Cost

Petitioners' Submission

2.65 Details of the fixed cost and energy charges of MPPMCL allocated stations as submitted by the Petitioners are mentioned in the table below:

Table 23 : Fixed cost and Energy charges of MPPMCL allocated stations as submitted by the Petitioners for FY 2024-25

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
1	Amarkantak TPS Ph-III	164	MPERC MYT Order dated 19.05.2021 in respect of MP Genco Plants for FY 2019-20 to FY 2023-24 in P.no. 53 of 2020	1.74	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
2	Satpura TPS Ph-IV	604		2.52	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
3	SGTPS Ph-I & II	457		2.54	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
4	SGTPS Ph-III	309		2.07	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
5	Shri Singaji STPS Phase-I	1,247		3.35	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
6	Shri Singaji STPS Phase-II	1,314		3.05	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
7	Rani Awanti Bai Sagar, Bargi HPS	9	MPERC MYT Order dated 19.05.2021 in respect of MP Genco Plants for FY 2019-20 to FY 2023-24 in P.no. 53 of 2020	0.58	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
8	Bansagar Ph I HPS (Tons)	20		0.94	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
9	Bansagar Ph-II HPS (Silpara)	29		0.74	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
10	Bansagar Ph-III HPS (Deolond)	29		1.06	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
11	Bansagar Ph-IV HPS (Jhinna)	5		0.74	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
12	Birsinghpur HPS	2		0.79	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
13	Madikheda HPS	9		1.19	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
14	Rajghat HPS	3		1.25	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
15	Gandhisagar HPS	2		0.88	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
16	Ranapratap Sagar HPS	0		1.51	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
17	Jawahar Sagar HPS	0		1.51	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
18	Pench HPS	9		0.52	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
19	NHDC Indira Sagar HPS	279	CERC Order 06-01-2022 in P.no. 106/GT/2020 for 01-04-2014 to 31-03-2019	1.63	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
20	NHDC Omkareshwar HPS	171	CERC Order 11-03-2022 in P.no. 107/GT/2020 for 01-04-2014 to 31-03-2019	1.81	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
21	NVDA Sardar Sarovar HPS	101	MPERC Order 06-08-2013 in P.no. 18 of 2013 for 01-04-2014 to 31-03-2017	0.82	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
22	Rihand HPS	0	As Approved by the Hon'ble Commission in MYT Order	0.40	As Approved by the Hon'ble Commission in Tariff Order of FY 2023-24
23	Matatila HPS	0	As Approved by the Hon'ble Commission in MYT Order	0.40	As Approved by the Hon'ble Commission in Tariff Order of FY 2023-24
24	SJVN Rampur HPS	1	CERC Order dtd. 24-01-2022 in P.no. 28/GT/2020 for 01.04.2019 to 31.03.2024	2.05	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
25	SJVN Jhakri HPS	2	CERC Order dtd. 16-09-2021 in P.no. 30/GT/2020 for 01.04.2019 to 31.03.2024	1.18	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
26	Tehri HPS	1	CERC Order dtd. 13-05-2022 in P.no. 97/GT/2020 for 01.04.2019 to 31.03.2024	2.09	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
27	Koteshwar HPP	1	CERC Order dtd. 03.10.2022 in P.no. 244/GT/2020 for 01.04.2019 to 31.03.2024	2.58	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
28	NHPC Parbati III	1	CERC Order dtd. 23-04-2019 in P.no. 6/GT/2017 for 01.04.2014 to 31.03.2019	1.54	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
29	NHPC Chamera II	1	CERC Order dtd. 17-06-2016 in P.no. 233/GT/2014	0.99	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
30	NHPC Chamera III	1	CERC Order dtd. 09.06.2023 in P.no. 642/GT/2020 for FY2019-24 & Tariff for FY 2019-24	1.97	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
31	NHPC Dulhasti	1	CERC Order dtd. 09.05.2022 in P.no. 146/GT/2020 for 01.04.2019 to 31.03.2024	2.78	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
32	NHPC Dhauliganga	0	CERC Order dtd. 18-08-2022 in P.no. 284/GT/2020 for 01.04.2019 to 31.03.2024	1.32	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
33	NHPC Sewa II	0	CERC Order dtd. 17.08.2023 in P.no. 643/GT/2020 for FY2019-24 & Tariff for FY 2019-24	3.34	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
34	NHPC Uri II	0	CERC Order dtd. 05-02-2020 in P.no. 308/GT/2018 for FY 2014-15 to FY 2018-19.	2.86	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
35	NHPC Kishanganga	1	CERC Order dtd. 28-10-2019 in P.no. 43/GT/2018	2.13	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
36	NTPC Koldam HPP I	1	CERC Order dtd. 05-04-2018 in P.no. 107/GT/2015 upto FY 2018-19	2.43	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
37	NTPC Singrauli Small HPP	0	-	5.04	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
38	NHPC Lower Subansiri HEP Units	0	-	5.09	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
39	NHPC -Tiesta	0	-	4.07	As per Agreement with Generator
40	NHPC - Rangit	0	-	4.37	As per Agreement with Generator
41	SAS Hydel Project Pvt Ltd.	0	-	5.41	As per Agreement with Generator
42	Amhata Hydro Energy Pvt. Ltd.	0	-	5.97	As per Agreement with Generator
43	Amhata Hydro Energy Pvt. Ltd. - II	0	-	5.97	As per Agreement with Generator
44	Amhata Hydro Energy Pvt. Ltd. - IV	0	-	5.97	As per Agreement with Generator
45	Sirmour Small Hydel Pvt. Ltd.	0	-	5.97	As per Agreement with Generator
46	NVDA Indira sagar LBC HPS	0	-	2.36	As per Agreement with Generator
47	NVDA Bargi LBC HPS	0	-	2.53	As per Agreement with Generator
48	Mini & Micro Hydel Plants	0	-	2.53	As per Agreement with Generator
49	NTPC Korba	248	CERC Order dtd. 21.04.2022 in P.no. 486/GT/2020 for 01-04-2019 to 31-03-2024	1.72	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
50	NTPC Korba III	57	CERC Order dtd. 23.03.2022 in P.no. 419/GT/2020 for 01-04-2019 to 31-03-2024	1.59	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
51	NTPC Vindyachal I	270	CERC Order 31.01.2022 in P.no. 401/GT/2022 for 01-04-2019 to 31-03-2024	1.89	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
52	NTPC Vindyachal II	170	CERC Order 10-06-2022 in P.no. 485/GT/2014 for 01-04-2019 to 31-03-2024	1.82	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
53	NTPC Vindyachal III	176	CERC Order 24-02-2017 in P.no. 342/GT/2014 for 01-04-2014 to 31-03-2019	1.74	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
54	NTPC Vindyachal IV	303	CERC Order 10-03-2017 in P.no. 339/GT/2014 for 01-04-2014 to 31-03-2019	1.77	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
55	NTPC Vindyachal V Unit 1	160	CERC Order 31-08-2016 in P.no. 234/GT/2015 for 30-10-2015 to 31-03-2019	1.83	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
56	NTPC Sipat I	281	CERC Order 06-06-2022 in P.no. 425/GT/2020 for 01-04-2014 to 31-03-2019	2.25	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
57	NTPC Sipat II	125	CERC Order 06-06-2022 in P.no. 435/GT/2020 for 01-04-2014 to 31-03-2019	2.32	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
58	NTPC Mouda I	16	CERC Order dtd 14.11.2022 in 437/GT/2020 dtd 14.11.2022 to 31.03.2023	2.16	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
59	NTPC Mouda II Unit 1	26	CERC Order 04-03-2023 in P.no. 423/GT/2020 for period 2019 to 2024	5.23	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
60	NTPC Solapur STPS	311	Prorated fixed charges based on actual bills for FY 2020-21	5.03	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
61	NTPC Gadarwara STPS, Unit-1	570	Prorated Fixed Charges based on actual bills for the Period Jan'20 to Dec'20	4.56	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
62	NTPC Lara STPS, Raigarh, Unit I	276	Prorated Fixed Charges based on actual bills for the Period Jan'20 to Dec'20	2.70	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
63	NTPC Khargone STPS, Unit-I & II	995	CERC Order dtd. 26-07-2023 in P.no. 402/GT/2019 for 01.02.2020 (CoD Unit-I) to 31.3.2024	5.23	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
64	NTPC Kawas GPP	96	CERC Order 04-06-2022 in P.no. 488/GT/2020 for 01-04-2019 to 31-03-2024	0.00	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
65	NTPC Gandhar GPP	89	CERC Order 04.06.2022 in P.no. 420/GT/2020 for 01-04-2019 to 31-03-2024	0.00	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
66	KAPP Kakrapar (including new capacity addition)	0		2.26*	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
67	TAPP Tarapur	0	Tariff @ Rs 2.9058 as DAE Notification dtd 22.03.2018 for 01.04.2017 to 31.03.2022	3.45	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
68	NTPC Gadarwara STPS, Unit-2	570		4.56	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
69	NTPC Kahalgaon II	57	CERC Order 21-04-2022 in P.no. 362/GT/2020 for 01-04-2014 to 31-03-2019	3.73	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
70	DVC (MTPS & CTPS)	147	CERC Order dtd. 17-03-2017 in P.no. 205/GT/2015 for 01.04.2014 to 31.03.2019	3.69	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
71	NTPC Auraiya GPP	1	CERC Order dtd. 18-04-2017 in P.no. 285/GT/2014 for 01-04-2014 to 31-03-2019	8.76	As per Tariff Order of FY 2023-24
72	NTPC Dadri GPP	1	CERC Order dtd. 31-05-2023 in P.no. 428/GT/2020 for 01-04-2019 to 31-03-2024	2.65	As per Tariff Order of FY 2023-24
73	NTPC Anta GPP	1	CERC Order dtd. 05-09-2023 in P.no. 432/GT/2020 for 01-04-2019 to 31-03-2024	3.09	As per Tariff Order of FY 2023-24
74	NTPC Firoz Gandhi Unchahar I	0	CERC Order dtd. 07.10.2022 in P.no. 431/GT/2020 for 01.04.2019 to 31.03.2024	4.40	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
75	NTPC Firoz Gandhi Unchahar II	0	CERC Order dtd. 12-12-2021 in P.no. 438/GT/2020 for 01.04.2019 to 31.03.2024	4.12	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
76	NTPC Firoz Gandhi Unchahar III	0	CERC Order dtd. 07.10.2022 in P.no. 427/GT/2020 for 01.04.2019 to 31.03.2024	3.96	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
77	NTPC Firoz Gandhi Unchahar IV	1	CERC Order dtd. 05-09-2023 in P.no. 424/GT/2020 for 01-04-2019 to 31-03-2024	3.97	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
78	NTPC Rihand TPS-I	0	CERC Review Order dtd. 26-09-2023 in RP.no. 34/RP/2020 for 01-04-2019 to 31-03-2024	1.58	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
79	NTPC Rihand TPS-II	0	CERC Order dtd. 08-04-2022 in P.no. 426/GT/2020 for 01-04-2019 to 31-03-2024	1.50	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
80	NTPC Rihand TPS-III	1	CERC Order dtd. 06-02-2017 in P.no. 372/GT/2014 for 01-04-2014 to 31-03-2019	1.59	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
81	NTPC NCTP Dadri II	1	CERC Order 02-05-2017 in P.no. 324/GT/2014 for 01-04-2014 to 31-03-2019	4.81	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
82	NTPC Singrauli	0	CERC Order dtd. 15-09-2023 in P.no. 433/GT/2020 for 01-04-2019 to 31.03.2024	1.56	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
83	NTPC IGPS I Jhajjar	3	CERC Order 09-03-2017 in P.no. 266/GT/2014 for 01-04-2014 to 31-03-2019	4.16	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
84	MEJA Urja Nigam	2	CERC Order dtd. 02-05-2019 in P.no. 341/GT/2018 for 31.10.2018 to 31.03.2019	3.08	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
85	NTPC Tanda	2	Fixed Charge as per past 12 months Bills	3.42	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
86	Rajasthan (NPCIL)	0	Tariff @ Rs 2.9914 as DAE Notification dtd 22.03.2018 for 01.04.2017 to 31.03.2022	3.91	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
87	NARORA (NPCIL)	0	Tariff @ Rs 3.3439 as DAE Notification dtd 22.03.2018 for 01.04.2017 to 31.03.2022	2.98	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

Sr. No	Source	Fixed Charge (Rs. Crore)	Basis for Fixed Charges	Energy Charge (Rs. /kWh)	Basis of Energy Charges
88	Torrent Power	31.45	As per MPERC Tariff Order	2.57	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
89	BLA Power, Unit-I & II	19	MPERC Order dtd 25-10-2021 in P.no. 17/2018 for FY 2016-17 to FY 2018-19	3.92	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
90	Jaypee Bina Power	453	MPERC Order dtd 30-04-2021 in P.no. 44/2020	3.70	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
91	Lanco Amarkantak TPS Unit 1	264	MPERC Order dtd 24-08-2021 in P.no. 60/2020 for FY 2014-15 to FY 2018-19	2.20	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
92	Reliance UMPP, Sasan	192	Prorated Fixed Charges based on actual bills for the Period Sept'21 to Aug'22	1.49	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
93	Essar Power STPS	0		4.10	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
94	Jaiprakash Power STPS, Nigri	602	MPERC Order dtd 03-05-2021 in P.no. 43/2020 for FY 2019 to FY 2024	0.83	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
95	MB Power STPS, Unit-I	257	MPERC Order dtd 01-05-2021 in P.no. 46/2020 for FY 2019 to FY 2024	3.53	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
96	MB Power STPS, Unit-II	257	MPERC Order dtd 01-05-2021 in P.no. 46/2020 for FY 2019 to FY 2024	3.53	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
97	Jhabua Power STPS, Unit-1	263	MPERC Order dtd 08-05-2021 in P.no. 47/2020 for FY 2019 to FY 2024	2.94	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
98	PFCCL	698.93	Calculated as per agreement	2.70	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
99	Renewable Energy (Solar)	0		3.20	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
100	Renewable Energy (other than Solar)	0		4.20	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)
101	Bio-Mass/Bio gas/MSW	0		11.43	Energy Charge as per Weighted Avg of past 12 months Bills (Apr-22 to Mar-23)

2.66 For determination of power purchase expenses, the Petitioners have applied the principle of Merit Order Dispatch (MOD) duly considering the Technical Minimum Run on the basis of energy charges. The Merit Order Dispatch (MOD) applied for FY 2024-25 as submitted by the Petitioners is given in the following table:

Table 24 : MOD for FY 2024-25 as submitted by the Petitioners

Sr. No	Particulars	Variable Charge (Rs. /kWh)	Dispatch Type (1 Must Run, 0 Others)
1	Rihand HPS	0.40	1
2	Matatila HPS	0.40	1
3	Pench HPS	0.52	1
4	Rani Awanti Bai Sagar, Bargi HPS	0.58	1
5	Bansagar Ph-II HPS (Silpara)	0.74	1
6	Bansagar Ph-IV HPS (Jhinna)	0.74	1
7	Birsinghpur HPS	0.79	1
8	NVDA Sardar Sarovar HPS	0.82	1
9	Jaiprakash Power STPS, Nigri	0.83	0
10	Gandhisagar HPS	0.88	1
11	Bansagar Ph I HPS (Tons)	0.94	1
12	NHPC Chamera II	0.99	1
13	Bansagar Ph-III HPS (Deolond)	1.06	1
14	SJVN Jhakri HPS	1.18	1
15	Madikheda HPS	1.19	1
16	Rajghat HPS	1.25	1
17	NHPC Dhauliganga	1.32	1
18	Reliance UMPP, Sasan	1.49	0
19	NTPC Rihand TPS-II	1.50	0
20	Jawahar Sagar HPS	1.51	1
21	Ranapratap Sagar HPS	1.51	1
22	NHPC Parbati III	1.54	1
23	NTPC Singrauli	1.56	0
24	NTPC Rihand TPS-I	1.58	0
25	NTPC Rihand TPS-III	1.59	0
26	NTPC Korba III	1.59	0
27	NHDC Indira Sagar HPS	1.63	1
28	NTPC Korba	1.72	0
29	Amarkantak TPS Ph-III	1.74	0
30	NTPC Vindyachal III	1.74	0
31	NTPC Vindyachal IV	1.77	0
32	NHDC Omkareshwar HPS	1.81	1
33	NTPC Vindyachal II	1.82	0
34	NTPC Vindyachal V Unit 1	1.83	0
35	NTPC Vindyachal I	1.89	0
36	NHPC Chamera III	1.97	1
37	SJVN Rampur HPS	2.05	1
38	SGTPS Ph-III	2.07	0
39	Tehri HPS	2.09	1
40	NHPC Kishanganga	2.13	1
41	NTPC Mouda I	2.16	0
42	Lanco Amarkantak TPS Unit 1	2.20	0
43	NTPC Sipat I	2.25	0
44	KAPP Kakrapar	2.26	1
45	NTPC Sipat II	2.32	0
46	NVDA Indira sagar LBC HPS	2.36	1

Sr. No	Particulars	Variable Charge (Rs. /kWh)	Dispatch Type (1 Must Run, 0 Others)
47	NTPC Koldam HPP I	2.43	1
48	Satpura TPS Ph-IV	2.52	0
49	NVDA Bargi LBC HPS	2.53	1
50	Mini & Micro Hydel Plants	2.53	1
51	SGTPS Ph-I & II	2.54	0
52	Torrent Power	2.57	0
53	Koteshwar HPP	2.58	1
54	NTPC Dadri GPP	2.65	0
55	NTPC Lara STPS, Raigarh, Unit I	2.70	0
56	PFCCL	2.70	0
57	NHPC Dulhasti	2.78	1
58	NHPC Uri II	2.86	1
59	Jhabua Power STPS, Unit-1	2.94	0
60	NARORA (NPCIL)	2.98	1
61	Shri Singaji STPS Phase-II	3.05	0
62	MEJA Urja Nigam	3.08	0
63	NTPC Anta GPP	3.09	0
64	Renewable Energy (Solar)	3.20	1
65	NHPC Sewa II	3.34	1
66	Shri Singaji STPS Phase-I	3.35	0
67	NTPC Tanda	3.42	0
68	TAPP Tarapur	3.45	1
69	MB Power STPS, Unit-I	3.53	0
70	MB Power STPS, Unit-II	3.53	0
71	DVC (MTPS & CTPS)	3.69	0
72	Jaypee Bina Power	3.70	0
73	NTPC Kahalgaon II	3.73	0
74	Rajasthan (NPCIL)	3.91	1
75	BLA Power, Unit-I & II	3.92	0
76	NTPC Firoz Gandhi Unchahar III	3.96	0
77	NTPC Firoz Gandhi Unchahar IV	3.97	0
78	NHPC -Tiesta	4.07	1
79	Essar Power STPS	4.10	0
80	NTPC Firoz Gandhi Unchahar II	4.12	0
81	NTPC IGPS I Jhajjar	4.16	0
82	Renewable Energy (other than Solar)	4.20	1
83	NHPC - Rangit	4.37	1
84	NTPC Firoz Gandhi Unchahar I	4.40	0
85	NTPC Gadarwara STPS, Unit-1	4.56	0
86	NTPC Gadarwara STPS, Unit-2	4.56	0
87	NTPC NCTP Dadri II	4.81	0
88	NTPC Solapur STPS	5.03	0
89	NTPC Singrauli Small HPP	5.04	1
90	NHPC Lower Subansiri HEP Units	5.09	1
91	NTPC Khargone STPS, Unit-I & II	5.23	0
92	NTPC Mouda II Unit 1	5.23	0
93	SAS Hydel Project Pvt Ltd.	5.41	1

Sr. No	Particulars	Variable Charge (Rs. /kWh)	Dispatch Type (1 Must Run, 0 Others)
94	Amhata Hydro Energy Pvt. Ltd.	5.97	1
95	Amhata Hydro Energy Pvt. Ltd. - II	5.97	1
96	Amhata Hydro Energy Pvt. Ltd. - IV	5.97	1
97	Sirmour Small Hydel Pvt. Ltd.	5.97	1
98	NTPC Auraiya GPP	8.76	0
99	Bio-Mass/Bio gas/MSW	11.43	1

2.67 The table below shows generating station-wise details of fixed costs and energy costs for FY 2024-25 as submitted by the Petitioners:

Table 25 : Fixed Charges and Energy Charges as Claimed by Petitioners for FY 2024-25 (Rs. Crore)

Sr. No	Particulars	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
1	Amarkantak TPS Ph-III	163.59	213.94	377.53
2	Satpura TPS Ph-IV	603.99	664.93	1,268.92
3	SGTPS Ph-I & II	457.03	890.67	1,347.70
4	SGTPS Ph-III	309.32	528.33	837.65
5	Shri Singaji STPS Phase-I	1,246.84	1,693.34	2,940.18
6	Shri Singaji STPS Phase-II	1,314.19	1,774.29	3,088.48
7	Rani Awanti Bai Sagar, Bargi HPS	9.15	23.79	32.94
8	Bansagar Ph I HPS (Tons)	20.28	91.17	111.45
9	Bansagar Ph-II HPS (Silpara)	28.73	6.47	35.20
10	Bansagar Ph-III HPS (Deolond)	28.73	10.56	39.30
11	Bansagar Ph-IV HPS (Jhinna)	4.82	7.96	12.78
12	Birsinghpur HPS	2.39	3.67	6.06
13	Madikheda HPS	9.47	15.83	25.30
14	Rajghat HPS	2.72	7.48	10.20
15	Gandhisagar HPS	1.95	9.28	11.23
16	Ranapratap Sagar HPS	0.00	12.50	12.50
17	Jawahar Sagar HPS	0.00	19.10	19.10
18	Pench HPS	9.17	12.48	21.65
19	NHDC Indira Sagar HPS	279.49	368.06	647.55
20	NHDC Omkareshwar HPS	171.38	209.56	380.94
21	NVDA Sardar Sarovar HPS	101.45	146.39	247.84
22	Rihand HPS	0.00	3.44	3.44
23	Matatila HPS	0.00	1.42	1.42
24	SJVN Rampur HPS	0.74	0.46	1.20
25	SJVN Jhakri HPS	1.65	1.03	2.68
26	Tehri HPS	1.23	1.22	2.45
27	Koteshwar HPP	0.66	0.60	1.26
28	NHPC Parbati III	0.96	0.47	1.43
29	NHPC Chamera II	0.58	0.32	0.90
30	NHPC Chamera III	0.69	0.41	1.10

Sr. No	Particulars	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
31	NHPC Dulhasti	1.43	0.99	2.42
32	NHPC Dhauliganga	0.47	0.34	0.81
33	NHPC Sewa II	0.45	0.37	0.82
34	NHPC Uri II	0.00	0.63	0.63
35	NHPC Kishanganga	0.75	0.64	1.39
36	NTPC Koldam HPP I	1.11	0.78	1.89
37	NTPC Singrauli Small HPP	0.00	0.04	0.04
38	NHPC Lower Subansiri HEP Units	0.00	140.48	140.48
39	NHPC -Tiesta	0.00	161.78	161.78
40	NHPC - Rangit	0.00	65.84	65.84
41	SAS Hydel Project Pvt Ltd.	0.00	5.75	5.75
42	Amhata Hydro Energy Pvt. Ltd.	0.00	3.20	3.20
43	Amhata Hydro Energy Pvt. Ltd. - II	0.00	0.84	0.84
44	Amhata Hydro Energy Pvt. Ltd. - IV	0.00	0.42	0.42
45	Sirmour Small Hydel Pvt. Ltd.	0.00	85.35	85.35
46	NVDA Indira sagar LBC HPS	0.00	1.49	1.49
47	NVDA Bargi LBC HPS	0.00	1.79	1.79
48	Mini & Micro Hydel Plants	0.00	1.41	1.41
49	NTPC Korba	247.84	506.74	754.58
50	NTPC Korba III	56.54	65.02	121.56
51	NTPC Vindyachal I	270.03	413.76	683.79
52	NTPC Vindyachal II	170.01	339.91	509.92
53	NTPC Vindyachal III	175.76	251.92	427.68
54	NTPC Vindyachal IV	303.43	291.77	595.21
55	NTPC Vindyachal V Unit 1	159.80	144.74	304.54
56	NTPC Sipat I	281.10	322.31	603.40
57	NTPC Sipat II	125.08	215.75	340.83
58	NTPC Mouda I	16.04	0.00	16.04
59	NTPC Mouda II Unit 1	26.37	0.00	26.37
60	NTPC Solapur STPS	311.11	624.55	935.66
61	NTPC Gadarwara STPS, Unit-1	570.02	843.38	1,413.40
62	NTPC Lara STPS, Raigarh, Unit I & II	276.35	215.72	492.07
63	NTPC Khargone STPS, Unit-I & II	995.00	1,461.12	2,456.12
64	NTPC Kawas GPP	95.86	0.00	95.86
65	NTPC Gandhar GPP	88.74	0.00	88.74
66	KAPP Kakrapar	0.00	552.89	552.89
67	TAPP Tarapur	0.00	500.80	500.80
68	NTPC Gadarwara STPS, Unit-2	570.02	792.40	1,362.42
69	NTPC Kahalgaon II	56.67	131.10	187.77
70	DVC (MTPS & CTPS)	146.93	154.81	301.73
71	NTPC Auraiya GPP	1.21	20.86	22.07
72	NTPC Dadri GPP	1.35	10.69	12.03
73	NTPC Anta GPP	0.71	5.29	6.00
74	NTPC Firoz Gandhi Unchahar I	0.09	0.63	0.72
75	NTPC Firoz Gandhi Unchahar II	0.28	1.85	2.13

Sr. No	Particulars	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
76	NTPC Firoz Gandhi Unchahar III	0.15	0.88	1.03
77	NTPC Firoz Gandhi Unchahar IV	1.06	2.12	3.18
78	NTPC Rihand TPS-I	0.44	2.13	2.57
79	NTPC Rihand TPS-II	0.49	2.20	2.70
80	NTPC Rihand TPS-III	1.02	2.59	3.61
81	NTPC NCTP Dadri II	0.83	4.45	5.28
82	NTPC Singrauli	0.48	4.25	4.73
83	NTPC IGPS I Jhajjar	3.08	12.88	15.95
84	MEJA Urja Nigam	2.04	4.15	6.18
85	NTPC Tanda	1.71	1.61	3.32
86	Rajasthan (NPCIL)	0.00	12.57	12.57
87	NARORA (NPCIL)	0.00	9.27	9.27
88	Torrent Power	31.45	52.79	84.25
89	BLA Power, Unit-I & II	18.77	51.91	70.68
90	Jaypee Bina Power	452.90	554.13	1,007.03
91	Lanco Amarkantak TPS Unit 1	264.22	155.69	419.91
92	Reliance UMPP, Sasan	192.38	1,551.21	1,743.59
93	Essar Power STPS	0.00	40.60	40.60
94	Jaiprakash Power STPS, Nigri	601.88	282.44	884.32
95	MB Power STPS, Unit-I	256.76	339.91	596.67
96	MB Power STPS, Unit-II	256.76	339.91	596.67
97	Jhabua Power STPS, Unit-1	263.03	305.19	568.21
98	PFCCL	698.93	547.57	1,246.50
99	Renewable Energy (Solar)	0.00	3,823.37	3,823.37
100	Renewable Energy (other than Solar)	0.00	3,141.06	3,141.06
101	Bio-Mass/Bio gas/MSW	0.00	105.21	105.21
102	IEX/Short Term Purchase		105.13	105.13
	Total	**12,770.12**	**26,514.56**	**39,284.69**

Commission's Analysis

2.68 The Commission observed that the Petitioners have considered actual energy charges as per bills for the period from April, 2022 to March, 2023 and fixed charges as per MYT Orders approved by this Commission and CERC for claiming power purchase cost for FY 2024-25.

2.69 The Commission has considered fixed and energy charges for the generating station for FY 2024-25 based on following approach: -

Determination of Energy Cost

Central, State and IPPs Thermal/Hydro Generating Stations

2.70 The Commission has considered energy charges for the Thermal/Hydro generating stations as per actuals during the period from April, 2022 to March, 2023 as submitted by the Petitioners for FY 2024-25.

Renewable Sources

2.71 The Commission has considered rate of power purchase from Wind, HPO and Other energy sources, as the weighted average purchase rates as per the PPAs.

Determination of Fixed Cost

Central, State and IPPs Generating Stations

2.72 For Central/Inter-State Generating Stations (Thermal and Hydro), the Commission has considered latest available Tariff Orders issued by CERC for individual stations.

2.73 For MPPGCL stations (Thermal and Hydro), the Fixed Charges have been considered in accordance with latest available MYT Orders issued by the Commission.

2.74 The Commission has considered fixed costs of IPPs for which tariff is determined by the Commission, based on the latest available MYT Order or the PPA.

2.75 For new generating stations for which tariffs are yet to be determined/admitted by the appropriate Commission, the Fixed Charges have been considered based on actual bills of previous one year or as per Petitioners' submission.

2.76 On the basis of the above considerations, the Fixed and Energy Charges considered for FY 2024-25 is shown in the table below:

Table 26: Basis of Fixed and Energy Charges for the generating stations for FY 2024-25

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
1	NTPC Korba	1,101	CERC Order Dated 21st April, 2022 in Petition No. 486/GT/2020 for 1.4.2019 to 31.3.2024.	1.72	As per submission of Petitioner
2	NTPC Korba III	395	CERC Order dated 23rd March, 2022 in Petition No. 419/GT/2020 for 1.4.2019 to 31.3.2024	1.59	As per submission of Petitioner
3	NTPC Vindyachal I	783	CERC Order 31-01-2022 in P.no. 401/GT/2022 for 01-04-2019 to 31-03-2024	1.89	As per submission of Petitioner
4	NTPC Vindyachal II	545	CERC Order 10th June, 2022 in Petition No. 485/GT/2020 for 1.4.2019 to 31.3.2024	1.82	As per submission of Petitioner
5	NTPC Vindyachal III	736	CERC Order 24-02-2017 in P.no. 342/GT/2014 for 01-04-2014 to 31-03-2019	1.74	As per submission of Petitioner
6	NTPC Vindyachal IV	1,105	CERC Order 10-03-2017 in P.no. 339/GT/2014 for 01-04-2014 to 31-03-2019	1.77	As per submission of Petitioner
7	NTPC Vindyachal V Unit 1	583	CERC Order 31-08-2016 in P.no. 234/GT/2015 for 30-10-2015 to 31-03-2019	1.83	As per submission of Petitioner
8	NTPC Sipat I	1,745	CERC Order 6th June, 2022 in Petition No. 425/GT/2020 for 1.4.2019 to 31.3.2024.	2.25	As per submission of Petitioner
9	NTPC Sipat II	691	CERC Order dated 4th June, 2022 in Petition No. 435/GT/2020 for 1.4.2019 to 31.3.2024	2.32	As per submission of Petitioner
10	NTPC Mouda I	1,188	CERC Order dated 14th November, 2022 in Petition No. 437/GT/2020 for 1.4.2019 to 31.3.2024	2.16	As per submission of Petitioner
11	NTPC Auraiya GPP	374	CERC Order 31st May, 2023 in P.no. 428/GT/2020 for 01-04-2019 to 31-03-2024	8.76	As per submission of Petitioner
12	NTPC Dadri GPP	318	CERC Order 13th November, 2021 in Petition No. 400/GT/2020 for 1.4.2019 to 31.3.2024	2.65	As per submission of Petitioner
13	NTPC Anta GPP	191	CERC Order 5th September, 2023 in P.no. 432/GT/2020 for the period 2029-24	3.09	As per submission of Petitioner
14	NTPC Kahalgaon II	969	CERC Order 29th March, 2023 in P.no. 442/GT/2020 for the period 2019-24	3.73	As per submission of Petitioner
15	KAPP Kakrapar	0		2.26	As per submission of Petitioner
16	KAPP Kakrapar Unit-3	0		2.26	As per submission of Petitioner

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
17	KAPP Kakrapar Unit-4	0		2.26	As per submission of Petitioner
18	TAPP Tarapur	0		3.45	As per submission of Petitioner
19	RAPP Rawabhatta	0		3.91	As per submission of Petitioner
20	NAPP Narora	0		2.98	As per submission of Petitioner
21	NTPC Solapur STPS, Phase-1	1,397	Prorated Fixed Charges based on actual bills for FY 2022-23	5.03	As per submission of Petitioner
22	NTPC Gadarwara STPS, Unit-1	1,201	Prorated Fixed Charges based on actual bills for FY 2022-23	4.56	As per submission of Petitioner
23	NTPC Gadarwara STPS, Unit-2	1,201	Prorated Fixed Charges based on actual bills for FY 2022-23	4.56	As per submission of Petitioner
24	NTPC Lara STPS, Raigarh, Unit I	1,134	Prorated Fixed Charges based on actual bills for FY 2022-23	2.70	As per submission of Petitioner
25	NTPC Lara STPS, Raigarh, Unit II	1,134	Same as Fixed Charges for Lara Unit-1	2.70	As per submission of Petitioner
26	NTPC Firoz Gandhi Unchahar I	298	CERC Order dated 7th October, 2022 in Petition No. 431/GT/2020 from 1.4.2019 to 31.3.2024	4.40	As per submission of Petitioner
27	NTPC Firoz Gandhi Unchahar II	316	CERC Order dated 12th December, 2021 in Petition No. 438/GT/2020	4.12	As per submission of Petitioner
28	NTPC Firoz Gandhi Unchahar III	172	CERC Order dated 7th October, 2022 in Petition No. 427/GT/2020 from 1.4.2019 to 31.3.2024.	3.96	As per submission of Petitioner
29	NTPC Firoz Gandhi Unchahar IV	582	CERC Order dated 23rd March, 2023 in Petition No. 3/GT/2021	3.97	As per submission of Petitioner
30	NTPC Rihand I	569	CERC Order dated 15th September, 2023 in P. No. 433/GT/2020	1.58	As per submission of Petitioner
31	NTPC Rihand II	547	CERC Order date 26th September, 2023 in Petition No. 426/GT/2020	1.50	As per submission of Petitioner
32	NTPC Rihand III	1,031	CERC Order dated 27th December, 2023 in P.no. 430/GT/2020 for 01-04-2019 to 31-03-2024	1.59	As per submission of Petitioner
33	NTPC NCTP Dadri II	925	CERC Order 02-05-2017 in P.no. 324/GT/2014 for 01-04-2014 to 31-03-2019	4.81	As per submission of Petitioner
34	NTPC Singrauli	1,059	CERC Order 5th September, 2023 in P.no. 424/GT/2020 for the period 2019-24	1.56	As per submission of Petitioner

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
35	NTPC IGPS I Jhajjar	1,709	CERC Order 09-03-2017 in P.no. 266/GT/2014 for 01-04-2014 to 31-03-2019	4.16	As per submission of Petitioner
36	NTPC Khargone STPS, Unit-I	995	CERC Order dtd. 26-07-2023 in P.no. 402/GT/2019 for 01.02.2020 (CoD Unit-I) to 31.3.2024	5.23	As per submission of Petitioner
37	NTPC Khargone STPS, Unit-II	995	'CERC Order dtd. 26-07-2023 in P.no. 402/GT/2019 for 01.02.2020 (CoD Unit-I) to 31.3.2024	5.23	As per submission of Petitioner
38	Meja Urja Nigam	1,014	Prorated Fixed Charges based on actual bills for FY 2022-23	3.08	As per submission of Petitioner
39	NTPC Tanda Stage-II	4,764	Prorated Fixed Charges based on actual bills for FY 2022-23	3.42	As per submission of Petitioner
40	DVC (MTPS & CTPS)	2,032	CERC Order 17-02-2017 in P.no. 180/GT/2015 for 01-04-2014 to 31-03-2019 Prorated Fixed Charges based on actual bills for FY 2022-23	3.69	As per submission of Petitioner
41	Amarkantak TPS Ph-III	164	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	1.74	As per submission of Petitioner
42	Satpura TPS Ph-IV	604	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	2.52	As per submission of Petitioner
43	SGTPS Ph-I & II	457	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	2.54	As per submission of Petitioner
44	SGTPS Ph-III	309	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	2.07	As per submission of Petitioner
45	Shri Singaji STPS, Ph-I	1,247	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	3.35	As per submission of Petitioner
46	Shri Singaji STPS, Ph-2	1,315	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	3.05	As per submission of Petitioner
47	Rani Awanti Bai Sagar, Bargi HPS	18	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.58	As per submission of Petitioner
48	Bansagar Ph I HPS (Tons)	156	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.94	As per submission of Petitioner

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
49	Bansagar Ph-II HPS (Silpara)		MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.74	As per submission of Petitioner
50	Bansagar Ph-III HPS (Deolond)		MPERC Order dated 19.05.2021 in P. No. 53 of 2020	1.06	As per submission of Petitioner
51	Bansagar Ph-IV HPS (Jhinna)	10	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.74	As per submission of Petitioner
52	Birsinghpur HPS	6	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.79	As per submission of Petitioner
53	Marhikheda HPS	19	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	1.19	As per submission of Petitioner
54	Rajghat HPS	15	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	1.25	As per submission of Petitioner
55	Gandhisagar HPS	16	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.88	As per submission of Petitioner
56	Ranapratap Sagar & Jawahar Sagar HPS	0	As per Petitioner Submission	1.51	As per submission of Petitioner
57	Pench HPS	28	MPERC Order dated 19.05.2021 in P. No. 53 of 2020	0.52	As per submission of Petitioner
58	NHDC Indira Sagar HPS	559	CERC Order dated: 06.1.2022, Petition No.106/GT/2020	1.63	As per submission of Petitioner
59	NHDC Omkareshwar HPS	343	CERC Order dated: 11th March, 2022, Petition No. 107/GT/2020	1.81	As per submission of Petitioner
60	Sardar Sarovar HPS	356	MPERC Order dated August 6,2013 in P. No. 18 of 2013	0.82	As per submission of Petitioner
61	Rihand HPS	0	As per Petitioner submission	0.40	As per submission of Petitioner
62	Matatila HPS	0	As per Petitioner submission	0.40	As per submission of Petitioner
63	SJVN Rampur HPS	673	CERC Order dated 24th January, 2022 in Petition No. 28/GT/2020 from 1.4.2019 to 31.3.2024	2.05	As per submission of Petitioner
64	SJVN Jhakri HPS	1,383	CERC Order dated 4th April, 2023 in Petition No.30/GT/2020 for 1.4.2019 to 31.3.2024.	1.18	As per submission of Petitioner
65	Tehri HPS	1,029	CERC Order dated 13th May 2022 in Petition No. 97/GT/2020 for 1.4.2019 to 31.3.2024	2.09	As per submission of Petitioner

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
66	Koteshwar HPP	553	CERC Order 3rd October, 2022 in Petition No. 244/GT/2020 from 1.4.2019 to 31.3.2024	2.58	As per submission of Petitioner
67	NHPC Parbati III	520	CERC Order dated 23.04.2019 in P. No. 6/GT/2017	1.54	As per submission of Petitioner
68	NHPC Chamera II	262	CERC Order dated 17.6.2016 in P. No. 233/GT/2014	0.99	As per submission of Petitioner
69	NHPC Chamera III	398	CERC Order dated 19th December, 2023 in P. No. 642/GT/2020	1.97	As per submission of Petitioner
70	NHPC Dulhasti	772	CERC Order dated 9th May, 2022 in Petition No. 146/GT/2020	2.78	As per submission of Petitioner
71	NHPC Dhauliganga	253	CERC Order dated 18th August, 2022 in Petition No. 284/GT/2020	1.32	As per submission of Petitioner
72	NHPC Sewa II	202	CERC in Order dated 17th August 2023 in P. No. 643/GT/2020 for truing up FY 2014-19 and Tariff for FY 2019-24	3.34	As per submission of Petitioner
73	NHPC Kishanganga	498	CERC Tariff Order 28.10.2019 in P. No. 43/GT/2018	2.13	As per submission of Petitioner
74	NTPC Koldam HPP I	1,310	CERC Order dated 05.04.2018 in P. No. 107/GT/2015 upto FY 2018-19	2.43	As per submission of Petitioner
75	NTPC Singrauli Small HPP	0	As per Petitioner submission	5.04	As per submission of Petitioner
76	NHPC Lower Subansiri HEP (Unit-1 to 8)	0	As per Petitioner submission	5.09	As per submission of Petitioner
77	NHPC -Teesta	0	As per Petitioner submission	4.07	As per submission of Petitioner
78	NHPC - Rangit	0	As per Petitioner submission	4.37	As per submission of Petitioner
79	SAS Hydel Project Pvt Ltd.	0	As per Petitioner submission	5.41	As per submission of Petitioner
80	Amhata Hydro Energy Pvt. Ltd.	0	As per Petitioner submission	5.97	As per submission of Petitioner
81	Amhata Hydro Energy Pvt. Ltd. - II	0	As per Petitioner submission	5.97	As per submission of Petitioner
82	Amhata Hydro Energy Pvt. Ltd. - IV	0	As per Petitioner submission	5.97	As per submission of Petitioner
83	Sirmour Small Hydel Pvt. Ltd.	0	As per Petitioner submission	5.97	As per submission of Petitioner
84	NVDA Indira sagar LBC HPS	0	As per Petitioner submission	2.36	As per submission of Petitioner
85	NVDA Bargi LBC HPS	0	As per Petitioner submission	2.53	As per submission of Petitioner

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Basis for Fixed Charges	Energy Charges (Rs. /kWh)	Basis for Energy Charges
86	Mini & Micro Hydel Plants	0	As per Petitioner submission	2.53	As per submission of Petitioner
87	BLA Power	120	MPERC Order in P. No. 14 of 2023 dated 13.06.2023	3.92	As per submission of Petitioner
88	Jaypee Bina Power	636	MPERC Order in P. No. 44 of 2020 dated 30.04.2021	3.70	As per submission of Petitioner
89	Lanco Amarkantak TPS Unit 1	203	MPERC Order in P.No. 64 of 2021 dated 13.05.2022	2.20	As per submission of Petitioner
90	Reliance UMPP, Sasan	513	As Per Petitioner submission	1.49	As per submission of Petitioner
91	Jaiprakash Power STPS, Nigri	1,605	MPERC Order in Petition No. 43 of 2020 dated 03.05.2021	0.83	As per submission of Petitioner
92	MB Power STPS	1,467	MPERC Order in Petition No. 46 of 2020 dated 01.05.2021	3.53	As per submission of Petitioner
93	Jhabua Power STPS, Unit-1	752	MPERC Order in Petition No. 47 of 2020 dated 08.05.2021	2.94	As per submission of Petitioner
94	Power Finance Corporation Consulting Limited (PFCCL)	699	As Per Petitioner submission	2.70	As per submission of Petitioner
95	Renewable Energy (Solar)	0		3.20	As per submission of Petitioner
96	Renewable Energy (other than Solar)	0		4.20	As per submission of Petitioner
97	Bio Mass/Bio gas/MSW	0		11.43	As per submission of Petitioner

2.77 For determination of power purchase expenses, the Commission has applied the principles of Merit Order Dispatch (MOD) on the basis of energy charges admitted for all generating stations for FY 2024-25. Further, the Commission directs the Petitioners not to restrict supply unduly to any category of consumers during FY 2024-25.

2.78 The allocation of Merit Order Dispatch for generating station applicable for FY 2024-25 is shown in the table below:

Table 27: MOD on allocated generating stations for FY 2024-25

Sr. No.	Generating Station	Dispatch Type (1 Must Run, 0 Others)	Energy Charges (Paisa/kWh)
1	Rihand HPS	1	40
2	Matatila HPS	1	40
3	Pench HPS	1	52
4	Rani Awanti Bai Sagar, Bargi HPS	1	58
5	Bansagar Ph-II HPS (Silpara)	1	74
6	Bansagar Ph-IV HPS (Jhinna)	1	74
7	Birsinghpur HPS	1	79
8	Sardar Sarovar HPS	1	82
9	Gandhisagar HPS	1	88
10	Bansagar Ph I HPS (Tons)	1	94
11	NHPC Chamera II	1	99
12	Bansagar Ph-III HPS (Deolond)	1	106
13	SJVN Jhakri HPS	1	118
14	Marhikheda HPS	1	119
15	Rajghat HPS	1	125
16	NHPC Dhauliganga	1	132
17	Ranapratap Sagar & Jawahar Sagar HPS	1	151
18	NHPC Parbati III	1	154
19	NHDC Indira Sagar HPS	1	163
20	NHDC Omkareshwar HPS	1	181
21	NHPC Chamera III	1	197
22	SJVN Rampur HPS	1	205
23	Tehri HPS	1	209
24	NHPC Kishanganga	1	213
25	KAPP Kakrapar	1	226
26	KAPP Kakrapar Unit-3	1	226
27	KAPP Kakrapar Unit-4	1	226
28	NVDA Indira sagar LBC HPS	1	236
29	NTPC Koldam HPP I	1	243
30	NVDA Bargi LBC HPS	1	253
31	Mini & Micro Hydel Plants	1	253
32	NHPC Dulhasti	1	278
33	Koteshwar HPP	1	258
34	NAPP Narora	1	298
35	Renewable Energy (Solar)	1	320
36	NHPC Sewa II	1	334
37	TAPP Tarapur	1	345
38	RAPP Rawabhatta	1	391
39	NHPC -Teesta	1	407
40	Renewable Energy (other than Solar)	1	420
41	NHPC - Rangit	1	437
42	NTPC Singrauli Small HPP	1	504
43	NHPC Lower Subansiri HEP (Unit-1 to 8)	1	509
44	SAS Hydel Project Pvt Ltd.	1	541
45	Amhata Hydro Energy Pvt. Ltd.	1	597

Sr. No.	Generating Station	Dispatch Type (1 Must Run, 0 Others)	Energy Charges (Paisa/kWh)
46	Amhata Hydro Energy Pvt. Ltd. - II	1	597
47	Amhata Hydro Energy Pvt. Ltd. - IV	1	597
48	Sirmour Small Hydel Pvt. Ltd.	1	597
49	Bio Mass/Bio gas/MSW	1	1143
50	Jaiprakash Power STPS, Nigri	0	83
51	Reliance UMPP, Sasan	0	149
52	NTPC Rihand II	0	150
53	NTPC Singrauli	0	156
54	NTPC Rihand I	0	158
55	NTPC Rihand III	0	159
56	NTPC Korba III	0	159
57	NTPC Korba	0	172
58	Amarkantak TPS Ph-III	0	174
59	NTPC Vindyachal III	0	174
60	NTPC Vindyachal IV	0	177
61	NTPC Vindyachal II	0	182
62	NTPC Vindyachal V Unit 1	0	183
63	NTPC Vindyachal I	0	189
64	SGTPS Ph-III	0	207
65	NTPC Mouda I	0	216
66	Lanco Amarkantak TPS Unit 1	0	220
67	NTPC Sipat I	0	225
68	NTPC Sipat II	0	232
69	Satpura TPS Ph-IV	0	252
70	SGTPS Ph-I & II	0	254
71	NTPC Dadri GPP	0	265
72	NTPC Lara STPS, Raigarh, Unit I	0	270
73	NTPC Lara STPS, Raigarh, Unit II	0	270
74	Power Finance Corporation Consulting Limited (PFCCL)	0	270
75	Jhabua Power STPS, Unit-1	0	294
76	Shri Singaji STPS, Ph-2	0	305
77	Meja Urja Nigam	0	308
78	NTPC Anta GPP	0	309
79	Shri Singaji STPS, Ph-I	0	335
80	NTPC Tanda Stage-II	0	342
81	MB Power STPS	0	353
82	DVC (MTPS & CTPS)	0	369
83	Jaypee Bina Power	0	370
84	NTPC Kahalgaon II	0	373
85	BLA Power	0	392
86	NTPC Firoz Gandhi Unchahar III	0	396
87	NTPC Firoz Gandhi Unchahar IV	0	397
88	NTPC Firoz Gandhi Unchahar II	0	412
89	NTPC IGPS I Jhajjar	0	416
90	NTPC Firoz Gandhi Unchahar I	0	440
91	NTPC Gadarwara STPS, Unit-1	0	456
92	NTPC Gadarwara STPS, Unit-2	0	456

Sr. No.	Generating Station	Dispatch Type (1 Must Run, 0 Others)	Energy Charges (Paisa/kWh)
93	NTPC NCTP Dadri II	0	481
94	NTPC Solapur STPS, Phase-1	0	503
95	NTPC Khargone STPS, Unit-I	0	523
96	NTPC Khargone STPS, Unit-II	0	523
97	NTPC Auraiya GPP	0	876

Fixed and Energy Charges

2.79 On the basis of the above, the Fixed and Energy Charges of the generating stations towards allocated capacities of MPPMCL admitted by the Commission are shown in the following table:

Table 28 : Fixed and Energy Charges of all generating stations admitted for FY 2024-25

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
1	NTPC Korba	209.63	609.12	818.75
2	NTPC Korba III	49.39	86.32	135.70
3	NTPC Vindyachal I	239.29	557.03	796.32
4	NTPC Vindyachal II	148.90	403.07	551.98
5	NTPC Vindyachal III	147.27	305.30	452.56
6	NTPC Vindyachal IV	283.32	382.05	665.37
7	NTPC Vindyachal V Unit 1	149.18	188.66	337.84
8	NTPC Sipat I	249.34	458.98	708.32
9	NTPC Sipat II	98.76	300.74	399.51
10	NTPC Mouda I	0.49	20.99	21.48
11	NTPC Auraiya GPP	1.36	0.00	1.36
12	NTPC Dadri GPP	1.20	6.14	7.35
13	NTPC Anta GPP	0.70	0.03	0.73
14	NTPC Kahalgaon II	47.75	21.69	69.44
15	KAPP Kakrapar	0.00	181.40	181.40
16	KAPP Kakrapar Unit-3	0.00	181.40	181.40
17	KAPP Kakrapar Unit-4	0.00	181.40	181.40
18	TAPP Tarapur	0.00	561.17	561.17
19	RAPP Rawabhatta	0.00	4.21	4.21
20	NAPP Narora	0.00	2.18	2.18
21	NTPC Solapur STPS, Phase-1	313.06	0.00	313.06
22	NTPC Gadarwara STPS, Unit-1	600.63	35.61	636.23
23	NTPC Gadarwara STPS, Unit-2	600.63	0.00	600.63
24	NTPC Lara STPS, Raigarh, Unit I	104.48	155.33	259.81
25	NTPC Lara STPS, Raigarh, Unit II	104.48	155.33	259.81
26	NTPC Firoz Gandhi Unchahar I	0.09	0.52	0.61
27	NTPC Firoz Gandhi Unchahar II	0.30	0.10	0.41
28	NTPC Firoz Gandhi Unchahar III	0.16	0.12	0.28
29	NTPC Firoz Gandhi Unchahar IV	0.56	0.17	0.72
30	NTPC Rihand I	0.45	0.92	1.37
31	NTPC Rihand II	0.47	1.11	1.58
32	NTPC Rihand III	0.99	1.21	2.20

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
33	NTPC NCTP Dadri II	0.81	0.00	0.81
34	NTPC Singrauli	0.85	1.84	2.69
35	NTPC IGPS I Jhajjar	3.16	1.20	4.37
36	NTPC Khargone STPS, Unit-I	497.50	0.00	497.50
37	NTPC Khargone STPS, Unit-II	497.50	0.00	497.50
38	Meja Urja Nigam	1.85	1.66	3.51
39	NTPC Tanda Stage-II	3.05	1.26	4.31
40	DVC (MTPS & CTPS)	146.93	85.21	232.14
41	Amarkantak TPS Ph-III	163.59	247.85	411.44
42	Satpura TPS Ph-IV	603.99	906.68	1,510.67
43	SGTPS Ph-I & II	457.03	1,040.44	1,497.47
44	SGTPS Ph-III	309.32	785.04	1,094.36
45	Shri Singaji STPS, Ph-I	1,246.84	1,628.53	2,875.37
46	Shri Singaji STPS, Ph-2	1,314.60	2,087.58	3,402.18
47	Rani Awanti Bai Sagar, Bargi HPS	9.20	24.47	33.67
48	Bansagar Ph I HPS (Tons)	77.75	96.88	174.63
49	Bansagar Ph-II HPS (Silpara)		6.55	6.55
50	Bansagar Ph-III HPS (Deolond)		10.34	10.34
51	Bansagar Ph-IV HPS (Jhinna)	4.82	6.43	11.24
52	Birsinghpur HPS	3.12	4.55	7.67
53	Marhikheda HPS	9.47	13.48	22.95
54	Rajghat HPS	4.36	6.93	11.29
55	Gandhisagar HPS	4.06	11.67	15.73
56	Ranapratap Sagar & Jawahar Sagar HPS	0.00	31.60	31.60
57	Pench HPS	9.50	11.08	20.58
58	NHDC Indira Sagar HPS	279.46	346.48	625.94
59	NHDC Omkareshwar HPS	171.38	199.69	371.07
60	Sardar Sarovar HPS	101.45	155.89	257.34
61	Rihand HPS	0.00	4.44	4.44
62	Matatila HPS	0.00	1.61	1.61
63	SJVN Rampur HPS	0.75	0.83	1.58
64	SJVN Jhakri HPS	1.67	1.82	3.50
65	Tehri HPS	1.24	1.33	2.57
66	Koteshwar HPP	0.67	0.66	1.32
67	NHPC Parbati III	0.95	0.76	1.70
68	NHPC Chamera II	0.57	0.61	1.18
69	NHPC Chamera III	0.73	0.72	1.45
70	NHPC Dulhasti	1.41	1.73	3.14
71	NHPC Dhauliganga	0.05	0.05	0.09
72	NHPC Sewa II	0.37	0.62	0.99
73	NHPC Kishanganga	0.74	0.91	1.65
74	NTPC Koldam HPP I	1.11	1.23	2.34
75	NTPC Singrauli Small HPP	0.00	0.09	0.09
76	NHPC Lower Subansiri HEP (Unit-1 to 8)	0.00	140.48	140.48
77	NHPC -Teesta	0.00	161.78	161.78
78	NHPC - Rangit	0.00	65.84	65.84
79	SAS Hydel Project Pvt Ltd.	0.00	5.75	5.75

Sr. No.	Generating Station	Fixed Charges (Rs. Crore)	Energy Charges (Rs. Crore)	Total (Rs. Crore)
80	Amhata Hydro Energy Pvt. Ltd.	0.00	3.20	3.20
81	Amhata Hydro Energy Pvt. Ltd. - II	0.00	0.84	0.84
82	Amhata Hydro Energy Pvt. Ltd. - IV	0.00	0.42	0.42
83	Sirmour Small Hydel Pvt. Ltd.	0.00	85.35	85.35
84	NVDA Indira sagar LBC HPS	0.00	1.49	1.49
85	NVDA Bargi LBC HPS	0.00	1.79	1.79
86	Mini & Micro Hydel Plants	0.00	1.41	1.41
87	BLA Power	35.96	4.78	40.74
88	Jaypee Bina Power	413.65	126.16	539.81
89	Lanco Amarkantak TPS Unit 1	203.07	206.98	410.05
90	Reliance UMPP, Sasan	192.38	1,630.07	1,822.44
91	Jaiprakash Power STPS, Nigri	481.45	283.91	765.36
92	MB Power STPS	440.06	401.04	841.10
93	Jhabua Power STPS, Unit-1	225.45	428.72	654.17
94	Power Finance Corporation Consulting Limited (PFCCL)	698.94	761.06	1,460.00
95	Renewable Energy (Solar)	0.00	3,823.37	3,823.37
96	Renewable Energy (other than Solar)	0.00	3,141.06	3,141.06
97	Bio Mass/Bio gas/MSW	0.00	105.21	105.21
	Total	**11,975.64**	**23,913.80**	**35,889.44**

Renewable Purchase Obligation (RPO)

Petitioners' Submission

2.80 The Petitioners submitted that the Commission had notified the MPERC (Co-generation and generation of electricity from Renewable sources of energy) (Revision-II) Regulations, 2021 on 12th November, 2021 and its first amendment on 16th January, 2023. In the said Regulations, the Commission has specified Renewable Purchase Obligation (RPO) for Wind, HPO and Other sources for the period from FY 2022-23 to FY 2029-30.

2.81 Accordingly, the Petitioners have computed quantum of Wind, HPO and Other power purchase requirement for RPO compliance based on the total energy requirement estimated for FY 2024-25, as shown in the table below:

Table 29: Renewable Purchase Obligation for FY 2024-25

Sr No	Particulars	Wind RPO	HPO	Others
1	Energy Requirements (MU)	97,877	97,877	97,877
2	RPO Targets %	2.46%	1.08%	25.63%
3	Energy Required - MU	2,408	1,057	25,086
4	Energy Available - Assessed MU	3,837	975	23,570
5	Achievement %	3.92%	1.00%	24.08%
6	Target Achieved %	159%	92%	94%
7	**Surplus/Deficit - MU**	**1,429**	**(82)**	**(1,516)**

2.82 From the above, it can be observed that the Petitioners will be having surplus energy from Wind RPO resources after meeting the Wind RPO in FY 2024-25, whereas there will be shortfall in availability for compliance of HPO and Others. It is submitted that Regulation 3.1.9 of Madhya Pradesh Electricity Regulatory Commission (Co Generation and Generation of Electricity from Renewable Sources of Energy) (Revision-II) Regulations 2021 (First Amendment) [ARG- 33(II)(i) of 2023] provides stipulation in case of any shortfall for achievement of RPO. The relevant extract of the same is as reproduced below:

> *"3.1.9* ***Any shortfall remaining in achievement of 'Other RPO'*** *category in a particular year can be met with either* ***the excess energy procured from Wind Power Projects (WPPs)*** *commissioned after 31st March 2022* ***beyond 'Wind RPO' for that year*** *and the wind energy procured over and above 7% from WPPS commissioned till 31st March 2022 or with excess energy procured from eligible Hydro Power Projects [including Pumped Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 8th March, 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO in a particular year can be met with excess energy procured from Hydro Power Plants, which is in excess of 'HPO' for that year* ***and vice versa****."* ***{Emphasis added}***

2.83 From the above Regulation, it is clear that the shortfall of Other RPO as well as HPO can be met with the excess energy procured from Wind Power Projects commissioned after 31st March 2022 beyond Wind RPO for that year.

2.84 As the Petitioners are expected to be surplus in achievement of Wind RPO, therefore, in accordance with above specified Regulations, they have proposed to adjust the surplus of Wind RPO with other RPO and HPO. Accordingly, based on the surplus utilisation, the net RPO shortfall against the respective category for FY 2024-25 is as shown in the table below:

Table 30: Net Shortfall in Renewable Purchase Obligation for FY 2024-25

RPO category	RPO Targets %	Energy Required – (MU)	Energy Available -Assessed (MU)	Achievement %	Target Achieved %	Surplus /Deficit (MU)	Utilization of Wind (MU)	Resulting Achievement	Achievement after credit to hydro & other RPO	Net Short fall (MU)
Wind	2.46%	2,408	3,837	3.92%	159.34%	1,429	-	159%	**100%**	-
Hydro	1.08%	1,057	975	1.00%	92.20%	(82)	82	100%	**100%**	-
Others	25.63%	25,086	23,570	24.08%	93.96%	(1,516)	1,346	99%	**99.32%**	169

2.85 Based on the above, it can be seen that after surplus utilization there may be net shortfall of around 169 MU under Other RPO category. Accordingly, the Petitioners have considered the cost of additional power purchase for compliance of RPO shortfall in the Power Purchase Cost. The Petitioners have considered the rate of procurement for Other RPO fulfilment as Rs. 4.50/kWh, which is the weighted average price of power from various plants under Other RPO category as estimated for FY 2024-25. Further, this power procurement against the shortfall would be additional procurement for MPPMCL (since they have already satisfied normative power procurement from the existing tied up capacity) or in other words would be the incremental addition to the projected availability of FY 2024-25. Further, in order to balance the energy requirement of the Petitioners, the equivalent portion of aforesaid additional procurement towards shortfall is considered to be sold as additional surplus power at a rate of Rs. 4.90/kWh during FY 2024-25. The net savings from aforesaid transaction is then considered in the total power purchase cost of FY 2024-25 as shown in the table below:

Table 31: Net Shortfall in Renewable Purchase Obligation for FY 2024-25

S. No	Particulars	FY 2024-25
1	Total Shortfall in MU	169
2	Total Cost of Shortfall @ Rs. 4.50/kWh in Rs. Crore	76
3	Rate of Sale of Surplus Power in Rs./kWh	4.90
4	Revenue from Sale of additional Surplus Power in Rs. Crore	83
5	**Net Cost Implication in Rs. Crore**	**(7)**

Commission's Analysis

2.86 The Commission had notified the MPERC (Co-generation and generation of electricity from Renewable sources of energy) (Revision-II) Regulations, 2021 on 12th November, 2021 and its first amendment on 16th January, 2023. In the said Regulations, the Commission has specified Renewable Purchase Obligation (RPO) for Wind, HPO and Other sources for the Period from FY 2022-23 to FY 2029-30.

2.87 Accordingly, the Commission has computed quantum of Wind, HPO and Other power purchase requirement for RPO compliance based on the total energy requirement admitted for FY 2024-25, as shown in the table below:

Table 32: Renewable Purchase Obligation and Cost as computed by the Commission for FY 2024-25

Particulars	FY 2024-25
Other RPO (%)	25.63%
Wind RPO (%)	2.46%
HPO (%)	1.08%
Total (%)	**29.17%**
Energy Requirement for Computation of RPO	**97,318.19**
Power purchase requirement to fulfil RPO (MU)	
Other RPO	24,942.65
Wind RPO	2,394.03
HPO	1,051.04
Total	**28,387.72**
Energy available from existing RE Plants (MU)	
Other RPO	23,583.94
Wind RPO	3,836.65
HPO	974.59

Particulars	FY 2024-25
Total	**28,395.18**
Shortfall / (Surplus) (MU)	
Other RPO	1,358.71
Wind RPO	(1,442.62)
HPO	76.44
Total	**(7.47)**

2.88 From the above, it can be observed that the Petitioners will be having surplus energy from Wind RPO resources after meeting the Wind RPO in FY 2024-25, whereas the Petitioners will have shortfall in meeting the Other RPO and Hydro RPO for FY 2024-25. However, Regulation 3.1.9 of MPERC (Co-generation and generation of electricity from Renewable sources of energy) (Revision-II) Regulations, 2021 and amendments thereof specify that any shortfall for achievement of RPO in a particular year can be met with excess energy procured from Wind projects commissioned after 31st March, 2022. Therefore, the Commission has considered that shortfall of Other RPO and HPO for the year can be meet through Wind energy procurement.

2.89 Accordingly, the Commission has not considered any cost towards additional power purchase for compliance of RPO shortfall for Other and Hydro RPO in the Power Purchase Cost.

2.90 Based on the above, the cost of renewable energy power purchase has been worked out for the compliance of RPO as shown in the table below:

Table 33: RE power purchase cost for RPO compliance for FY 2024-25 (Rs. Crore)

Particulars	FY 2024-25
Other RPO	7,598.04
Wind RPO	1,110.29
HPO	457.92
Total	**9,166.24**

2.91 The cost of purchase from Wind, HPO and Other Sources has been considered in the power purchase cost shown in table 28 of this Order.

Management of Surplus Energy

Petitioners' Submission

2.92 The Petitioners submitted that the quantum of sale of surplus power have always been approved on higher side in respective Tariff Orders as against the realistic sale of surplus energy by the Petitioners. The consideration of higher quantum of surplus results in reducing the power purchase cost and thereby ARR of DISCOMs.

2.93 However, the Petitioners have been projecting the realistic sale of surplus energy based on its past experience considering the actual energy traded at Power Exchange during the past years.

Further, the Petitioners submitted that the sale of power at Power Exchange depends on the factors such as demand situation of MP State in MW, availability of surplus energy with MPPMCL in MW in time blocks, demand supply position in the power sector and Marginal Clearing Price (MCP) of the market. The Petitioners do not have control over the availability of power stations and MCP of Power Exchange.

2.94 Further, the Petitioners submitted that the availability of surplus energy is reflected to be higher, which is mainly because the Commission approves the power purchase requirement at normative losses and the difference of normative energy requirement and total availability is being considered as surplus power available for sale. However, in actual scenario considering the demand supply position with actual losses, the results are different. For FY 2024-25 also, as per the current power supply position, and after meeting the energy requirement at actual loss situation, the Petitioners envisage to have surplus energy in few of the time blocks and months in the ensuing year. Accordingly, based on the past trend, the Petitioners have estimated sale of surplus power.

2.95 The Petitioners submitted that the average IEX rate for the past 24 months (From September 2021 to August 2023) is 489.90 Paisa per unit. Hence, for the purpose of computation of revenue from surplus energy, the average rate has been considered as 489.90 Paisa per unit for FY 2024-25.

2.96 The energy surplus for DISCOMs vis-à-vis overall energy availability and energy requirement as well as the details of revenue from sale of energy as per submission of Petitioners are shown in the table below.

Table 34: Management of Surplus Energy as submitted by Petitioners

Particulars	FY 2024-25
Ex-Bus Availability (MU)	118,120
Ex-Bus Energy Required by DISCOMs (MU)	97,877
Total Surplus Power (MU)	20,243
Backdown (MU)	14,158
Surplus Units available for Sale (MU)	6,085
IEX Rate (Paisa/kWh)	489.90
Revenue from Sale of Surplus Power (Rs. Crore)	2,981
Purchase Cost of Surplus Power- Variable (Rs Crores)	1,653
Total saving in variable cost from sale of surplus energy (Rs. Crore)	**1,329**

Commission's Analysis

2.97 The Commission observed that after meeting the energy requirement and meeting demand of consumers, the availability from some of the generating stations would remain unutilized by the DISCOMs. It is expected that various rebates given to consumers would encourage them to utilise some of the surplus power.

2.98 The Commission analysed the average rate discovered in IEX from April, 2023 to December, 2023 and observed that the average rate discovered was Rs. 5.35/kWh. Subsequently, the Commission observed that the Market Clearing Price (MCP) for some of the months have been much above this average rate in first nine months for the year 2023. The Commission then worked out the average rate discovered in IEX from period April, 2022 to December, 2023 excluding the months for which MCP is above Rs. 5.35/kWh to obtain realistic rate at which Petitioners would be able to sell surplus power. This rate works out to Rs. 4.58/kWh. This reference rate has been considered by the Commission for backing down any generating stations having variable rate more than the reference rate and this approach is in line with the approach adopted by the Commission in MYT Order.

2.99 For arriving at the quantum of power to be sold and rate to be considered, the Commission obtained the information about the actual quantum sold and average rate at which it has been sold for last 3 years (FY 2020-21, FY 2021-22 and FY 2022-23). The actual information submitted by the Petitioners is given in Table below:

Table 35: Surplus Energy information for last 3 years as submitted by Petitioners

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
Actual Ex-Bus Energy Availability (MU)	1,09,117	1,04,359	1,06,677
Actual Ex-Bus Energy Requirement by DISCOMs (MU)	80,992	86,498	90,205
Actual Surplus Energy Available (MU)	28,126	17,861	16,471
Actual Energy Backdown (MU)	26,571	14,615	9,972
Actual Energy Sold in Open Market (MU)	1,555	2,916	4,549
Actual Energy Sold as % of Surplus Energy (%)	5.61%	16.32%	27.32%
Actual Revenue from the Sale of Surplus Power (Rs. Crore)	614	1,310	2,254

2.100 Based on analysis of actual surplus energy sold, it is observed that sale of surplus energy in open market is showing increasing trend. Therefore, considering the realistic scenario of sale of surplus power through open market and considering gradual increasing trend in previous years, the Commission has considered 5,619 MU as likely scenario for sale of surplus power through power exchanges, bilateral arrangements or through bidding. Although the estimation by the Commission is based on aforesaid numbers, **the Commission directs the Petitioners to maximise sale of surplus energy through Power Exchanges, bilateral arrangements or through bidding in order and also make best use of new platforms like HP-DAM (High Price Day Ahead Market), surplus power portal (PUShp) and OTC Platform for sale of surplus power. The Petitioners are also directed to comply with the directions given by the Commission in para 7.11 of this Order on disposal of Surplus Power.**

2.101 As the sale of surplus energy has been considered at Rs. 4.58/kWh, generating stations having variable rate more than Rs. 4.58/kWh have been considered for backing down. Accordingly, the Commission has considered the rate of Rs 4.58/kWh for sale of surplus energy to assess the total revenue from sale of surplus energy.

2.102 Further, the Commission has observed that the MPPMCL has entered into Bulk Power Supply Agreement with MPIDC (erstwhile MPAKVN) for supply of 60 MW power. MPIDC has been purchasing the remaining requirement of energy also from MPPMCL only. The projected requirement of MPIDC for FY 2024-25 has been considered as 510.86 MU as submitted by MPIDC in Retail Supply Petition for FY 2024-25 and average rate of power purchase of Rs. 4.11/kWh as approved by the Commission in Retail Supply Tariff Order for FY 2023-24. Any under /over recovery shall be adjusted at the time of truing up of FY 2024-25.

2.103 Based on the above, the details of savings in the power purchase cost through sale of surplus power has been shown in the table below for FY 2024-25:

Table 36 : Details of saving in power purchase cost through sale of Surplus energy

Sr. No.	Particulars	Reference	FY 2024-25
1	Total Energy Availability including additional availability due to purchase of additional RE Power RPO Compliance (MU)	A	1,19,372.24
2	Total Energy Requirement (MU)	B	97,318.19
3	Total Energy surplus (MU)	C=A-B	22,054.04
4	Energy Backdown (MU)	D	7,178.29
5	Energy Available for surplus sale of power (MU)	E=C-D	14,875.75
6	Sale of power to MPIDC (MU)	F	510.86
7	Average Power Purchase Cost of MPIDC (Rs. /kWh)	G	4.11
8	Revenue from sale of power MPIDC (Rs. Crore)	H=F*G/10	209.96
9	Net Surplus Energy available for sale (MU)	I=E-F	14,364.89
10	Surplus Energy Considered for Sale (MU)	J	5,619.37
11	Per unit cost of sale of power through energy exchange (Rs./kWh)	K	4.58
12	Revenue from Sale of Power through Power Exchange (PX) (Rs Crore)	L=J*K/10	2,574.23
13	Total Revenue from sale of surplus power in PX and MPIDC (Rs. Crore)	M=H+L	2,784.20
14	Energy Charge of Surplus Energy (Rs Crore)	N	2,415.31
15	**Total saving in Power Purchase Cost by sale of surplus Energy (Rs. Crore)**	**O=M-N**	**368.89**

2.104 With this approach, through the estimated surplus energy works out to 14,875.75 MU, the Commission has considered the sale of 6,130.23 MU only (i.e., 5,619.37 MU towards surplus sale in Open market and 510.86 in MU to MPIDC). The variable cost of remaining surplus energy of 8,745.52 has not been considered by the Commission while projecting the power purchase cost for FY 2024-25. However, the Petitioners are directed to make all efforts to sale maximum possible surplus energy as directed in para 2.100 of this Order.

Inter-State Transmission Charges

Petitioners' Submissions

2.105 The Petitioners have submitted that Inter-State transmission charges consist of the charges for transmission system of WR, NR and ER. The Petitioners have considered Inter-State Transmission Charges for FY 2022-23 as per actual figures from power purchase statement and the same has been increased annually by 4% for each year for FY 2024-25.

2.106 The Petitioners have further submitted that the Inter-State transmission costs have then been allocated to DISCOMs based on energy allocation from Central Generating Stations and ex-bus energy requirement, which is as follows:

Table 37: Inter-State Transmission Charges claimed for FY 2024-25 (Rs. Crore)

Particulars	FY 2024-25
State	**3,299.94**

Commission's Analysis

2.107 Inter-State transmission charges consist of charges to be paid for transmission systems of Western, Eastern and Northern Regions. The Commission observed that Inter-Sate transmission charges increased by 9% in FY 2022-23 with respect to FY 2021-22, which is not in line with the increase in previous years. The Petitioners have claimed nominal increase of 4% in Inter-State transmission charges for each year from actual figures of FY 2022-23, which is less than the increase observed in previous years. Therefore, the Commission has considered the escalation rate of 4% per annum for increase in Inter-State Transmission Charges during each year, which is line with the approach adopted in MYT Order for FY 2022-23 to FY 2026-27. The actual Inter -State transmission charges of FY 2022-23 have been escalated by 4% per annum for 2 years to arrive at the Inter-State transmission charges for FY 2024-25.

Table 38: Inter-State Transmission Charges admitted for FY 2024-25 (Rs. Crore)

Particulars	FY 2024-25
State	**3,299.94**

Intra-State Transmission Charges and SLDC Charges

Petitioners' Submission

2.108 The Petitioners have considered Intra-State Transmission and SLDC Charges for FY 2022-23 as per actual figures and the same have been increased annually by 4% for each year for FY 2024-25, as indicated in the table below:

Table 39: Intra-State Transmission Charges and SLDC charges claimed for FY 2024-25 (Rs. Crore)

Sr. No	Transmission Charges	FY 2024-25
1	East DISCOM	1,686.18
2	West DISCOM	1,702.90
3	Central DISCOM	1,704.19
4	**State**	**5,093.27**
Sr. No	**SLDC Charges**	**FY 2024-25**
1	East DISCOM	1.47
2	West DISCOM	3.24
3	Central DISCOM	4.79
4	**State**	**9.50**
Sr. No	**Transmission Charges including SLDC Charges**	**FY 2024-25**
1	East DISCOM	1,687.65
2	West DISCOM	1,706.14
3	Central DISCOM	1,708.97
4	**State**	**5,102.76**

Commission's Analysis

2.109 The Commission has considered the escalation rate of 4% per annum for increase in Intra-State Transmission Charges during each year. The actual Intra-State transmission charges of FY 2022-23 have been escalated by 4% per annum for 2 years to arrive at the Intra-State transmission charges for FY 2024-25.

2.110 The Commission has admitted SLDC Charges for FY 2024-25 vide SLDC levy and collection of fees and Charges Order dated 21st February, 2024 in Petition No. 59/2023. The same has been considered for the FY 2024-25.

2.111 Accordingly, Intra–State transmission charges including SLDC charges for FY 2024-25 have been admitted as shown in the table below:

Table 40 : Intra-State Transmission Charges including SLDC Charges admitted for FY 2024-25 (Rs. Crore)

Sr. No	Intra-State Transmission Charges	FY 2024-25
1	East DISCOM	1,686.18
2	West DISCOM	1,702.90
3	Central DISCOM	1,704.19
4	**State**	**5,093.27**
Sr. No	**SLDC Charges**	**FY 2024-25**
1	East DISCOM	5.40
2	West DISCOM	6.47
3	Central DISCOM	6.30
4	**State**	**18.17**
Sr. No	**Transmission Charges including SLDC Charges**	**FY 2024-25**
1	East DISCOM	1,691.59
2	West DISCOM	1,709.37
3	Central DISCOM	1,710.49
4	**State**	**5,111.14**

2.112 The Commission has allowed the terminal benefits and pension expenses on "pay as you go" principle payable to MP Transco. The actual amount of terminal benefits shall be considered by the Commission in true-up Petition to be filed by MPPTCL after exercising prudence check.

MPPMCL Costs: Details and DISCOM-wise Allocation

Petitioners' Submission

2.113 As per item No.8 (ii) of State Govt. Notification No.2260-F-3-24-2009-XIII dated 19th March, 2013, M.P. Power Management Company Limited (MPPMCL) has been supplying power to the DISCOMs at the tariff determined/admitted by the Commission and its own expenses on actual basis in proportion to the energy drawal by respective DISCOMs.

2.114 Further, MPPMCL has been operating on "No Profit and No Loss" basis. Therefore, till now at the end of each financial year, all the credits received by MPPMCL, which formed part of income of MPPMCL are being passed on to the DISCOMs in proportion to the energy drawal by respective DISCOMs as a part of their Power Purchase Costs. The major components of Annual Revenue Requirement of MPPMCL for FY 2024-25 are mentioned in the table below:

Table 41: MPPMCL Cost claimed for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2024-25
I.	Revenue from operations (including Revenue Subsidy)	-
II.	Other income	334.63
III.	Income from other business allocated to Licensed business	
IV	**Total Revenue (I + II+III)**	**334.63**
V	Expenses:	
	Purchase of Power from Other Sources	360.33
	Open Access Charges	10.33
	Depreciation and amortisation expenses	9.79
	Interest & Finance Charges	29.41
	Repairs and Maintenance	6.32
	Employee costs	127.29
	Administration and General expenses	35.29
	Other Debits, Write-offs	(2.74)
	Total Expenses	**576.03**
VI	Profit before exceptional and extraordinary items and tax (IV-V)	-
VII	Exceptional items	-
VIII	**Profit before extraordinary items and tax (VI – VII)**	**(241.40)**

Commission's Analysis

2.115 The Commission has observed that most of the expenses included in MPPMCL costs relates to power purchase. The Commission in previous Tariff Orders had directed the Petitioners to include power purchase expense booked towards MPPMCL cost under DISCOMs' power purchase expense. The Petitioners have submitted that the major cost under power purchase is towards payment of bills, which could not be passed on to DISCOMs through monthly bills, open access charges paid for banking of power and short-term power purchase and sale. However, from FY 2024-25 all the bills are likely to be passed through the monthly bills to the DISCOMs, hence, revenue from operations has been considered as nil in FY 2024-25 as per Petitioners' submission.

2.116 The Commission has observed that MPPMCL has been doing exchange/banking of energy with third parties outside Madhya Pradesh whereby during the availability of surplus power in the State, electricity is supplied to the parties having requirement of power and during the period of power deficit in the State, the banked electricity is taken back by the Company. It is also observed that MPPMCL has not been able to return the full quantum of power drawn from banked energy in the same financial year and therefore, has been owing liability in financial terms against the banking. The Commission is of the opinion that such transactions do not involve any expense except for Open Access charges. As per the directions in previous Tariff Orders, these expenses are required to be booked under the head of power purchase of respective DISCOMs. Therefore, the Commission has not admitted such power purchase expense under MPPMCL cost.

2.117 Further, the Commission has admitted only the expenses of MPPMCL towards Operation and Maintenance Expenses, depreciation, Interest and Finance charges and Other Debit/Write-offs shall be considered at the time of true up subject to prudence check.

2.118 The Commission has also considered other income of MPPMCL for FY 2024-25 as per the Petitioners' submission. Accordingly, the net MPPMCL cost admitted in this Order is surplus income for FY 204-25. Further, the expenses related to power purchase, if any, incurred by MPPMCL would be appropriately considered at the time of truing up for FY 2024-25, after prudence check.

2.119 MPPMCL Cost/ Income admitted by the Commission for FY 2024-25 has been shown in the table below:

Table 42: MPPMCL Costs/ Income admitted by the Commission for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2024-25
1	Open Access Charges	10.33
2	Depreciation and Amortization	9.79
3	Interest and Finance Charges	29.41
4	Employee Expenses	127.29
5	R&M Expenses	6.32
6	A&G Expenses	35.29
7	**Total Expenses**	**218.43**
8	Other Income	334.63
9	**Net MPPMCL Cost/ (Income)**	**(116.20)**

Summary of Power Purchase Cost

Petitioners' Submission

2.120 Details of total power purchase cost as filed by the Petitioners are given in the table below:

Table 43: Power Purchase Cost as filed by Petitioners for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	UoM	East DISCOM	West DISCOM	Central DISCOM	State
A	**Ex- Bus Net Power Purchase Cost excluding Transmission Charges (Inter, Intra & SLDC) etc.**					
i	Quantum	MU	27,741	36,463	33,672	97,877
ii	Fixed Cost	Rs Crore	3,619	4,757	4,393	12,770
iii	Variable Cost	Rs Crore	7,137	9,380	8,662	25,179
iv	MPPMCL Cost	Rs Crore	68	90	83	241
v	**Total Cost**	**Rs Crore**	**10,825**	**14,228**	**13,139**	**38,191**
vi	**Average Cost**	**Rs./kWh**	**3.90**	**3.90**	**3.90**	**3.90**
B	**Inter State Transmission**					
i	Losses	MU	649	918	788	2,355
ii	Charges- Fixed	Rs Crore	935	1,229	1,135	3,300

Sr. No.	Particulars	UoM	East DISCOM	West DISCOM	Central DISCOM	State
C	**Power Purchase Cost at State Boundary**					
i	Quantum	MU	27,092	35,545	32,884	95,522
ii	Fixed Cost	Rs Crore	4,555	5,987	5,529	16,070
iii	Variable Cost	Rs Crore	7,137	9,380	8,662	25,179
iv	MPPMCL Cost	Rs Crore	68	90	83	241
v	**Total Cost**	**Rs Crore**	**11,760**	**15,457**	**14,274**	**41,491**
vi	**Average Cost**	**Rs./kWh**	**4.34**	**4.35**	**4.34**	**4.34**
D	**Intra State Transmission including SLDC**					
i	Losses	MU	713	935	865	2,512
ii	Charges- Fixed	Rs Crore	1,688	1,706	1,709	5,103
E	**Power Purchase Cost at Discom Boundary**					
i	Quantum	MU	26,380	34,610	32,020	93,009
ii	Fixed Cost including Transmission Charges	Rs Crore	6,242	7,693	7,238	21,173
iii	Variable Cost	Rs Crore	7,137	9,380	8,662	25,179
iv	MPPMCL Cost	Rs Crore	68	90	83	241
v	**Total Cost**	**Rs Crore**	**13,447**	**17,163**	**15,983**	**46,594**
vi	**Average Cost**	**Rs./kWh**	**5.10**	**4.96**	**4.99**	**5.01**

Commission's Analysis

2.121 The total power purchase cost as admitted by the Commission for FY 2024-25 is summarized in the following table:

Table 44 : Total Power Purchase cost admitted for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	UoM	FY 2024-25
A	Fixed Charges	Rs. Crore	11,975.64
B	Energy Charges	Rs. Crore	23,913.80
C	MPPMCL Cost/ (Income)	Rs. Crore	(116.20)
D	Less: Saving from Sale of Surplus Power	Rs. Crore	(368.89)
E	**Power Purchase Cost**	Rs. Crore	**35,404.35**
F	Inter State Transmission Charges (PGCIL)	Rs. Crore	3,299.94
G	Intra-State Transmission Charges including SLDC Charges	Rs. Crore	5,111.44
H	**Net Power Purchase Cost including Transmission Charges**	Rs. Crore	**43,815.73**
I	Ex-Bus Energy Requirement	MU	97,318.19
J	**Power Purchase Rate at Ex-Bus (J = E/I*10)**	**Rs/Unit**	**3.64**
K	Input at G-T interface	MU	94,942.55
L	**Power Purchase Rate at State Periphery (L=(E+F)/K*10)**	**Rs/Unit**	**4.08**
M	Input at T-D interface	MU	92,445.56
N	**Power Purchase Rate at DISCOMs Periphery (N=H/M*10)**	**Rs/Unit**	**4.74**
O	Total Sales	MU	76,524.19
P	**Power Purchase Per Unit Sales (P=H/O*10)**	**Rs/Unit**	**5.73**

Capital Expenditure Plans/ Capitalization of Assets

Petitioners' Submission

Investments

2.122 The Petitioners submitted that for strengthening of the system and reduction of distribution losses, all the three DISCOMs of the State are undertaking various projects in the forthcoming years. The focus is on creation of new 33/11 kV S/s, bifurcation of overloaded 33 kV feeders, feeder bifurcation of agricultural feeder at 11 kV level, augmentation of PTRs, installation of DTRs, conversion of bare LT line into AB cables and replacement of service lines, etc.

2.123 The overall distribution loss of the system is a mix of technical and commercial losses. The technical losses are mainly due to comparatively inadequate infrastructure, which needs strengthening, renovation and upgradation of the capacity of lines, sub-stations and associated infrastructure. The commercial losses are mainly due to commercial parameters like theft and pilferage of energy, presence of significant numbers of stopped and defective meters in the system, inadequate meter reading system, etc., which can also be reduced to a large extent by re-engineering of the system, which requires capital investment and directed efforts. DISCOMs are working on both the issues regularly, which have resulted in reduction in distribution losses considerably over the past years, but these reductions are not up to the normative loss levels, which are more stringent at this level.

2.124 Further, with the aim to provide 24x7 uninterrupted, quality, reliable and affordable power supply, Government of India has launched Revamped Distribution Sector Scheme (RDSS), on 20th July 2021 for supporting DISCOMs to undertake reforms and improve performance in a time bound manner. DISCOMs have participated in the RDSS Scheme. The Revamped Distribution Sector Scheme has the following parts:

Part A – Metering & Distribution Infrastructure Works:

2.125 Facilitating in installing prepaid smart meters for all consumers along with associated AMI, communicable meters for DTs & Feeders, ICT including Artificial Intelligence (AI), Machine Learning (ML), etc., based solutions for power Sector and a unified billing and collection system.

2.126 Distribution infrastructure works as required for strengthening and modernizing the system as well as measures for loss reduction. The infrastructure strengthening works will include separation of agriculture feeders to enable implementation of the KUSUM scheme, Aerial Bunch cables and HVDS for loss reduction, replacement of HT/LT lines as required, construction of new/upgradation of substations, SCADA and DMS system, etc. Each DISCOM will draw up the scheme according to its requirement with the end objective of reducing losses and ensuring 24 x 7 supply.

Part B - Training & Capacity Building and other Enabling & Supporting Activities:

2.127 Supporting and enabling components such as nodal agency fees, enabling components of MoP (communication plan, publicity, consumer awareness, consumer survey and other associated measures such as third-party evaluation, etc.), up-gradation of Smart Grid Knowledge Centre, training and capacity building, awards and recognitions, etc.

2.128 Further, as regards smart metering under RDSS, the Petitioners submitted that the implementation of the same has been planned to be undertaken in a phased manner, i.e., in Phase I and II as per RDSS guidelines. The expected completion period for Phase-1 was December, 2023 and that of Phase II is March, 2025 as per RDSS guidelines. The Government of India has approved the DISCOMs plan under smart metering according to which total 34.72 lakh smart meters will be installed by all three DISCOMs under Phase-1 of the scheme, covering Consumer meter, DTRs meters and feeder meters. Further, as per 5th Monitoring committee meeting of the RDSS held on 10th February 2022, it was instructed that all DTRs are to be metered. Accordingly, a total of 3.20 lakh DTRs, which earlier was planned to be covered under Phase-2 of the scheme are clubbed with Phase-1 of the scheme. Considering both, Smart Meters of Phase-1 and DTRs of Phase-2, the DISCOMs have to install approximate 38 lakh Smart Meters under Phase-1 of the scheme. The end objective of installation of Smart Meters is to implement pre-paid billing for all consumers. With the installation of Smart Meters, the Petitioners endeavour to incorporate suitable combination of technologies to achieve the end objective of Time of Day (ToD) tariff for the optimum utilization of power and enhancement of revenue realization of the DISCOMs within the State.

2.129 The Petitioners submitted that they have already issued bids/awarded work for installation of 23.20 lakh Smart Meters (Central DISCOM - 9.58 lakh, West DISCOM - 3.79 lakh, East DISCOM - 9.83 lakh) with the financial support from KfW Development Bank. Further, the bids were issued by all three DISCOMs in December, 2021. The work has been awarded in West DISCOM and East DISCOM and approximately 1.5 lakh Smart Meters have already been installed. Due to sequential bids, the award of work under Central DISCOMs has been deferred.

2.130 Further, the Petitioners submitted that in order to meet the target of RDSS Phase-1 and system meters targets under RDSS, DISCOMs have issued bids for approximately 25.47 lakh Smart Meters (Central DISCOM - 11.42 lakh, West DISCOM - 5.53 lakh, East DISCOM - 8.52 lakh), including 100% DTR meters - 3.84 lakh (Other than Agriculture DTRs), feeder meters (33 kV and 11 kV along with crossover points) and HT meters (in case of Central and East DISCOMs). The work has been awarded in the West DISCOM and in Central and East DISCOM, work award is under process.

2.131 The Petitioners submitted that the bids of all three DISCOMs have been opened and awarded, so the rates for meters have been disclosed (as quoted by the bidders in recent awarded work). The same rates have been considered by the Petitioners while estimating the revised CAPEX for FY 2024-25. The scheme-wise summary of capital expenditure and capitalisation of the three DISCOMs for FY 2024-25 as proposed by DISCOMs are given below:-

Table 45: Capital Expenditure Plan for FY 2024-25 (Rs. Crore)

Name of Scheme	East DISCOM	West DISCOM	Central DISCOM
Government schemes (ST(N), TSP, SCSP)	118	154	194
Supervision	-	-	197
Capital store and spares	-	6	-
Replacement of Stop Defective Meters	35	48	0
Smart Meterization (RDSS)	811	150	1,296
Loss Reduction (RDSS) SSTD & Modernization (RDSS)	1,919	1,209	1,159
Total	**2,883**	**1,567**	**2,846**

Capitalization and CWIP

2.132 DISCOM-wise capitalization plan and the status of Capital Works in Progress (CWIP) as filed by the Petitioners for FY 2024-25 are indicated below:

Table 46 : DISCOM-wise proposed capitalization and bifurcation of CWIP (Rs. Crore)

Sr. No.	Particulars	East DISCOM	West DISCOM	Central DISCOM	State
1	Opening Balance of CWIP	3,832	4,087	3,098	11,017
2	Fresh Investment during the year	2,883	1,567	2,846	7,296
3	**Total Capitalisation during the year**	1,423	1,061	1,061	3,545
4	**Closing Balance of CWIP**	**5,292**	**4,593**	**4,883**	**14,768**

Commission's Analysis on Asset Capitalization

2.133 The DISCOMs need to obtain appropriate approval in a timely manner for their capital expenditure in accordance with the guidelines for capital expenditure by Licensees under the provisions of Regulation 10.3 of MPERC [The Conditions of Distribution License for Distribution Licensee (including Deemed Licensee)], Regulations 2004, by submitting a detailed capital investment plan, financing plan and physical targets against various schemes for meeting the requirement of load growth, reduction in distribution losses, improvement in quality and reliability of supply, metering, etc.

2.134 The capital investment plan should show separately ongoing projects that will spill over in the year under review and new projects (along with justification) that would commence during the tariff Control Period and would be completed within or beyond the tariff Control period. The Commission realises the importance of adequate capital expenditure for upkeep of the network in an efficient manner.

2.135 The Commission vide order dated 30th December, 2022 has accorded in-principle approval to the proposed Capex plan for all three DISCOMs for the period from FY 2022-23 to FY 2025-26, which includes RDSS scheme. Therefore, the Commission finds it appropriate to consider the capitalisation plan as submitted by the Petitioners on provisional basis. The Commission will carry out prudence check of actual capitalisation at the time of true up subject to achievement of physical and financial of targets approved by the Commission in respective schemes based on the outcome of the final approved capex Order for FY 2024-25. Accordingly, the capitalisation plan provisionally considered by the Commission for FY 2024-25 is shown in the table below:

Table 47: Projected Asset Capitalization considered by the Commission for FY 2024-25 (Rs. Crore)

DISCOM	FY 2024-25
East DISCOM	1,422.83
West DISCOM	1,060.89
Central DISCOM	1,061.35
State	**3,545.07**

Operations and Maintenance Expenses

Petitioners' Submission

2.136 Operation and Maintenance (O&M) expenses have been calculated for FY 2024-25 by the Petitioner on the basis of Regulation 36 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021.

2.137 The Petitioners submitted that the audited expenses of FY 2021-22 as well as of FY 2022-23 are available. Further, escalation rate of FY 2021-22 and FY 2022-23 are also available. Hence, in order to have realistic projection capturing the true inflation, it is necessary that the actual expenses being incurred by the Licensees during FY 2021-22 and FY 2022-23 are taken into account. Otherwise, the actual expenses of FY 2024-25 at the time of True-up of FY 2024-25 would substantially differ than the approved norms. Therefore, there is need to revise the base year and rework the expenditure for FY 2024-25.

2.138 Further, the Petitioners submitted that the revised base year has been considered as the year ending 31st March 2024 instead of the year ending 31st March 2022 as specified in Regulation 36.2 of MYT Regulations, 2021. The normative Employee expenses and A&G expenses for the base year has been arrived based on the audited expenses of past three financial years, i.e., from FY 2020-21 to FY 2022-23 excluding abnormal expenses, if any. The average of past three years' audited expenses has been calculated, which is considered as normative Employee expenses and A&G expenses for the year ended on 31st March, 2023, which in turn is escalated with revised escalation rate to arrive at the normative expenses for the base year ending 31st March, 2024. The base year expenses so calculated are then escalated to arrive at normative Employee expenses and A&G expenses for FY 2024-25.

2.139 The Petitioners submitted that the escalation rate for projections has been considered in line with the methodology specified by the Commission in the Regulations. The escalation rate considered for calculating the normative expenses of FY 2022-23 has been derived as 5.06% which is based on the average yearly inflation of past five years, i.e., from FY 2017-18 to FY 2021-22 with 30% and 70% weightage to WPI and CPI, respectively. Similarly, the revised escalation rate for FY 2023-24 has been worked out as 5.86% as shown in the following table:

Table 48: Escalation Rate for FY 2022-23 and FY 2023-24 (%)

Year	Yearly WPI	WPI Inflation	Yearly CPI	CPI Inflation
FY 2017-18	114.88	2.92%	284.42	3.08%
FY 2018-19	119.79	4.28%	299.92	5.45%
FY 2019-20	121.80	1.68%	322.50	7.53%
FY 2020-21	123.38	1.29%	338.69	5.02%
FY 2021-22	139.41	13.00%	356.06	5.13%
FY 2022-23	152.53	9.41%	377.62	6.05%
Average from FY18 to FY22		4.63%		5.24%
Average from FY19 to FY23		5.93%		5.84%
Weightage		30%		70%
Escalation rate for FY 2022-23 (4.63%*30%+5.24%*70%)				**5.06%**
Escalation rate for FY 2023-24 (5.93%*30%+5.84%*70%)				**5.86%**

Employee Expenses as submitted by the Petitioners

2.140 The Petitioners submitted that various heads under employee cost have been escalated based on the aforementioned escalation rate except for Dearness Allowances (D.A.). Further, Petitioners submitted that they have not considered any provisions made towards terminal benefit during the past three audited years in their normative Employee expenses calculations for ensuing years. However, they have considered Rs. 70 Crore each as a provision towards terminal benefit trust fund in line with the Commission's past Orders. As regards D.A., which is linked to basic salary of employees, the Petitioners have considered latest available actual rate for FY 2023-24 in line with the Order and circular issued by the Finance Department, Government of Madhya Pradesh and Petitioners have considered marginal quarterly addition of 3% over previous quarters' D.A. rate as shown below:-

Table 49: Dearness Allowance Considered (%)

Particulars (As per 7th Pay)	FY 2024-25
DA as percentage of Basic for first quarter - Apr to June	49%
DA as percentage of Basic for 2nd and 3rd quarter - July to Dec	52%
DA as percentage of Basic for 4th quarter - Jan to March	55%

2.141 Petitioners further submitted that during past two financial years, i.e., FY 2019-20 and FY 2020-21, they have paid actual 7th pay arrears to their employees, which is not reflected in the respective years' audited accounts since, the payment were made out of the provision accounted in FY 2017-18. Therefore, in order to reflect the impact of 7th pay revision in normative expenses of ensuing years, the Petitioners have considered the actual payment made against the 7th pay in their calculations.

2.142 Based on the above, the employee expense for the ensuing years has been calculated. Further, any variation against the normative employee expenses as worked out above and actual expenses for the respective period shall be claimed at the time of final true-up of respective year.

A&G Expenses as submitted by the Petitioners

2.143 The A&G expenses have been projected by Petitioners in line with the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021. Further, for MPERC fees under A&G expenses, the Petitioners have projected the same considering Rs. 200 for every one Million Units of energy input into the distribution system in line with the "Madhya Pradesh Electricity Regulatory Commission (Fees, Fines and Charges) (Revision-I) (First Amendment) Regulations, 2010.

R&M Expenses as submitted by the Petitioners

2.144 The Petitioners submitted that they have projected R&M expenses by applying the rate of 2.30% of the opening Gross Block Assets (GFA) of the year as per Regulation 36.4 of MYT Regulations, 2021.

Additional Operational Expenditure (OPEX) Cost as submitted by the Petitioners

2.145 Under Part A of RDSS scheme, pre-paid Smart Metering for consumers, and system metering at feeder and distribution transformer level with communicating feature along with associated Advanced Metering Infrastructure (AMI) will be done in TOTEX mode (CAPEX + OPEX) through Public Private Participation (PPP), to facilitate reduction of distribution losses and enable automatic measurement of energy flows and energy accounting as well as auditing. For pre-paid Smart Metering under the scheme, 15% of the total cost will be provided by the Government of India and an additional incentive of 7.5% will be provided for pre-paid Smart Metering within the target time frame of the first phase, i.e., December 2023. The expenditure on billing module, data management, data analysis and other works will be funded 100% by the Government of India. As per the guidelines issued by Ministry of Power, Government of India for Revamped Schemes, the funding shall be available to DISCOMs if the scheme is being implemented in TOTEX mode.

2.146 Accordingly, DISCOMs have planned to implement the smart meterisation through PPP in TOTEX mode. Under this, only partial capex will be paid upfront by DISCOMs, and balance shall be paid through annuity during next 10 years period of operations under OPEX. However, due to uncontrollable situation, the Smart Metering plan has been deferred. Therefore, the Petitioners have projected revision in CAPEX particularly for Smart Metering and in OPEX part too. The Petitioners have re-estimated the OPEX portion for FY 2024-25 as follows:-

Table 50: Additional OPEX submitted by the Petitioners (Rs Crore)

Particular	East DISCOM	West DISCOM	Central DISCOM	State
Additional OPEX Expenses	34.72	82.39	109.79	226.90

2.147 The Petitioners further submitted that the estimation of the TOTEX and hence, OPEX cost claimed by Petitioner is based on the estimation and selection of vendor, award of contract and other factors. Such expense being specific in nature shall be subjected to true-up for respective years. Further, the aforesaid expenses shall be over and above normative O&M expense of respective year.

2.148 Summary of claims of the Petitioners with respect to O&M Expenses is shown in the table below:

Table 51: O&M Expenses Claimed by the Petitioners for FY 2024-25 (Rs. Crore)

Sr. No.	Particular	East DISCOM	West DISCOM	Central DISCOM	State
1	Employee Expenses (including arrears, DA and others)	1,393.64	1,497.04	1,336.97	4,227.65
2	A&G Expenses	142.40	152.84	150.46	445.69
3	R&M Expenses	351.47	220.19	329.69	901.35
4	Additional OPEX Expenses	34.72	82.39	109.79	226.90
5	**Total O&M Expenses**	**1,922.24**	**1,952.46**	**1,926.91**	**5,801.60**

Commission's Analysis on O&M Expenses

2.149 Regulation 36 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specify the methodology for computation of O&M Expenses of the DISCOMs. These expenses comprise Employee expenses, Repair and Maintenance (R&M) expenses and Administrative & General (A&G) expenses. The relevant extract for the Regulation is reproduced below:

"36.2. The Employee expenses and Administrative and General expenses shall be derived on the basis of the average of the actual expenses for the period from FY 2018-19 to FY 2020-21, excluding abnormal expenses, if any, subject to prudence check by the Commission:

Provided that the average of such expenses shall be considered as expenses for the Year ended 31 March, 2020, and shall be escalated at the respective escalation rate for FY 2020-21 and FY 2021-22, to arrive at the expenses for the base year ending 31 March, 2022:

Provided further that the escalation rate for FY 2020-21 and FY 2021-22 shall be computed by considering 30% weight age 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.

36.3. The Employee expenses and Administrative and General expenses for each subsequent year shall be determined by escalating these Base Year expenses of FY 2021-22 by an inflation factor with 30% weight-age 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% weight-age to the average yearly inflation derived *based on the monthly Consumer Price Index for Industrial Workers (all-India) of the past five financial years as per the Labour Bureau, Government of India, to arrive at the permissible expenses for each year of the Control Period.*

"36.4. The R and M Expenses shall be allowed on the opening GFA of the financial year @ 2.3% for East Discom, @ 2.3% for West Discom, @ 2.3% for Central Discom, and @ 5% for SEZ Pithampur. Further, the DISCOMs shall be eligible for additional R and M Expenses of 0.50%, if the Licensee is able to achieve the performance standards targets specified by the Commission in MPERC (Distribution Performance Standards) (Revision-II) Regulations, 2012 and its amendment thereof. Further, the DISCOMs shall also be eligible for additional R&M Expenses of 0.50%, if the Licensee is able to achieve Distribution Loss target specified in Regulation 26.1 of these Regulations or is also to achieve at least 3% reduction in losses as compared to previous year."

2.150 The Commission has computed the O&M expenses considering the methodology specified in the aforesaid Regulation and the approach adopted in Tariff Order for FY 2023-24. For approval of Employee Expenses for the FY 2024-25, following approach has been adopted by the Commission:

- The average of past years' actual audited employee expenses from FY 2020-21 to FY 2022-23 has been considered for deriving normative Employee Expenses for FY 2021-22 and then escalated with escalation rate of FY 2022-23 to arrive at the base year, i.e., FY 2022-23.

- The base year expenses so calculated has been escalated twice to arrive at normative Employee expenses for FY 2024-25.

2.151 The escalation rate considered for calculating the normative expenses of FY 2022-23 has been derived based on the average yearly inflation of past five years, i.e., from FY 2017-18 to FY 2021-22 with 30% and 70% weightage to WPI and CPI, respectively. Accordingly, based on the same, the Commission has arrived at escalation rate of 5.06% for FY 2022-23. Similarly, the escalation rate for FY 2023-24 has been worked out as 5.86%, as shown in the table below:-

Table 52: Escalation Rate admitted for FY 2022-23 and FY 2023-24 (%)

Year	Yearly WPI	WPI Inflation	Yearly CPI	CPI Inflation
FY 2017-18	114.88	2.92%	284.42	3.08%
FY 2018-19	119.79	4.28%	299.92	5.45%
FY 2019-20	121.80	1.68%	322.50	7.53%
FY 2020-21	123.38	1.29%	338.69	5.02%
FY 2021-22	139.41	13.00%	356.06	5.13%
FY 2022-23	152.53	9.41%	377.62	6.05%
Average from FY18 to FY22		4.63%		5.24%
Average from FY19 to FY23		5.93%		5.84%
Weightage		30%		70%
Escalation rate for FY 2022-23 (4.63%*30%+5.24%*70%)				**5.06%**
Escalation rate for FY 2023-24 (5.93%*30%+5.84%*70%)				**5.86%**

2.152 The Commission has considered Dearness Allowance (DA) applicable for the 1st Quarter (April 2024 to June 2024) as 46%. Subsequently, for the 2nd and 3rd Quarters (July 2024 to December 2024), the Commission has considered an increase in DA of 4% over the 1st Quarter, resulting in a DA of 50%. For the 4th Quarter (January 2025 to March 2025), the Commission has considered a DA of 54%, by considering a 4% increase over the DA of the 3rd Quarter for projecting DA for FY 2024-25.

2.153 As regards the claim towards 7th Pay Commission arrears, the Commission finds it appropriate to consider the same at the time of true up based on actuals.

2.154 It has been noted that various stakeholders have been demanding contribution towards fund for the Terminal Benefit (Pension, Gratuity and Leave Encashment) Trust as per Provision 3(6) of the MPERC (Terms and Conditions for allowing pension and terminal benefits liabilities of personnel of Board and successor entities) Regulations, 2012(G-38 of 2012). The extract of the same is shown below:

"3(6) The liabilities in regard to the contribution to be made under sub-clause 2(iii) above shall be allowed in the tariff of respective Successor Entities in the relevant year limited to the extent to be decided by the Commission in the relevant tariff order..."

2.155 Considering the above, the Commission had allowed Rs. 1,380 Crore in Tariff Orders for FY 2017-18 to FY 2023-24 towards the Pension and Terminal Benefit Trust Fund (liabilities provision), which was to be contributed by the DISCOMs to the Registered Terminal Benefits Trust. Further, in a separate proceeding, the Commission has directed the Petitioners to create an escrow account and deposit the amount allowed in the previous years' towards Terminal Benefit Trust Fund. The Commission in this Order in line with the approach followed in previous Orders, has considered an amount of Rs. 210 Crore (Rs 70 Crore for each DISCOM) for the Pension and Terminal Benefit Trust Fund (liabilities provision), which is to be contributed by the DISCOMs for FY 2024-25.

2.156 Based on the methodology adopted for projection of Employee Expenses for FY 2024-25, A&G Expenses including other expenses have also been projected. As regards MPERC Fees, the Commission has projected it as per the provision of MPERC (Fees, Fines and Charges) (Revision-I) (First Amendment) Regulations, 2010 and amendments.

2.157 As regards R&M Expenses, the Commission has considered 2.30% of opening GFA towards base R&M expenses for FY 2024-25 in accordance with Regulation 36.4 of the MYT Regulations, 2021.

2.158 As regards approval of additional O&M expense towards Part A of RDSS, the Commission opines that the O&M expenses allowable as per the Regulations is only towards existing assets and assets to be created during FY 2024-25. However, as the proposed expenditure under Part A of the RDSS is in TOTEX (CAPEX + OPEX) mode, OPEX portion of the expenditure will not be reflected as part of GFA of the DISCOMs. Therefore, the said expenditure towards O&M expenses is required to be allowed over and above the O&M expenses allowed as per the methodology specified in the Regulations. Therefore, the Commission has considered the

Petitioners' claim towards additional operational expenditure (OPEX) cost towards Part A of RDSS provisionally, subject to actuals at the time of true up of FY 2024-25.

2.159 Further, the Commission has projected the O&M Expenses capitalisation for FY 2024-25 considering actual capitalisation percentage of 2.02%, 1.63% and 1.48% for East, West and Central DISCOM, respectively, during FY 2022-23.

2.160 Accordingly, the admitted O&M Expenses for FY 2024-25 are shown in the table below:

Table 53: Operation and Maintenance Expenses admitted for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Opening GFA	13,822.61	9,569.38	14,334.28	37,726.27
Repair and Maintenance Expenses @ 2.30%	**317.92**	**220.10**	**329.69**	**867.70**
Basic Salary	848.38	819.10	829.36	2,496.84
Other Allowance	137.77	95.27	105.38	338.42
Dearness Allowance	424.19	409.55	274.80	1,108.54
Terminal Benefits	47.37	74.36	56.14	177.88
Employee Expenses	**1,457.71**	**1,398.28**	**1,265.68**	**4,121.67**
Administrative and General Expenses	**134.02**	**149.55**	**147.97**	**431.55**
Other Expenses (Rates & Taxes etc.)	2.23	6.47	3.62	12.32
MPERC fees	0.51	0.70	0.64	1.85
Provision for Terminal Benefit Trust Fund	70.00	70.00	70.00	210.00
O&M Expenses Capitalised	(29.09)	(20.89)	(16.77)	(66.74)
Additional Operational Expenditure (RDSS)	34.72	82.39	109.79	226.90
Total O&M Expenses	**1,988.03**	**1,906.59**	**1,910.63**	**5,805.25**

Depreciation

Petitioners' Submission

2.161 The Petitioners submitted that they have computed depreciation as per Regulation 33 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021. As per the said Regulations, depreciation needs to be calculated on value base of the capital cost as admitted by the Commission. The salvage value of the assets needs to be considered as 10% of Capital Cost, and Depreciation shall be allowed up to maximum of 90% of the Capital Cost of the asset.

2.162 Further, the Petitioners submitted that the rate of depreciation has been considered in accordance with the rate specified by the Commission in its Regulations. In case of existing projects/schemes, the Petitioners have verified if the accumulated depreciation has reached 70%. For the existing projects/schemes where the accumulated depreciation has reached 70% of asset value, the remaining depreciable value has been spread over the remaining life of the asset such that the maximum depreciation does not exceed 90%.

2.163 The Petitioners have also submitted that they have claimed depreciation on the net block of assets excluding consumer contribution and grants, since the Petitioners have not considered deferred income booked towards the amortization of assets created through consumer contribution and grants under their Non-Tariff Income.

2.164 The DISCOM-wise depreciation claimed for FY 2024-25 is as shown in the table below:

Table 54: Depreciation claimed by the Petitioners for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Building	1.12	4.65	5.68	11.44
Hydraulic Works	0.00	0.28	0.39	0.67
Other Civil Works	1.31	0.43	0.14	1.88
Plant & Machinery	130.05	113.99	110.43	354.47
Line Cable Networks etc.	204.68	175.59	171.18	551.45
Vehicles	0.13	0.37	0.00	0.51
Furniture & fixtures	0.00	0.13	0.10	0.23
Office Equipment	3.56	5.08	4.81	13.44
Asset not belonging to Company (RGGVY, IPDS, Soubhagya, DDUGJY, RRRDS)	33.99	41.21	124.46	199.66
Amortization of Intangible Assets	0.69	3.16	3.45	7.30
Supervision assets	0.00	0.00	0.00	0.00
Capital Stores & Spares	0.00	0.00	16.78	16.78
Total	**375.53**	**344.90**	**437.41**	**1,157.84**

Commission's Analysis of Depreciation

2.165 MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specify the methodology for computing depreciation. The relevant extract of the Regulations has been reproduced below: -

*"**33. Depreciation.-***

For the purpose of Tariff, depreciation shall be computed in the following manner:

(a) The value base for the purpose of depreciation shall be the capital cost of the assets as admitted by the Commission.

(b) The approved/accepted cost shall include foreign currency funding converted to equivalent rupee at the exchange rate prevalent on the date of foreign currency actually availed.

(c) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

(d) Land other than land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

(e) Depreciation shall be calculated annually based on 'straight line method' and at

rates specified in Annexure II to these Regulations for the assets of the Distribution System declared in commercial operation after 31 March, 2022:

Provided that the remaining depreciable value as on 31stMarch of the Year closing after a period of 15 Years from Date of Commercial Operation shall be spread over the balance useful life of the assets:

Provided further that the Consumer contribution or capital subsidy/grant, etc., for asset creation shall be treated as may be notified by the Commission from time to time.

(f) In case of the existing Projects, the balance depreciable value as on 01 April, 2022 shall be worked out by deducting the cumulative depreciation including Advance against Depreciation as admitted by the Commission up to 31 March, 2022 from the gross depreciable value of the assets. The rate of Depreciation shall be continued to be charged at the rate specified in Annexure-II till cumulative depreciation reaches 70%. Thereafter, the remaining depreciable value shall be spread over the remaining life of the asset such that the maximum depreciation does not exceed 90 %.

(g) Depreciation shall be chargeable from the first Year of commercial operation. In case of commercial operation of the asset for part of the Year, depreciation shall be charged on pro-rata basis.

34. Consumer Contribution, Deposit Work, Grant and Capital Subsidy.-

34.1. The expenses of the following categories of works carried out by the Distribution Licensee shall be treated as specified in Regulation34.2:

(a) Works undertaken from funds, partly or fully, provided by the users, which are in nature of deposit works or consumer contribution works;

(b) Capital works undertaken with grants or capital subsidy received from the State and Central Governments;

(c) Other works undertaken with funding received without any obligation of repayment and with no interest costs;

34.2. The expenses on such capital works shall be treated as follows:

……………………….

(e) Provisions related to depreciation, as specified in Regulation 33, shall not be applicable to the extent of such financial support received.”

2.166 Accordingly, the Commission has considered the asset addition for FY 2024-25 as admitted in table 47. Further, consumer contributions, grants and subsidies towards Capital Assets have been considered as per Petitioners’ submission and subtracted from the GFA for arriving at net GFA for FY 2024-25. Depreciation has been worked out on the basis of the projected average net GFA computed considering the opening and closing net GFA of FY 2024-25. In accordance with the provisions of the Regulations, the Commission has not allowed depreciation towards assets created through consumer contribution and grants.

2.167 The Commission has observed that the Petitioners have submitted Fixed Asset Registers up to FY 2022-23.

2.168 As the GFA for FY 2024-25 has been admitted provisionally, the weighted average depreciation rate (i.e., 4.49%, 3.90% and 3.87% for East, West and Central DISCOMs, respectively) derived on the basis of Fixed Asset Register submitted by the DISCOMs for FY 2022-23, has been considered for computation of depreciation for FY 2024-25.

2.169 The depreciation admitted for FY 2024-25 is given in the following table:

Table 55: Depreciation admitted for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Opening GFA as on 1st April, 2023	**7,583.90**	**4,717.74**	**9,177.42**	**21,479.06**
Add: Addition during Financial Year	1,229.45	560.22	839.75	2,629.42
Less: Consumer Contribution/Grants in Financial Year	754.72	217.63	404.53	1,376.88
Opening GFA as on 1st April, 2024	**8,058.63**	**5,060.33**	**9,612.64**	**22,731.60**
Add: Addition during Financial Year	1,422.83	1,060.89	1,061.35	3,545.07
Less: Consumer Contribution/Grants in Financial Year	337.39	447.26	643.89	1,428.54
Closing GFA as on 31st March, 2025	**9,144.07**	**5,673.96**	**10,030.10**	**24,848.13**
Average GFA	8,601.35	5,367.14	9,821.37	23,789.87
Rate of Depreciation	**4.49%**	**3.90%**	**3.87%**	**4.10%**
Depreciation Admitted	**386.20**	**209.57**	**380.09**	**975.86**

Interest and Finance Charges

Petitioners' submission

2.170 Regulation 32 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the method for calculation of interest and finance charges on loan capital.

2.171 The Petitioners have submitted that interest and finance charges on loan capital have been computed in line with the methodology adopted by the Commission in its previous Tariff/True-up Orders. The opening debt of FY 2022-23 has been considered in line with the closing debt as approved by the Commission in its True-up Order of FY 2021-22. The asset addition to GFA, consumer deposits and grant and actual equity contribution has been considered as proposed in the True-up Petition of FY 2022-23. The repayment of loan has been considered equal to depreciation. Accordingly, the closing debt of FY 2022-23 has been arrived by adding the net GFA considered as funded through debt and subtracting debt repayment of the respective year. The closing debt of FY 2022-23 is then considered as opening debt of FY 2023-24.

2.172 Similarly, opening and closing debt of FY 2023-24 and FY 2024-25 has been arrived by the Petitioners. However, while doing so, the GFA addition, consumer deposits and grant and equity have been considered as projected in this Petition. Further, 30% of the net asset addition to GFA during the year or actual equity infusion as admitted, whichever is less, has been considered as funded through equity. Balance of net asset addition to GFA is considered as having been funded through debt and added to the total debt in GFA.

2.173 The interest on loan for FY 2024-25 has been calculated by the Petitioners on the normative average loan of the year by applying the weighted average rate of interest. Further, the weighted average rate of interest for each DISCOM has been calculated based on the actual loan portfolio of DISCOMs in line with the Regulations.

2.174 The Petitioners have also considered other finance charges such as Bank Charges, Commitment Charges, Guarantee/LC Charges, etc., based on the actual expenditure incurred over the previous FY as per audited accounts.

2.175 The DISCOM-wise summary of interest and finance charges as submitted by the Petitioners is mentioned in the table below:

Table 56: Interest on Project Loan claimed for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Opening Debt associated with GFA	3,307.43	997.00	4,274.42	8,578.85
GFA Addition during the year	1,422.83	1,060.89	1,061.35	3,545.07
Consumer Deposit and Grants utilized during the year	337.39	447.26	643.89	1,428.54
Net GFA Addition during the year	1,085.44	613.63	417.46	2,116.53
Addition of Equity	60.94	46.73	67.52	175.18
Net GFA considered as funded through debt	1,024.50	566.91	349.94	1,941.35
Debt repayment during the year	375.53	344.90	437.41	1,157.84
Closing debt associated with GFA	3,956.41	1,219.01	4,186.95	9,362.37
Average debt associated with Loan	3,631.92	1,108.01	4,230.68	8,970.61
Weighted average rate of interest (%) on all loans	8.39%	9.63%	8.84%	8.76%
Interest on Project Loans	**304.72**	**106.75**	**374.15**	**785.62**
Other Finance cost	1.44	25.30	8.15	34.89
Bank Charges	0.20	3.91	8.15	12.26
Commitment Charges	0.00	21.39	0.00	21.39
Guarantee/LC Charges	1.24	0.00	0.00	1.24
Interest Cost Claimed in Petition	**306.16**	**132.05**	**382.30**	**820.52**

Commission's Analysis of Interest and Finance Charges

2.176 Regulation 22 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the methodology for computation of debt and equity towards the existing and admitted capitalisation. The relevant extract of the Regulation is reproduced below:

"22. Debt-equity ratio.-

22.1. For the purpose of determination of tariff, the normative debt-equity ratio of the total capital employed, after deducting the funding from Consumer Contributions, Deposit Work, Grant and Capital Subsidy, in completed assets shall be 70:30 subject to Regulation.

22.2. The debt-equity amount arrived in accordance with this Regulation shall be used for *calculation of interest on loan, return on equity, depreciation and foreign exchange rate variation.*

22.2. For a Project declared under commercial operation on or after 01 April, 2022, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of Tariff:

Provided further that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment.

…

22.3. In case of the Distribution System declared under commercial operation prior to 01 April, 2022, debt-equity ratio allowed by the Commission for determination of Tariff for the period ending 31 March, 2022 shall be considered."

2.177 Regulation 32 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the methodology for computation of interest and finance charges on loan. The relevant extract of the Regulation is reproduced below:

"32. Interest and finance charges on loan capital.-

32.1. The loans arrived at in the manner indicated in Regulation 22 shall be considered as gross normative loan for calculation of interest on loan.

32.2. The normative loan outstanding as on 01 April, 2022 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31 March, 2022 from the gross normative loan.

32.3. Notwithstanding any moratorium period availed by the Distribution Licensee, the repayment of loan shall be considered from the first Year of commercial operation of the Project and shall be equal to the annual depreciation allowed.

32.4. The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Project:

Provided that at the time of true-up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the concerned year shall be considered as the rate of interest:

Provided further that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided also that if the Distribution System does not have actual loan, then the weighted average rate of interest of the Distribution Licensee as a whole shall be considered.

Provided also that if the Distribution Licensee as a whole does not have actual long-

term loan, then the Base Rate as on 1st April of the respective year shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

32.5. The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest.

32.6. The Distribution Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the consumers and the net savings shall be shared between consumers and Distribution Licensee in ratio 2:1.

32.7. The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.

32.8. Interest charges on security deposits with the Licensee shall be considered at the rate specified by the Commission from time to time."

2.178 Based on the above, the Commission has considered interest and finance charges as pass through in the ARR only for those loans, for which the associated capital works have been completed and assets have been put to use.

2.179 Interest on loan for works in progress is considered as interest during construction (IDC), which shall be capitalized and added to the project cost at the time of asset capitalization. Therefore, such IDC cost has not been considered as pass through in the ARR. The underlying principle for considering the capitalization instead of capital expenditure incurred during the year is that the consumer should bear the interest cost related to only those assets, which are put to use. The asset under construction is not being used for the benefit of the consumers. Interest cost incurred during the course of construction of assets becomes a part of CWIP and therefore, is not admitted as pass through.

2.180 Regulation 22 of the MYT Regulations, 2021 provides that the debt-equity ratio of the capital employed for determination of tariff shall be 70:30. However, in case the actual equity is less than 30%, actual equity infused is to be considered and wherever the actual equity infused exceeds 30%, equity in excess of 30% shall be treated as normative loan.

2.181 Further, Regulation 31 of the MYT Regulations, 2021 provides that only such paid-up share capital is to be reckoned for computation of Return on Equity, which has been actually utilised for meeting capital expenditure and forms a part of the approved financial package. The approach adopted by the Commission for computation of interest cost for FY 2024-25 is as follows:

a) Opening loan for FY 2023-24 has been considered same as the closing loan admitted in true up of FY 2022-23. Thereafter, addition in FY 2023-24 has been considered as per the Petitioners' submission. The closing loan thus arrived for FY 2023-24 has been considered as opening loan for FY 2024-25.

b) Net asset addition to GFA during the year is arrived at by subtracting the Consumer Contribution/Grants received from total asset addition to GFA.

c) 30% of the net asset addition to GFA during the year or actual equity infusion as admitted, whichever is less, has been considered as funded through equity. Balance of net asset addition to GFA is considered as having been funded through debt and added to the total debt in GFA.

d) Debt repayments have then been subtracted from the total debt identified with completed assets as computed from the above. The repayment for the year has been considered equal to the depreciation allowed for that year.

e) The Commission has worked out the weighted average rate of interest based on the submissions made by the Petitioners in Format 3a. As per the MYT Regulations, 2021, the Commission has considered the weighted average rate of interest computed based on the actual outstanding and new loan to be taken during FY 2024-25.

f) Other Finance costs for FY 2024-25 have been admitted considering the actual percentage of actual finance cost to average loan in FY 2021-22 and FY 2022-23. The average of FY 2021-22 and FY 2022-23 works out to 0.04%, 1.26% and 0.17% for East, West and Central DISCOM, respectively.

2.182 Based on the above, the Interest and Finance charges admitted for FY 2024-25 are shown in the table below:

Table 57: Interest and finance charges admitted for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Opening Debt associated with GFA as on 1st April, 2023	**3,143.59**	**1,087.88**	**4,334.33**	**8,565.79**
Addition to GFA during the year	474.73	342.59	435.22	1,252.54
70% of addition to net GFA considered as funded through Loan net of Consumer Contribution	417.73	295.34	347.30	1,060.37
Debt repayment during the year	351.17	190.90	363.59	905.67
Opening Debt associated with GFA as on 1st April, 2024	**3,210.14**	**1,192.31**	**4,318.04**	**8,720.50**
Addition to GFA during the year	1,085.44	613.63	417.46	2,116.53
70% of addition to net GFA considered as funded through Loan net of Consumer Contribution	1,024.50	566.91	349.94	1,941.35
Debt repayment during the year	386.20	209.57	380.09	975.86
Closing debt associated with GFA as on 31st March, 2025	**3,848.45**	**1,549.65**	**4,287.89**	**9,685.99**
Average debt	3,529.30	1,370.98	4,302.97	9,203.24
Weighted average rate of interest (%) on all loans as per Petitioner	7.17%	8.39%	7.86%	7.68%
Interest on Project Loans	253.14	115.01	338.33	706.47
Other Finance cost	1.48	17.26	7.21	25.95
Interest cost admitted on project loans	**254.62**	**132.27**	**345.54**	**732.43**

Interest on Working Capital

Petitioners' Submission

2.183 Regulation 23 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the method of calculation of interest on working capital, wherein the total Working Capital shall consist of expenses towards working capital for the supply activity and wheeling activity. The said Regulation also specifies the parameters to be considered for computation of working capital for wheeling and supply activity.

2.184 Further, as per Regulation 38, the rate of interest on working capital shall be equal to the Base Rate as on 1st April of the relevant year plus 350 basis points. Further, the base rate shall be one-year Marginal Cost of Funds-based Lending Rate (MCLR) as declared by State Bank of India from time to time. The SBI MCLR as on 1st April, 2023 is 7%. Accordingly, the Petitioners have considered the interest rate on working capital as 10.50% (SBI-MCLR 7% plus 350 bps).

2.185 The summary of DISCOM-wise Interest on Working Capital is mentioned in the table below:-

Table 58: Interest on Working Capital claimed for 2024-25 (Rs Crore)

Sr. No.	Particulars	East DISCOM	West DISCOM	Central DISCOM	State
I	**Wheeling**				
A)	1/6th of annual requirement of inventory for 1% GFA of previous year	20.38	12.76	19.11	52.25
B)	O&M expenses				
	R&M expenses	351.47	220.19	329.69	901.35
	A&G expense	157.20	152.84	218.40	528.44
	Employee expenses	1,421.08	1,427.04	1,367.63	4,215.76
B) i)	Total of O&M expenses	1,929.76	1,800.07	1,915.72	5,645.55
B) ii)	1/12th of total	160.81	150.01	159.64	470.46
C)	Receivables		-		-
C) i)	Annual Revenue from wheeling charges		4.30		4.30
C) ii)	Receivables equivalent to 2 months average billing of wheeling charges		0.72		0.72
D)	Total Working capital [A) + B) ii) - C) ii)]	181.19	163.49	178.76	523.43
E)	Rate of Interest	10.50%	10.50%	10.50%	10.50%
F)	**Interest on Working capital (Wheeling)**	**19.02**	**17.17**	**18.77**	**54.96**
II	**Retail Supply**				
A)	1/6th of annual requirement of inventory for previous year	5.09	3.19	4.78	13.06
B)	Receivables				
B) i)	Annual Revenue from Tariff and charges	14,556	20,445	18,025	53,026
B) ii)	Receivables equivalent to 2 months average billing	2,426	3,408	3,004	8,838
C)	Power Purchase expenses	12,167	17,318	13,756	43,274

Sr. No.	Particulars	East DISCOM	West DISCOM	Central DISCOM	State
C) i)	1/12th of power purchase expenses	1,014	1,443	1,146	3,606
D	Consumer Security Deposit	1,027	2,162	1,723	4,912
E)	Total Working capital (A+B ii) - C i) - D)	**113**	**(195)**	**140**	**252**
F)	Rate of Interest	10.50%	10.50%	10.50%	10.50%
G)	**Interest on Working capital (Retail Supply)**	**11.85**	**0.00**	**14.68**	**26.53**
H)	**Total Interest on Working Capital (Wheeling + Retail Supply)**	**30.87**	**17.17**	**33.45**	**81.49**

Commission's Analysis of Interest on Working Capital

2.186 Regulation 23 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the methodology for computation of Interest on Working Capital. The relevant extract of the Regulation has been reproduced below:-

*"**23. Working capital.-***

23.1. Working capital for supply activity of the Licensee shall consist of:

(i)Receivables of two months of average billing reduced by power purchase cost of one month, consumer security deposit, and any amount paid by the prepaid consumers,

(ii)O&M expenses for one month, and

(iii)Inventory (meters, metering equipment, testing equipment are particularly relevant in case of supply activity) for 2 months based on annual requirement considered at 1% of the Gross Fixed Assets for previous year.

23.2. Working capital for wheeling activity of the Licensee shall consist of:

(i)O and M expenses for one month, and

(ii)Inventory (excluding meters, etc., which are considered part of supply activity) for 2 months based on annual requirement considered at 1% of the gross fixed assets for previous year.

23.3. The norms described above shall be applicable for each year of the Control Period.

38. Interest charges on working capital.-

Working capital shall be computed as provided in these Regulations and Rate of interest on working capital shall be equal to the Base Rate as on 1April of the relevant Year plus 350 basis points. The interest on working capital shall be payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has borrowed in excess of the working capital loan computed on *normative basis."*

2.187 Accordingly, the Commission has considered the opening Gross Fixed Asset of FY 2024-25 for computation of Interest on Working Capital for East, West and Central DISCOMs. One percent of opening Gross Fixed Asset has been pro-rated to two months to work out the inventory requirement for wheeling activity and retail activity. This has been further divided into wheeling and retail inventory in the ratio of 80:20 as per the practice adopted in previous Tariff Orders. The average consumer security deposit has been considered which is average of opening and closing balance of consumer security deposit for FY 2024-25. Values of other elements of working capital have been re-computed based on the expenses admitted by the Commission in the relevant sections of this Order. Further, annual revenue from wheeling charges has been considered based on average of the actual values as per audited accounts of FY 2020-21 to FY 2022-23 for FY 2024-25.

2.188 The Commission observed that Petitioners have incorrectly considered rate of interest in working capital, whereas the Base Rate on 1st of April, 2023 (SBI one-year MCLR-8.50% plus 350 basis) stands at 12.00%. The same has been considered as normative interest rate applicable for working capital loans of DISCOMs for FY 2024-25. Accordingly, the interest on working capital admitted by the Commission for wheeling and retail sales activity combined together is shown in the table below:

Table 59: Interest on Working Capital admitted by the Commission (Rs. Crore)

Sr. No	Particulars	Months	East DISCOM	West DISCOM	Central DISCOM	State
For wheeling Activity						
A)	1/6th of annual requirement of inventory for previous year	6	15.92	11.82	17.51	45.25
B) i)	Total of O&M Expenses		1,988.03	1,906.59	1,910.63	5,805.25
B) ii)	1/12th (1 Months) of total O&M Expenses		165.67	158.88	159.22	483.77
C)	Receivables					
C) i)	Annual Revenue from wheeling charges		0.61	4.63	0.11	5.35
C) ii)	Receivables equivalent to 2 months average billing of wheeling charges	6	0.10	0.77	0.02	0.89
D)	Total Working capital (A+B(ii)+C(ii))		181.69	171.48	176.74	529.91
E)	Rate of Interest		12.00%	12.00%	12.00%	12.00%
F)	**Interest on Working Capital for Wheeling Activity**		**21.80**	**20.58**	**21.21**	**63.59**
For Retail Sale Activity						
A)	1/6th of annual requirement of inventory for previous year	6	3.98	2.96	4.38	11.31
B)	Receivables					
B) i)	Annual Revenue from Tariff and charges		14,174.62	20,579.75	18,024.52	52,778.89
B) ii)	Receivables equivalent to 2 months average billing (B(i)/6)		2,362.44	3,429.96	3,004.09	8,796.48
C)	Annual Power Purchase expenses		9,398.83	16,138.58	13,166.89	38,704.29
C) i)	1/12th (1 Months) of power purchase expenses (C/12)		783.24	1,344.88	1,097.24	3,225.36
D	Consumer Security Deposit		1,235.09	2,097.37	1,633.58	4,966.03
E)	Total Working capital (A+B (ii) - C (i) - D)		348.09	(9.33)	277.65	616.40
F)	Rate of Interest		12.00%	12.00%	12.00%	12.00%

Sr. No	Particulars	Months	East DISCOM	West DISCOM	Central DISCOM	State
For wheeling Activity						
G)	**Interest on Working capital for Retail Sale Activity**		**41.77**	**(1.12)**	**33.32**	**73.97**
	Summary					
	For wheeling Activity		21.80	20.58	21.21	63.59
	For Retail Sale Activity		41.77	(1.12)	33.32	73.97
	Total Interest on working Capital		**63.57**	**19.46**	**54.53**	**137.56**
	Total Interest on Working Capital admitted		**63.57**	**19.46**	**54.53**	**137.56**

Interest on Consumer Security Deposit

Petitioners' Submission

2.189 Interest on Consumer Security Deposit is payable to the consumers in accordance with MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 and MPERC Security Deposit Regulations, 2009 and amendments thereof. The Petitioners have provisionally considered rate on Consumer Security Deposit rate in line with the actual rate arrived at based on the audited accounts.

2.190 The DISCOM-Wise summary of interest on Consumer Security Deposit is mentioned in the table below:

Table 60: Interest on Consumer Security Deposit claimed by the Petitioners for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Interest on Consumer Security Deposit	59.04	70.14	73.67	202.86

Commission's Analysis of Consumer Security Deposit

2.191 The Commission observed that the Petitioners have worked out interest on Consumer Security Deposit on the basis of actual interest paid on the average Consumer Security Deposit in FY 2022-23. Thereafter, same interest rate has been considered for FY 2023-24 and FY 2024-25 for projection of interest on Consumer Security Deposit whereas the Commission has computed the interest on Consumer Security Deposit as per the norms of the MYT Regulations, 2021 and Madhya Pradesh Electricity Regulatory Commission (Security Deposit) (Revision–I) Regulations, 2009, amended from time to time, i.e., RBI Bank Rate of 6.75% and admitted the same as shown in the table below:

Table 61: Interest on Consumer Security Deposit (CSD) admitted for FY 2024-25 (Rs. Crore)

DISCOM	FY 2024-25
East DISCOM	83.37
West DISCOM	141.57
Central DISCOM	110.27
State	**335.21**

Return on Equity (RoE)

Petitioners' Submission

2.192 The MYT Regulations, 2021 specifies allowing Return on Equity in two parts, i.e., Base Return on Equity and Additional Return on Equity linked to actual performance. The rate for base Return on Equity has been kept at 14% and additional Return of 2% has been linked to performance, which is to be allowed at the time of True-up.

2.193 Regulation 22 of the MYT Regulations, 2021 provides that the debt-equity ratio of the capital employed for determination of tariff shall be 70:30. However, in case the actual equity is less than 30%, actual equity infused is to be considered and wherever the actual equity infused exceeds 30%, equity in excess of 30% shall be treated as normative loan. Accordingly, based on the above provisions, the Petitioners have worked out Return of Equity for FY 2024-25 as follows:

(a) Opening Equity for FY 2022-23 has been considered as the closing equity admitted in true up of FY 2021-22. Thereafter, addition in equity for FY 2022-23 has been considered as per the Petitioners' submission. The closing equity thus arrived for FY 2022-23 has been considered as opening equity for FY 2023-24.

(b) Net asset addition to GFA during FY 2023-24 and FY 2024-25 is arrived at by subtracting the Consumer Contribution/Grants from total asset addition to GFA as projected in this Petition.

(c) 30% of the net asset addition to GFA during the year or actual equity infusion as proposed, whichever is less, has been considered by the Petitioners as funded through equity.

Table 62: Return on Equity Claimed by the Petitioners for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	East DISCOM	West DISCOM	Central DISCOM	State
A1	Opening balance of GFA identified as funded through equity	1,668.45	1,240.81	1,938.25	4,847.51
B	**Proposed capitalization of assets as per the investment plan (net of consumer contribution and grant)**	**1,085.44**	**613.63**	**417.46**	**2,116.53**
B1	Proportion of capitalized assets funded out of equity, internal reserves	60.94	46.73	67.52	175.19
B2	Balance Proportion of capitalized assets funded out of project loans (B - B1)	1,024.50	566.91	349.94	1,941.35
C1	Normative additional equity (30% of B)	325.63	184.09	125.24	634.96
C2	Normative additional debt (70% of B)	759.81	429.54	292.22	1,481.57
D1	Excess / shortfall of additional equity over normative (B1-C1)	(264.69)	(137.36)	(57.72)	(459.77)
D2	Excess / shortfall of additional debt over normative (B2-C2)	264.69	137.36	57.72	459.77
E	**Equity eligible for Return (A1+(C1/2)) OR (A1+(B1/2)), whichever is lower**	**1,698.92**	**1,264.17**	**1,972.01**	**4,935.10**

Sr. No.	Particulars	East DISCOM	West DISCOM	Central DISCOM	State
F	Rate of Return in Equity	14.00%	14.00%	14.00%	14.00%
G	Return on Equity (14% on E)	237.85	176.98	276.08	690.91

Commission's Analysis of Return on Equity

2.194 Regulation 31 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the methodology for computation of Return on Equity (RoE). The relevant extract of the Regulation has been reproduced below:-

*"**31. Return on Equity.-***

31.1. Return on equity shall be computed in rupee terms, on the paid-up equity capital determined in accordance with Regulation 22.

31.2. Return on Equity shall be allowed in two parts, i.e., Base Return on Equity and Additional Return on Equity linked to actual performance.

31.3. Base Return on Equity shall be allowed at the rate of 14%.

31.4. The Additional Return on Equity shall be allowed at the time of true-up subject to the following:

(a) If the status of metering of rural consumers under the domestic categories is achieved at the levels specified below, the Additional Return on Equity of 0.75% shall be allowed:

Year	*Metering completed as % of total connections*		
	East	*West*	*Central*
FY 2022-23	*92%*	*100%*	*84%*
FY 2023-24	*94%*	*100%*	*88%*
FY 2024-25	*96%*	*100%*	*92%*
FY 2025-26	*98%*	*100%*	*96%*
FY 2026-27	*100%*	*100%*	*100%*

(b) If the total value of capital investment works capitalized in a year is more than 95% of the total approved capitalisation towards approved works for that year, the Additional Return on Equity of 0.75% shall be allowed;

(c) If the actual Repairs and Maintenance expenses in a year is more than 95% of the approved Repairs and Maintenance expenses for that year, the Additional Return on Equity of 0.50% shall be allowed.

31.5. Any expenses on payment of Income Tax paid shall be allowed extra on actual basis on the licensed business of the Distribution Licensee.

31.6. The premium raised by the Licensee while issuing share capital and investment of internal resources created out of free reserve, if any, shall also be reckoned as paid-up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilised for meeting capital expenditure and forms part of the approved financial package. For the purposes of calculation of computation of return, the portion of free reserves utilized for meeting the capital expenditure shall be considered from the date the asset created is productively deployed in the distribution business."

2.195 As per MYT Regulations, 2021, Return on Equity is allowable in two parts, i.e., Base Return on Equity of 14% and Additional Return on Equity of 2%, subjected to achievement of target / performance, which is to be allowed at the time of true-up after prudence check. Therefore, the Commission in this Order has considered base rate of 14% for computation for Return of Equity for FY 2024-25.

2.196 Regulation 22 of the MYT Regulations, 2021 provides that the debt-equity ratio of the capital employed for determination of tariff shall be 70:30. However, in case the actual equity is less than 30%, actual equity infused is to be considered and wherever the actual equity infused exceeds 30%, equity in excess of 30% shall be treated as normative loan.

2.197 Further, Regulation 31 of the MYT Regulations, 2021 specifies that only such paid-up share capital is to be reckoned for computation of Return on Equity, which has been actually utilised for meeting capital expenditure and forms a part of the approved financial package. Accordingly, based on the above, the approach adopted by the Commission for computation of Return of Equity for FY 2024-25 is as follows:

a) Opening Equity for FY 2023-24 has been considered as the closing equity admitted in true up of FY 2022-23. Thereafter addition in equity for FY 2023-24 has been considered as per the Petitioners' Submission. The closing equity thus arrived for FY 2023-24 has been considered as opening equity for FY 2024-25.

b) Net asset addition to GFA during each year of the Control Period is arrived by subtracting the Consumer Contribution/Grants received from total asset addition to GFA.

c) 30% of the net asset addition to GFA during the year or proposed equity infusion as admitted, whichever is less, has been considered as funded through equity.

d) RoE for each year has been computed considering the average equity for the year and rate of RoE of 14% as per Regulation 31.

2.198 The total equity identified along with RoE as admitted for FY 2024-25 is shown in the tables below:

Table 63: Return on Equity admitted for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Opening Equity identified with GFA as on 1st April, 2023	**1,611.44**	**1,163.24**	**1,823.31**	**4,597.99**
Equity addition admitted during the Year	57.00	47.25	87.92	192.17
Opening Equity identified with GFA as on 1st April, 2024	**1,668.44**	**1,210.49**	**1,911.22**	**4,790.16**
GFA Addition	1,422.83	1,060.89	1,061.35	3,545.07
Consumer Deposit and Grants received	337.39	447.26	643.89	1,428.54
Net GFA Addition	1,085.44	613.63	417.46	2,116.53
30% of addition to net GFA considered as funded through equity net of consumer contribution	325.63	184.09	125.24	634.96
Proposed Equity addition during the Year	60.94	46.73	67.52	175.18
Equity addition admitted during the Year	60.94	46.73	67.52	175.18
Closing Equity as on 31st March, 2025	**1,729.38**	**1,257.22**	**1,978.74**	**4,965.34**
Average Equity	1,698.91	1,233.86	1,944.98	4,877.75
RoE @ 14% Admitted	**237.85**	**172.74**	**272.30**	**682.88**

Other Items of ARR

2.199 Apart from the expense components discussed above, there are certain other items, which form part of the ARR of the DISCOMs. These include provision for bad debts, and other (Non-Tariff) Income. These are detailed below:-

Bad and doubtful debts

Petitioners' Submission

2.200 Regulation 37 of the MYT Regulations, 2021 provides the methodology for computation of Provision for Bad & Doubtful Debts, wherein it is stated that Bad & Doubtful Debts shall be allowed to the maximum of 1% of the yearly revenue. Accordingly, the Petitioners have claimed the expenses against bad and doubtful debts as follows:

Table 64: Provision for Bad and Doubtful Debts Claimed for FY 2024-25 (Rs Crore)

DISCOM	FY 2024-25
East DISCOM	2.00
West DISCOM	2.00
Central DISCOM	2.00
State	**6.00**

Commission's Analysis on Bad and Doubtful debts

2.201 Regulation 37 of the MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies the methodology for computation of Bad and Doubtful Debts. The relevant extract of the Regulation is reproduced below:-

*"**37. Bad and doubtful debts.-***

The Licensee shall submit the Draft policy and procedure for identification of bad debts and writing off the same for the approval of the Commission within three months from the date of notification of these Regulations. Bad and Doubtful Debts shall be allowed based on bad debts actually written off in the past (in accordance to the procedure approved by the Commission) as per the available latest audited Financial Statement to the extent Commission considers it appropriate and shall be trued up during the true up exercise for the relevant year subject to a limit of 1% of the yearly revenue"

2.202 The Commission has not considered any provision for Bad and doubtful debt for FY 2024-25 as these shall be allowed based on actual bad debts written off. The Commission is of the view that any expenses against the bad and doubtful debts should be considered only at time of true-up based on actual bad debt written off after prudence check.

Other Income

Petitioners' Submission

2.203 The main components of Non-Tariff Income are Wheeling Charges, Supervision Charges, Sale of Scrap, Income from Trading and Miscellaneous Charges from consumers as per MYT Regulations, 2021 and as per the "Schedule of Miscellaneous and General Charges" under MPERC (Details to be furnished and fee payable by licensee or generating company for determination of tariff and manner of making application) Regulations, 2004 and amendments thereof. The Petitioners have projected their Other Income and Non-Tariff Income for FY 2024-25 based on averaging method over various components of other income.

2.204 The Petitioners further submitted that they have not considered deferred income, i.e., income booked towards the amortization of assets created through consumer contribution and grants under their claim of Other Income since, the depreciation is claimed on net block of assets. Further, in line with the methodology adopted by the Commission in its previous True-up Order of FY 2021-22, Petitioners have not considered the waived off amount by MPPTCL towards liability of wheeling charges on DISCOMs in Other Income. Accordingly, the Other Income and Non-Tariff Income as filed by the Petitioners are shown in tables below:

Table 65: Other Income and Non-Tariff Income for FY 2024-25 (Rs Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Income from Investment, Fixed & Call Deposits	16.47	45.33	38.13	99.93
Interest on loans and Advances to staff	-	0.05	-	0.05
Other Income from Trading/Sale of scrap	21.52	10.80	14.90	47.22
Interest on Advances to Suppliers / Contractors	-	0.12	-	0.12
Income/Fee/Collection against staff welfare activities	-	0.02	-	0.02
Miscellaneous receipts	113.13	-	42.62	155.75
Wheeling charges	0.51	4.30	0.02	4.83
Liability of wheeling charges towards MPPTCL written off	-	-	-	-
Supervision charges	19.39	32.15	30.10	81.64
Recovery from theft	10.65	-	-	10.65
Meter Rent	-	-	-	-
Other Charges from Consumers	-	-	-	-
Utility Charges	-	-	0.29	0.29

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Net gain/(loss) on disposal of stores item	-	-	-	-
Income from renting	-	4.98	-	4.98
Other miscellaneous income	-	121.87	53.18	175.06
Total	**181.66**	**219.69**	**179.25**	**580.60**

Commission's Analysis on Other Income

2.205 The Commission has notified the MPERC (Recovery of expenses and other charges for providing electric line or plant used for the purpose of giving supply) Regulations, (Revision-II) 2022 on 31st May 2022, vide which the Commission has notified metering and other charges. As per the Regulation, metering charges (if any) shall be applicable in accordance with the respective Retail Supply Tariff Order issued by the Commission from time to time. The relevant extract of the Regulation is as follows:

"5. Other Charges to be recovered from consumers

5.1 As provided for in Section 45(3)(b) of the Electricity Act, 2003 (No. 36 of 2003), the Distribution Licensee may charge from the consumers a rent or other charge in respect of any electric Meter or Electrical Plant provided by the Distribution Licensee as provided in Annexure-1 of these Regulations. Metering charges (if any) shall be applicable in accordance with the respective retail supply tariff order issued by the Commission from time to time."

2.206 The Commission has decided not to levy any metering charges on the consumers.

2.207 Further, since the Commission has not allowed Depreciation on GFA created through consumer contribution and grants, corresponding income under the head of Deferred Income has not been considered under the head of Other Income. The actual Other Income of the Distribution Licensees excluding meter rent as per True-up Orders issued by the Commission for previous years is as shown in the table below:

Table 66: Total actual Other Income as per True-up Orders (Rs Crore)

DISCOM	FY 2020-21	FY 2021-22	FY 2022-23
East DISCOM	151.11	90.91	245.02
West DISCOM	117.83	191.10	209.34
Central DISCOM	102.41	207.66	138.37

2.208 Based on the above actual Other Income admitted by the Commission in True-up Orders for FY 2020-21, FY 2021-22 and FY 2022-23, the Commission has admitted Other Income for FY 2024-25 as the average of actual Other Income during FY 2020-21 to FY 2022-23, which includes interest on deposits, sale of scrap, other miscellaneous receipts, etc., but excludes meter rent and deferred income. The Other Income for FY 2024-25 admitted by the Commission excluding metering charges is as tabulated below, which shall be considered at actuals at the time of true-up:

Table 67: Other Income admitted for FY 2024-25 (Rs. Crore)

DISCOM	FY 2024-25
East DISCOM	162.35
West DISCOM	172.76
Central DISCOM	149.48
State	**484.58**

Differential Bulk Supply Tariff (DBST)

Petitioners' Submission

2.209 The Government of MP vide gazette notification dated 21st March, 2016 had allocated all the stations to MPPMCL and in order to maintain equitable allocation of the power purchased cost among all the three DISCOMs, MPPMCL has allocated the costs to the three DISCOMs as per Differential Bulk Supply Tariff (DBST) methodology.

2.210 With the implementation of DBST with effect from January 2020, the overall Power Purchase Cost of all the three DISCOMs is being distributed on the basis of Revenue available with DISCOMs for power purchase and in proportion to their energy requirement.

2.211 The Power Purchase cost allocated to DISCOMs based on DBST methodology for FY 2024-25 submitted by the Petitioners is given in the table below:

Table 68: DBST submitted by the Petitioners for FY 2024-25 (Rs Crore)

Sr.No	Particulars	Unit	East DISCOM	West DISCOM	Central DISCOM	State
A	**Revenue from Existing Tariff**	**Rs. Crore**	**14,556**	**20,445**	**18,025**	**53,026**
B	**Other costs of Discoms (Expenditure other than power purchase cost)**	**Rs. Crore**	**3,056**	**2,158**	**3,264**	**8,478**
1	R&M Expense	Rs. Crore	351	220	330	901
2	Employee Expenses	Rs. Crore	1,428	1,579	1,447	4,455
3	A&G Expense	Rs. Crore	142	153	150	446
4	Depreciation and Related debits	Rs. Crore	376	345	437	1,158
5	Interest & Finance Charges	Rs. Crore	396	219	489	1,105
6	Other Debits, Write-offs (Prior period and bad debts)	Rs. Crore	2	2	2	6
7	RoE	Rs. Crore	238	177	276	691
8	Less: Other income	Rs. Crore	182	220	179	581
9	Impact of True ups	Rs. Crore	304	(318)	312	298
C	**Intra- State transmission Charges including SLDC Charges**	**Rs. Crore**	**1,688**	**1,706**	**1,709**	**5,103**
D	**Aggregated Amount available with Discoms for Power purchase (A-B-C)**	**Rs. Crore**	**9,812**	**16,581**	**13,052**	**39,445**
E	**Total Power Purchase Cost**	**Rs. Crore**				**41,491**
F	**Surplus/Gap (E-D)**	**Rs. Crore**				**2,046**
G	Ex-Bus Energy Requirement	MU	27,741	36,463	33,672	97,877
H	Ex-Bus Energy Requirement	%	28%	37%	34%	100%
I	**Allocation of surplus/Gap as per the Energy Requirement**	**Rs. Crore**	**572**	**770**	**704**	**2,046**
J	**Power Purchase Cost for Discom (D+I)**	**Rs. Crore**	**10,384**	**17,351**	**13,756**	**41,491**
K	**Bulk Supply Tariff**	**Rs./kWh**	**3.74**	**4.76**	**4.09**	**4.24**

Commission's Analysis of DBST

2.212 The Commission in previous Retail Tariff Order has been approving uniform tariff for the State considering the Revenue Gap at the State level. For achieving the same, the Commission has been allocating the power purchase cost among the DISCOMs in proportion to the revenue availability with each DISCOMs. It is observed that the Government of Madhya Pradesh vide gazette notification dated 21st March, 2016, had allocated all the stations to MPPMCL for further allocation of power purchase cost among all the three DISCOMs. Accordingly, MPPMCL implemented DBST methodology from January, 2020. Under DBST, overall Power Purchase Cost of all the three DISCOMs is being distributed on the basis of Revenue available with DISCOMs for power purchase and in proportion to their energy requirement.

2.213 As the power purchase for all three DISCOMs is being managed by MPPMCL, it is necessary to approve power purchase cost in equitable way to arrive at uniform tariff across the DISCOMs in the State. Accordingly, the Commission has allocated power purchase cost among the three DISCOMs based on DBST methodology as proposed by the Petitioner for ARR of FY 2024-25, as shown in the table below:

Table 69: Differential Bulk Supply Tariff Admitted by the Commission for FY 2024-25 (Rs Crore)

Particulars	Reference	East DISCOM	West DISCOM	Central DISCOM	State
Revenue from Admitted Tariff (Rs. Crore)	**A**	**14,174.84**	**20,580.05**	**18,024.79**	**52,779.68**
Other Costs of ARR of DISCOMs (Expenses other than Power Purchase Cost) (Rs. Crore)	**B**	**3,084.20**	**2,731.81**	**3,147.14**	**8,963.16**
O&M Expenses		1,988.03	1,906.59	1,910.63	5,805.25
Depreciation		386.20	209.57	380.09	975.86
Interest & Finance Charges					
On Project Loans		254.62	132.27	345.54	732.43
On Working Capital Loans		63.57	19.46	54.53	137.56
On Consumer Security Deposit		83.37	141.57	110.27	335.21
Return on Equity		237.85	172.74	272.30	682.88
Bad & Doubtful Debts		0.00	0.00	0.00	0.00
Less: Other Non-Tariff Income		162.35	172.76	149.48	484.58

Particulars	Reference	East DISCOM	West DISCOM	Central DISCOM	State
Revenue Gap of MP DISCOMs, MP Genco and MP Transco True-up		232.91	322.37	223.27	778.55
Intra-State Transmission Charges including SLDC	**C**	**1,691.59**	**1,709.37**	**1,710.49**	**5,111.44**
Aggregated Amount available with DISCOMs for Power purchase (Rs. Crore)	**D=A-B-C**	**9,399.05**	**16,138.87**	**13,167.16**	**38,705.08**
Total Power Purchase Cost (Rs. Crore)	**E**				**38,704.29**
Revenue Gap/(Surplus) (Rs. Crore)	**F=E-D**				**(0.79)**
Ex-Bus Energy Requirement (MU)	**G**	**26,886.60**	**36,720.31**	**33,711.29**	**97,318.19**
% Allocation as per Ex-Bus Energy Requirement		28%	38%	35%	100%
Allocation of Revenue Gap/(Surplus) as per Ex-Bus Energy Requirement (Rs. Crore)	**H**	**(0.22)**	**(0.30)**	**(0.27)**	**(0.79)**
Power Purchase Cost for DISCOMs (Rs. Crore)	**I=H+D**	**9,398.83**	**16,138.58**	**13,166.89**	**38,704.29**
Bulk Supply Tariff for FY 2024-25 (Rs./kWh)		**3.50**	**4.40**	**3.91**	**3.98**

2.214 Based on the above, the ARR as admitted for FY 2024-25 is shown in the following table:

Table 70: Aggregate Revenue Requirement (ARR) admitted for State for FY 2024-25 (Rs Crore)

Particulars	East DISCOM		West DISCOM		Central DISCOM		State	
	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted
Power Purchase Cost including Inter State Transmission Charges	10,384.26	9,398.83	17,351.04	16,138.58	13,755.60	13,166.89	41,490.90	38,704.29
Intra-State Transmission Charges including SLDC	1,687.65	1,691.59	1,706.14	1,709.37	1,708.97	1,710.49	5,102.76	5,111.44
O&M Expenses	1,922.24	1,988.03	1,952.46	1,906.59	1,926.91	1,910.63	5,801.60	5,805.25
Depreciation	375.53	386.20	344.90	209.57	437.41	380.09	1,157.84	975.86
Interest & Finance Charges								
On Project Loans	306.16	254.62	132.05	132.27	382.30	345.54	820.52	732.43

Particulars	East DISCOM		West DISCOM		Central DISCOM		State	
	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted
On Working Capital Loans	30.87	63.57	17.17	19.46	33.45	54.53	81.49	137.56
On Consumer Security Deposit	59.04	83.37	70.14	141.57	73.67	110.27	202.86	335.21
Return on Equity	237.85	237.85	176.98	172.74	276.08	272.30	690.91	682.88
Bad & Doubtful Debts	2.00	0.00	2.00	0.00	2.00	0.00	6.00	0.00
Total Expenses Admitted	**15,005.60**	**14,104.06**	**21,752.89**	**20,430.15**	**18,596.39**	**17,950.72**	**55,354.88**	**52,484.92**
Less: Other income and Non-Tariff Income	181.66	162.35	219.69	172.76	179.25	149.48	580.60	484.58
Total ARR Admitted	**14,823.94**	**13,941.71**	**21,533.19**	**20,257.39**	**18,417.15**	**17,801.24**	**54,774.28**	**52,000.34**
Revenue Gap of MP Transco True-up of FY 2022-23	0.00	136.86	0.00	163.36	0.00	95.51	0.00	395.73
Revenue Surplus of MP Genco True-up of FY 2021-22	436.00	431.14	574.00	600.51	530.00	508.13	1,540.00	1,539.78
Revenue Gap of MP DISCOMs True-up of FY 2022-23	1,016.24*	527.19	461.73*	759.52	1,168.23*	635.89	2,646.20*	1,922.60
Total ARR (including True-up)	**15,404.18**	**14,174.62**	**21,420.93**	**20,579.75**	**19,055.37**	**18,024.52**	**55,880.47**	**52,778.89**

**The Revenue Gap mentioned in DISCOMs Petition and Tariff Petition is as revised based on Petitioners' reply to additional data gaps in the True-up of FY 2022-23 and considering carrying cost.*

2.215 MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 specifies that till the time there is complete accounting segregation between Wheeling and Supply Businesses of the Distribution Licensee, the expenses of the Distribution Licensee shall be apportioned between the Wheeling and Supply Businesses in accordance with the allocation matrix. The relevant extract for the provision has been reproduced below: -

"8.11. Till such time the complete accounting segregation has not been done between Wheeling and Supply Businesses of the Distribution Licensee, the expenses of the Distribution Licensee shall be apportioned between the Wheeling and Supply Businesses in accordance with the following Allocation Matrix:

Particulars	***Wheeling Business***	***Supply Business***
Operation and Maintenance expenses	*70%*	*30%*
Depreciation	*95%*	*5%*
Interest on loan	*95%*	*5%*
Interest on working capital	*10%*	*90%*
Return on Equity	*90%*	*10%*

Particulars	*Wheeling Business*	*Supply Business*
Power purchase cost including transmission and SLDC charges	*0%*	*100%*

"

2.216 The purpose of segregating the total distribution expenses into wheeling and Supply activities is to establish the wheeling charges that are to be recovered from open access customers.

2.217 Accordingly, the Commission has allocated the cost related to Wheeling and Supply activities as per allocation matrix. As such the ARR for FY 2024-25 for all the three DISCOMs is segregated as under:

Table 71: Admitted ARR for Wheeling Business for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Operation and Maintenance expenses	1,988.03	1,906.59	1,910.63	5,805.25
70% of Operation and Maintenance expenses for Wheeling Business	1,391.62	1,334.62	1,337.44	4,063.68
Depreciation	386.20	209.57	380.09	975.86
95% of Depreciation for Wheeling Business	366.89	199.09	361.08	927.07
Interest on Project Loans	254.62	132.27	345.54	732.43
95% of Interest on Project Loans for Wheeling Business	241.89	125.65	328.26	695.81
Interest on Working Capital for Wheeling Business	21.80	19.46	21.21	62.47
Return on Equity	237.85	172.74	272.30	682.88
90% of Return on Equity for Wheeling Business	214.06	155.47	245.07	614.60
Less: Other income and Non-Tariff Income	162.35	172.76	149.48	484.58
10% of other income and Non-Tariff Income for Wheeling Business	16.23	17.28	14.95	48.46
Impact of True-Ups of Past Years of MP Transco, Genco and DISCOMs for Wheeling Business	232.91	322.37	223.27	778.55
10% of Impact of True-Ups of Past Years of MP Transco, Genco and DISCOMs	23.29	32.24	22.33	77.85
Total for Wheeling Business	**2,243.32**	**1,849.25**	**2,300.44**	**6,393.01**

Table 72: Admitted ARR for Supply Business for FY 2024-25 (Rs. Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Power Purchase Cost including transmission and SLDC charges	11,090.41	17,847.94	14,877.38	43,815.73
100% of Power Purchase Cost including transmission and SLDC charges for Supply Business	11,090.41	17,847.94	14,877.38	43,815.73
Operation and Maintenance expenses	1,988.03	1,906.59	1,910.63	5,805.25
30% of Operation and Maintenance expenses for Supply Business	596.41	571.98	573.19	1,741.58
Depreciation	386.20	209.57	380.09	975.86
5% of Depreciation for Supply Business	19.31	10.48	19.00	48.79
Interest on Project Loans	254.62	132.27	345.54	732.43
5% of Interest on Project Loans for Supply Business	12.73	6.61	17.28	36.62
Interest on Working Capital for Supply Business	41.77	0.00	33.32	75.09
Return on Equity	237.85	172.74	272.30	682.88
10% of Return on Equity for Supply Business	23.78	17.27	27.23	68.29
Interest on Consumer Security Deposit	83.37	141.57	110.27	335.21
100% of Interest on Consumer Security Deposit for Supply Business	83.37	141.57	110.27	335.21
Less: Other income and Non-Tariff Income	162.35	172.76	149.48	484.58
90% of other income and Non-Tariff Income for Supply Business	146.11	155.48	134.53	436.12
Impact of True-Ups of Past Years of MP Transco, Genco and DISCOMs	232.91	322.37	223.27	778.55
90% of Impact of True-Ups of Past Years of MP Transco, Genco and DISCOMs for Supply Business	209.62	290.13	200.95	700.69
Total for Supply Business	**11,931.30**	**18,730.51**	**15,724.08**	**46,385.88**

Revenue from Existing and Admitted Tariffs and Gap/Surplus

Petitioners' Submission

2.218 The Petitioners submitted that there has not been any substantial tariff hike for the past years in the State of Madhya Pradesh, which has severely affected the financial health of the DISCOMs. In FY 2021-22 there was a marginal tariff hike of 0.63% only, whereas in FY 2022-23 and FY 2023-24 there was a tariff hike of 2.64% and 1.65%, respectively. The DISCOMs are finding it extremely difficult to sustain its operations at the present tariff levels because of intrinsic rise in expenditure due to inflationary pressures, and consistent rise in power and energy demands, an ambitious normative loss reduction trajectory and benchmarks set by the Commission, and obligations to be met under the policy objectives of the State and Central Governments.

2.219 Accordingly, in order to bridge the revenue gap, it is necessary for the Licensee to seek an appropriate hike in the tariff, up to the level as proposed and detailed in the Petition.

2.220 Petitioners have proposed a hike of 3.86% for FY 2024-25.

2.221 The revenue from existing and proposed tariff for FY 2024-25 is as follows:

Table 73: Revenue at Existing and proposed Tariff submitted by Petitioner for FY 2024-25 (Rs. Crore)

Tariff Category / Sub-category		East DISCOM		West DISCOM		Central DISCOM		Total for the State	
		Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff
LV-1	Domestic	4,152	4,315	4,178	4,339	5,118	5,259	13,448	13,913
LV-2	Non-Domestic	1,325	1,352	1,533	1,564	1,396	1,424	4,254	4,340
LV-3	Public Waterworks & Street Light	310	330	528	563	390	416	1,228	1,309
LV-4	LT Industry	482	494	729	749	353	362	1,564	1,605
LV-5	Agriculture	4,450	4,648	7,229	7,551	6,715	7,014	18,394	19,230
LV-6	EV Charging	0	0	1	1	0	0	1	1
	TOTAL – LT	**10,717**	**11,139**	**14,198**	**14,767**	**13,973**	**14,476**	**38,889**	**40,398**
HV-1	Railway Traction	0	0	0	0	40	41	40	41
HV-2	HV 2: Coal Mines	449	464	0	0	22	23	472	487

Tariff Category / Sub-category		East DISCOM		West DISCOM		Central DISCOM		Total for the State	
		Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff	Revenue at existing Tariff	Revenue at proposed Tariff
HV-3.1	Industrial Use	2,509	2,606	3,659	3,753	2,494	2,630	8,661	8,988
HV-3.2	Non-Industrial	281	293	486	506	474	494	1,241	1,293
HV-3.3	Shopping Mall	6	7	39	41	29	31	75	78
HV-3.4	Power Intensive Industries	155	164	882	922	567	592	1,604	1,665
HV-4	Seasonal & Non-Seasonal	12	13	11	12	1	1	25	26
HV-5	PWW Works & Other Agri.	216	225	1,082	1,118	290	302	1,588	1,649
HV-6	Bulk Residential Users	205	214	34	35	113	118	352	365
HV-7	RECs/Synchro of power for Generator connected to Grid	5	5	37	39	5	5	47	49
HV-8	EV Charging	0	0	8	8	7	7	15	15
HV-9	Metro Rail	0	0	8	8	9	9	18	18
	TOTAL – HT	**3,838**	**3,990**	**6,247**	**6,444**	**4,052**	**4,254**	**14,137**	**14,673**
	TOTAL (LT+HT)	**14,556**	**15,128**	**20,445**	**21,215**	**18,025**	**18,729**	**53,026**	**55,071**

Commission Analysis

2.222 The consumer category-wise revenue including rebate/incentives at existing and admitted tariff for FY 2024-25 is presented in the table below:

Table 74: Revenue including Rebate/ Incentives at Existing and Admitted Tariffs for FY 2024-25 (Rs. Crore)

DISCOM		East DISCOM		West DISCOM		Central DISCOM		State	
Tariff Category / Sub-category		Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff
LV-1	Domestic	4,207.42	4,207.42	4,302.66	4,302.66	4,820.46	4,820.46	13,330.54	13,330.54
LV-2	Non-Domestic	1,238.55	1,238.55	1,538.32	1,538.32	1,346.11	1,346.11	4,122.98	4,122.98
LV-3	Public Water Works & Street Light	323.65	333.04	530.24	545.71	455.12	467.94	1,309.01	1,346.69
LV-4	LT Industrial	450.33	450.33	712.61	712.61	346.77	346.77	1,509.71	1,509.71
LV-5	Agriculture and Allied Activities	4,226.29	4,226.29	7,266.38	7,266.38	6,616.66	6,616.66	18,109.34	18,109.34
LV-6	E-Vehicle/ E-Rickshaws Charging Stations	0.23	0.23	0.95	0.96	0.23	0.24	1.41	1.43
	LT Total	**10,446.47**	**10,455.86**	**14,351.16**	**14,366.64**	**13,585.35**	**13,598.18**	**38,382.98**	**38,420.68**

DISCOM		East DISCOM		West DISCOM		Central DISCOM		State	
Tariff Category / Sub-category		Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff	Revenue at Existing Tariff	Revenue at Admitted Tariff
HV-1	Railway Traction	0.00	0.00	0.00	0.00	28.61	28.61	28.61	28.61
HV-2	Coal Mines	448.57	448.57	0.00	0.00	24.02	24.02	472.59	472.59
HV-3	HT Industrial, Non-Industrial and shopping malls	2,843.06	2,843.06	5,095.49	5,095.49	3,932.66	3,932.66	11,871.21	11,871.21
	HV-3.1: Industrial	2,418.48	2,418.48	3,678.71	3,678.71	2,751.94	2,751.94	8,849.14	8,849.14
	HV-3.2: non-Industrial	269.79	269.79	489.40	489.40	523.19	523.19	1,282.38	1,282.38
	HV-3.3: shopping malls	6.24	6.24	39.70	39.70	32.12	32.12	78.05	78.05
	HV-3.4: Power Intensive Industries	148.55	148.55	887.68	887.68	625.41	625.41	1,661.64	1,661.64
HV-4	Seasonal	6.86	6.86	13.32	13.32	0.98	0.98	21.16	21.16
HV-5	Irrigation, Public Water Works and Other than Agricultural	222.40	222.40	1,019.42	1,019.42	311.52	311.52	1,553.33	1,553.33
HV-6	Bulk Residential Users	193.49	193.49	32.65	32.65	108.42	108.42	334.57	334.57
HV-7	Synchronization of Power for Generators connected to the Grid	4.59	4.59	36.13	36.13	4.61	4.61	45.33	45.33
HV 8	E-Vehicle/ E-Rickshaws Charging Stations	0.00	0.00	8.54	8.47	6.63	6.57	15.18	15.04
HV-9	Metro Rail	0.00	0.00	7.94	7.94	9.22	9.22	17.16	17.16
	HT Total	**3,718.98**	**3,718.98**	**6,213.48**	**6,213.41**	**4,426.67**	**4,426.61**	**14,359.13**	**14,359.00**
	Grand Total (LT + HT)	**14,165.45**	**14,174.84**	**20,564.65**	**20,580.05**	**18,012.02**	**18,024.79**	**52,742.12**	**52,779.68**

2.223 On the basis of the above, details of total ARR as admitted by the Commission and the revenue income including rebate/incentives at existing and admitted tariff for FY 2024-25 is as shown in the table below:

Table 75: Final ARR and Revenue from existing tariffs for FY 2024-25 (Rs Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Total ARR admitted including True-up (A)	14,174.62	20,579.75	18,024.52	52,778.89
Revenue at existing Tariffs (B)	14,165.45	20,564.65	18,012.02	52,742.12
Uncovered Gap/(Surplus) (C=A-B)	**9.17**	**15.11**	**12.49**	**36.77**

2.224 To meet the aforesaid Revenue Gap of Rs. 36.77 Crore, the Commission has increased the tariff by 0.07%, which has been detailed in Tariff

Design Chapter of this Order. The total ARR admitted by the Commission and revenue at admitted tariff is shown in the table below:

Table 76: Final ARR and Revenue from admitted tariffs for FY 2024-25 (Rs Crore)

Particulars	East DISCOM	West DISCOM	Central DISCOM	State
Total ARR admitted including True-up (A)	14,174.62	20,579.75	18,024.52	52,778.89
Revenue at admitted Tariffs (B)	14,174.84	20,580.05	18,024.79	52,779.68
Uncovered Gap/(Surplus) (C=A-B)	**(0.22)**	**(0.30)**	**(0.27)**	**(0.79)**

A3: WHEELING CHARGES, CROSS SUBSIDY SURCHARGE AND ADDITIONAL SURCHARGE

Determination of Wheeling Cost

Petitioners' Submission

3.1 The Petitioners submitted that they have allocated the cost related to Wheeling and Supply activities as per allocation matrix specified in Regulation 8.11 of the MYT Regulations, 2021. Based on the allocation matrix, the expenditure towards wheeling business for all the DISCOMs works out to be Rs. 6,763.24 Crore.

3.2 The Petitioner further submitted that the Madhya Pradesh Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2021 (First Amendment), stipulates that the consumers with a contracted demand or sanctioned load of 100kW or more, excluding captive consumers, are entitled to request green energy from the distribution licensees.

3.3 Further, the Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, (Revision-I) 2021, as amended, and the Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023, outline various charges applicable to Green Energy Open Access Consumers, including wheeling charges.

3.4 The Petitioners submitted that the Commission in its previous Tariff Order of FY 2023-24 has approved separate wheeling charges for consumers at 33 kV, 11 kV, and LT levels. In line with the same methodology, the Petitioners have worked out the wheeling cost individually for each relevant category, namely 33 kV, 11 kV, and LT lines. The wheeling charges determined by the Petitioners is as follows:-

Table 77 : Wheeling Charges submitted by the Petitioners for FY 2024-25

Voltage	Wheeling Cost Allocated (Rs. Crore)	Sales (MU)	Wheeling Charges (Rs. / kWh)
33 kV	181.96	10,560.27	0.17
Below 33 kV			
(a) 11 kV	74.30	1,072.47	0.69
(b) LT	6,506.98	58,233.86	1.12

Commission's Analysis

3.5 As per the Madhya Pradesh Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy), Regulations, 2021 (First Amendment) any consumer who has contracted demand or sanctioned load of 100kW or more except captive consumer is eligible to requisition green energy from the distribution licensees.

The Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, (Revision-I) 2021 as amended and Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 specify various charges to be levied on Open Access Consumers (including Green Energy Open Access Consumers) which includes wheeling charges. In view of the above, the Commission has determined wheeling charges for the consumers at 33 kV, 11 kV and LT separately in this Order.

3.6 Regulation 8.11 of the MYT Regulations, 2021 specify allocation matrix for apportioning expenses of DISCOMs into wheeling and supply businesses as follows:

Particulars	Wheeling Business	Supply Business
Operation and Maintenance expenses	70%	30%
Depreciation	95%	5%
Interest on loan	95%	5%
Interest on working capital	10%	90%
Return on Equity	90%	10%
Power purchase cost including transmission and SLDC charges	0%	100%

3.7 On the basis of the above allocation matrix and admitted ARR for FY 2024-25, the expenditure towards wheeling business for all the DISCOMs works out to be Rs. 6,393.01 Crore.

Segregation of costs among voltage levels

3.8 The costs of wheeling activity have been distributed among three voltage levels of distribution, i.e., 33 kV, 11kV and LT. Though, the EHT consumers (i.e., at voltages above 33 kV) are consumers of the DISCOMs, they are not directly connected to the distribution system. Certain costs related with metering, billing and collection are associated with EHT consumers. At this juncture, the Commission is not inclined to get into these details, primarily on account of unavailability of data.

3.9 The distribution licensees in the State presently do not maintain accounts of their costs voltage-wise. Similar is the case with other Government-owned distribution licensees operating in most of the Other States.

3.10 It is observed that the present accounting practices followed by DISCOMs do not permit segregation of GFA across voltage levels directly. The Commission, therefore, considers it appropriate to adopt the approach of using transformation capacity in MVA at interfaces of 33/11 kV and 11/0.4 kV.

3.11 The data used for this exercise to arrive at the value of asset base is as follows:

Table 78 : Voltage level-wise Cost Break-up of Sub transmission & Distribution Lines

Voltage level of Lines	East DISCOM (ckt-kms)	West DISCOM (ckt-kms)	Central DISCOM (ckt-kms)	Length of lines at State Level (ckt-kms)	Total Cost of lines (Rs. Crore.)	Per unit cost (Rs. Lakh /ckt-km)
33 kV	21,170.00	20,938.00	20,136.43	62,244.43	11,254.23	18.08
Below 33 kV						
(a) 11 kV	1,67,143.00	1,43,691.00	1,62,661.55	4,73,495.55	83,576.75	17.65
(b) LT	1,46,303.00	1,82,105.00	1,27,849.33	4,56,257.33	47,049.99	10.31
Sub-Total	**3,13,446.00**	**3,25,796.00**	**2,90,510.88**	**9,29,752.88**	**1,30,626.73**	
Total	**3,34,616.00**	**3,46,734.00**	**3,10,647.31**	**9,91,997.31**	**1,41,880.96**	

Table 79 Voltage level-wise cost of Transformer

Transformer Voltage Level	East DISCOM (MVA)	West DISCOM (MVA)	Central DISCOM (MVA)	State (MVA)	Total Cost (Rs. Crore)	Per unit cost (Rs. Lakh /MVA)
33/11 kV Transformer	11,791.00	14,472.00	13,295.00	39,558.00	20,405.92	51.58
11/0.4 kV Transformer	11,675.00	22,539.00	16,515.55	50,729.55	20,385.82	4.02
Total	**23,466.00**	**37,011.00**	**29,810.55**	**90,287.55**	**40,791.74**	

3.12 Data for length of lines and transformation capacity expected to be added during FY 2024-25 has been considered as per Petitioners' submission.

3.13 In order to identify the asset values at different voltage levels, it is necessary to "assign" the interface transformers to the voltage levels. For this exercise, the Commission considers it appropriate to include the distribution transformers (11/0.4 kV) to be a part of the 11 kV network and the power transformers of 33/11 kV to be a part of the 33 kV network. Based on this method, the asset values at different voltage levels works out to be as follows:

Table 80 : Identification of value of network at different voltage level (Rs. Crore)

Voltage level	Cost of Lines (Rs. Crore)	Cost of Transformation (Rs. Crore)	Total Cost (Rs. Crore)
33 kV	11,254.23	20,405.92	31,660.15
Below 33 kV			
(a) 11 kV	83,576.75	20,385.82	1,03,962.57
(b) LT	47,049.99		47,049.99
Total	**1,41,880.96**	**40,791.74**	**1,82,672.70**

3.14 Expenses of wheeling activity are worked out using the asset value ratios as obtained from above, given in the table below:

Table 81 : Identification of network expenses (wheeling cost) at different voltage levels

Voltage level	Assets value (Rs. Crore)	Assets value Ratio (%)	Total wheeling cost (Rs Crore)	Wheeling Cost (Rs Crore)
33 kV	31,660.15	17.33%	6,393.01	1,108.01
Below 33 kV				
(a) 11 kV	1,03,962.57	56.91%		3,638.39
(b) LT	47,049.99	25.76%		1,646.61
Total	**1,82,672.70**	**100.00%**		**6,393.01**

Sharing of Wheeling costs considered by the Commission

3.15 The cost of wheeling is again required to be allocated to the users appropriately based on the usage of network at different voltage levels by consumers. Consumers at 33 kV Voltage level uses 33 kV network only while consumers at 11 kV Voltage level use network of 33 kV and 11 kV and LT Consumers use network of 33 kV, 11 kV and LT.

3.16 The energy wheeled during the year at different voltage levels are as follows:-

Table 82 : Energy Wheeled at different voltage levels (MU)

EHT (400 kV, 220 kV, 132 kV & 66 kV)	33 kV System	11 kV	LT	State
7,228.06	11,212.77	1,098.34	57,485.07	77,024.24

3.17 The Commission has chosen "Energy Wheeled" at different voltage levels as the measure of network usage to allocate the costs as detailed below:

Table 83 : Allocation of wheeling cost over Distribution System Users at 33 kV

Particulars	Reference	Unit for item under reference	Values
Wheeling Cost at 33 kV	A	Rs. Crore	1,108.01
Energy Wheeled at 33 kV (as per Table:-82)	B	MU	11,212.77
Total energy wheeled {excluding energy at 132 kV} (as per Table:-82)	C	MU	69,796.18
Proportion of 33 kV energy wheeled to total energy wheeled	D=B/C*100	%	16.07%
Cost allocation			
Wheeling cost of 33 kV allocated to 33 kV users only	**E=A*D**	**Rs. Crore**	178.00

Table 84 : Allocation of wheeling cost over Distribution System Users at 11 kV

Particulars	Reference	Unit for item under reference	Values
Wheeling Cost at 33 kV	A	Rs. Crore	1,108.01
Wheeling cost of 33 kV allocated to 33 kV users only	B	Rs. Crore	178.00
Remaining Wheeling Cost of 33kV	C=A-B	Rs. Crore	930.01
Wheeling Cost at 11 kV	D	Rs. Crore	3,638.39
Wheeling Cost at 11 kV along with remaining Wheeling Cost of 33kV	E=C+D	Rs. Crore	4,568.40
Energy Wheeled at 11 kV (as per Table:-82)	F	MU	1,098.34
Total energy wheeled {excluding energy at 132 kV} (as per Table:-82)	G	MU	69,796.18
Proportion of 11 kV energy wheeled to total energy wheeled	H	MU	1.57%
Cost allocation			
Wheeling cost of 11 kV allocated to 11 kV users only	**I=E*H**	**Rs. Crore**	71.89

3.18 The remaining wheeling cost has been allocated to LT consumers. Based on these allocations and considering the consumption at 33 kV,11 kV and LT the wheeling charges in Rupees per unit are determined as follows:

Table 85 : Wheeling Charges at different Voltage levels

Voltage	Wheeling Cost allocated (Rs. Crore)	Sales (MU)	Wheeling charges (Rs. /kWh)
33 kV	178.00	11,212.77	0.16
Below 33 kV			
(a) 11 KV	71.89	1,098.34	0.65
(b) LT	6,143.12	57,485.07	1.07

3.19 Applicability of wheeling charges for the Open Access consumers depending on their connectivity shall be governed by MPERC (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2021 and MPERC (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 and amendments thereof.

Determination of Cross-Subsidy Surcharge

Petitioners' Submission

3.20 The Petitioners submitted that they have determined Cross-Subsidy surcharge as per provisions of Tariff Policy, 2016.

3.21 The Category wise Cross Subsidy Surcharge computed by the Petitioners is as follows:-

Table 86 : Category wise Cross Subsidy Surcharge claimed by the Petitioners

Category of HT/EHT consumers	Average Tariff 'T' (Rs Per Unit)	Ceiling 20% of AcoS (Rs/Unit)	CSS (Rs/Unit)	Applicable CSS (Rs/Unit)
HV-1: Railway Traction	7.46	1.43	2.55	1.43
HV-2: Coal Mines	8.92	1.43	4.02	1.43
HV-3: HT Industrial, Non-Industrial and Shopping Malls				
HV-3.1: Industrial	7.99	1.43	3.09	1.43
HV-3.2: Non Industrial	9.49	1.43	4.59	1.43
HV-3.3: Shopping Malls	8.91	1.43	4.01	1.43
HV-3.4: Power Intensive Industries	5.92	1.43	1.01	1.01
HV-4: Seasonal & Non Seasonal	10.77	1.43	5.86	1.43
HV-5: Irrigation, Public Water Works and Other than Agricultural	8.05	1.43	3.14	1.43
HV-6: Bulk Residential Users	7.87	1.43	2.97	1.43
HV-7: Synchronization and Start-Up Power	11.48	1.43	6.57	1.43
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	7.22	1.43	2.32	1.43
HV 9: Metro Rail	8.75	1.43	3.85	1.43

Commission's Analysis

3.22 The Tariff Policy notified by Government of India (GoI) on dated 28th January, 2016 prescribes the following formula for determination of cross- subsidy surcharge for various categories of consumers.

"8.5 Cross-subsidy surcharge and additional surcharge for open access

8.5.1 …

….

Surcharge formula:

S= T – [C/ (1-L/100) + D+ R]

Where

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

Above formula may not work for all distribution licensees, particularly for those having power deficit, the State Regulatory Commissions, while keeping the overall objectives of the Electricity Act in view, may review and vary the same taking into consideration the different circumstances prevailing in the area of distribution licensee.

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.

Provided further that the Appropriate Commission, in consultation with the Appropriate Government, shall exempt levy of cross subsidy charge on the Railways, as defined in Indian Railways Act, 1989 being a deemed licensee, on electricity purchased for its own consumption.

8.5.4 The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges.

8.5.5 Wheeling charges should be determined on the basis of same principles as laid down for intra-state transmission charges and in addition would include average loss compensation of the relevant voltage level."

3.23 Accordingly, the cost of supply to the consumer may be computed on the basis of the weighted average cost of power purchase by the Licensee including cost of meeting the Renewable

Purchase Obligation (C), applicable transmission and distribution losses (L), Cost of transmission and distribution of electricity (D). The Commission in subsequent section has determined these components of Cost of Supply. Depending on the applicability of various charges for each consumer, as specified in MPERC (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2021 and MPERC (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 and amendments thereof, the Cross Subsidy surcharge is to be computed.

3.24 The weighted average cost of power purchase by the Licensee including cost of meeting the Renewable Purchase Obligation (C) works out as shown in table below:

Table 87 : Weighted average cost of power purchase by the Licensee including cost of meeting the Renewable Purchase Obligation

Generating Stations	Requirement (MU)	Total cost (Rs. Crore)	Wt. Average rate of power purchase (Rs./unit)
Dispatched	97,318.19	35,404.35	3.64

3.25 The Tariff Policy prescribes that the Loss level (term 'L') should be worked out for each voltage level separately. Losses at each voltage level are assumed as below for this purpose because of non-availability of required reliable data with the DISCOMs:

Table 88 : Voltage-wise losses

Voltage Level	Loss level (L)
EHT (transmission system) including External losses*	3.56%
33 kV #	4.65%
11 kV#	5.82%
LT#	6.75%

** EHT Voltage level losses have been considered 3.56% for FY 2024-25.*

#Average voltage losses at each level submitted by the Petitioners have been considered and apportioned as per the normative distribution losses.

3.26 The cost of transmission shall be uniformly spread over all consumers at every voltage level, as the transmission network is utilized by all the consumers. Therefore, similar to wheeling costs, the admitted transmission charges for FY 2024-25 are worked out as under:

Table 89 : Transmission Charges

Particulars	Unit	Quantity
PGCIL Charges	Rs. Crore	3,299.94
MPPTCL Charges including SLDC Charges	Rs. Crore	5,111.44
Total Charges	**Rs. Crore**	**8,411.38**
Units to be handled	MU	97,318.19
Transmission Charges per unit	**Rs/kWh**	**0.86**

3.27 Wheeling charges have been determined for consumers connected at 33 kV, 11kV and LT as shown in Table 85 : Wheeling Charges, above.

3.28 Finally, the term in the Tariff Policy formula, 'T', Average Tariff for different categories, is derived from expected revenue for FY 2024-25 as shown in the following table:

Table 90: Average Billing Rate (ABR) for FY 2024-25 at approved tariff (Rs./kWh)

Category of consumers	Average Tariff 'T' (Rs Per Unit)
LV-1: Domestic	6.71
LV-2: Non Domestic	9.32
LV-3: Public Water Works & Street Light	6.82
LV-4: LT Industrial	8.98
LV-5: Agriculture and Allied Activities	6.13
LV-6: E-Vehicle/ E-Rickshaws Charging Stations	6.90
HV-1: Railway Traction	5.17
HV-2: Coal Mines	8.58
HV-3: HT Industrial, Non-Industrial and Shopping Malls	7.46
HV-3.1: Industrial	7.71
HV-3.2: Non Industrial	9.09
HV-3.3: Shopping Malls	8.51
HV-3.4: Power Intensive Industries	5.68
HV-4: Seasonal	8.43
HV-5: Irrigation, Public Water Works and Other than Agricultural	7.84
HV-6: Bulk Residential Users	7.67
HV-7: Synchronization of Power for Generators connected to the Grid	11.14
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	6.90
HV 9: Metro Rail	8.45

3.29 As per the MPERC (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2021 and amendments thereof, the consumers other than Renewable Energy users with contract demand of 1 MW and above are allowed Open Access. These consumers are to be connected at 33 kV or above as per Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

3.30 Further, Renewable Energy Generators and users having capacity of 100 kW or above are also eligible for Open Access, subject to operational constraints not being there in the Licensee's system as per MPERC (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2021 and MPERC (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 and amendments thereof{hereinafter referred to as MPERC (Intra-State or Green Energy Open Access) Regulations}.

3.31 In accordance with the above provisions, the total charges (Rs/unit) i.e. *[C/ (1-L/100) + D+ R]* for various LT & HT categories are to be computed as per applicable cost and eligibility as per the MPERC (Intra-State or Green Energy Open Access) Regulations. The Cross-Subsidy Surcharge shall be the difference of average tariff (T) as specified in Table:85, above and the total charges (Rs/unit) for that particular category at particular voltage level to be computed based on cost component determined above depending upon its applicability as per MPERC (Intra-State or Green Energy Open Access) Regulations. However, Cross-Subsidy surcharge is not to exceed 20% of the average cost of supply for the consumers seeking Open Access as per MYT Regulations, 2021 and amendments thereof. In case where Cross-Subsidy Surcharge, based on above methodology, works out to be negative, the same shall be considered as zero for billing purposes.

Illustration for computation of Cross Subsidy Surcharge

Illustration-1: Both Generator and consumer are connected to transmission network (132 kV or above)

Illustration-2: Generator is connected to Transmission network (EHT voltages), while the consumer is connected to the distribution network at 33 kV of Distribution Licensee.

Table 91 : Illustration of Computation of Cost for Cross Subsidy Surcharge (Rs. per unit)

Illustration	Weighted Average rate of power purchase (Rs. /unit)	Cost of Power grossed up for transmission losses (3.56%)	Cost of Power grossed up for distribution losses (33kV-4.65%)	Transmission charges (Rs. per unit)	Wheeling charges at 33 kV (Rs. per unit)	Total Cost [C/(1-L/100) + D+R]
1	3.64	3.77	-	0.86	-	4.64
2	3.64	3.77	3.96	0.86	0.16	4.98

Table 92: Category wise Cross Subsidy Surcharge as per above Illustration (Rs. Per unit)

Category of HT/EHT consumers	Average Tariff 'T' (Rs Per Unit)	Ceiling 20% of AcoS (Rs/Unit)	CSS (Rs/Unit)	Applicable CSS (Rs/Unit)
HV-1: Railway Traction (Illustration -1)	5.17	1.38	0.54	0.54
HV-2: Coal Mines	8.58	1.38	3.60	1.38
HV-3: HT Industrial, Non-Industrial and Shopping Malls	7.46	1.38	2.48	1.38
HV-3.1: Industrial	7.71	1.38	2.73	1.38
HV-3.2: Non Industrial	9.09	1.38	4.11	1.38
HV-3.3: Shopping Malls	8.51	1.38	3.53	1.38
HV-3.4: Power Intensive Industries	5.68	1.38	0.70	0.70
HV-4: Seasonal	8.43	1.38	3.45	1.38
HV-5: Irrigation, Public Water Works and Other than Agricultural	7.84	1.38	2.86	1.38
HV-6: Bulk Residential Users	7.67	1.38	2.69	1.38
HV-7: Synchronization of Power for Generators connected to the Grid	11.14	1.38	6.16	1.38
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	6.90	1.38	1.92	1.38
HV 9: Metro Rail	8.45	1.38	3.47	1.38

Note:
1. Cross-Subsidy surcharge shall not exceed 20% of the average cost of supply for the consumers seeking Open Access.
2. Based on the applicability of charges specified in the MPERC (Intra-State or Green Energy Open Access) Regulations, the DISCOMs shall compute applicable CSS for other consumer categories.
3.The applicable Terms and Conditions of MPERC (Intra-State or Green Energy Open Access) Regulations shall be applicable to the consumers seeking Open Access.

Determination of Additional Surcharge

Petitioners' submission

3.32 The Petitioners submitted that the Tariff Policy, 2016 prescribes the methodology for the determination of additional surcharge to be levied from consumers who are permitted Open Access.

3.33 The Petitioners submitted that the financial position of the DISCOMs is getting constrained due to eligible consumers opting for Open Access. There has been an increase in quantum and number of consumers opting for Open Access over the last few years. With this shift of consumers to Open Access, the power remains stranded and the DISCOMs have to bear the additional burden of capacity charges of stranded power to comply with their Universal Supply Obligation.

3.34 Petitioners have stated that in other States also, separate orders for levy of Additional Surcharges have been passed by respective Commissions after considering the impact of shift by Open Access consumers and based on other data with due prudence check.

3.35 In light of the provisions prescribed in Clause 5.8.3 of the National Electricity Policy, Section 42(4) of the Electricity Act 2003, besides relevant clause 13.1 of MPERC (Terms & Conditions for Open Access in Madhya Pradesh) Regulations, 2005, the Petitioners have worked out Additional Surcharge on a yearly basis for Open Access consumers of the State in addition to levy of Cross Subsidy Surcharge specified in Tariff Policy, 2016 on the basis of latest data for previous 12 months commencing from September 2022 to August 2023.

3.36 The Petitioners have computed the Additional Surcharge by considering the weighted average monthly fixed rate of surrendered power, which is based on daily weighted fixed rate of the generating station in the surrendered power. The Petitioners computed Additional Surcharge as shown in the table below:

Table 93 : Computation of Additional Surcharge Submitted by the Petitioners for FY 2024-25

Sr. No.	Months	Energy entitlement (MU)	Energy Scheduled (MU)	Energy Surrendered (MU)	Effective Fixed Cost Applied (Rs/Unit)	OA Units (MU)	Cost of Back down Energy Surrendered due to Open Access (Rs. Crore)
1	**2**	**3**	**4**	**5=3-4**	**6**	**7**	**8=(7*6)**
1	Sep-22	5,971.67	5,131.43	840.24	1.28	116.97	15.01
2	Oct-22	5,730.67	4,806.82	923.85	1.23	122.79	15.10
3	Nov-22	6,810.43	6,560.40	250.03	1.20	2.38	0.29
4	Dec-22	7,474.66	7,008.93	465.72	1.29	7.51	0.97
5	Jan-23	7,446.23	6,868.01	578.23	1.38	47.58	6.55
6	Feb-23	6,152.10	5,990.96	161.13	1.50	48.67	7.32
7	Mar-23	7,240.22	6,540.40	699.83	1.35	54.85	7.41
8	Apr-23	6,858.73	6,176.35	682.38	1.35	36.02	4.86
9	May-23	7,002.48	6,287.81	714.67	1.45	53.69	7.78

Sr. No.	Months	Energy entitlement (MU)	Energy Scheduled (MU)	Energy Surrendered (MU)	Effective Fixed Cost Applied (Rs/Unit)	OA Units (MU)	Cost of Back down Energy Surrendered due to Open Access (Rs. Crore)
10	Jun-23	6,770.14	6,096.49	673.65	2.68	52.21	13.97
11	Jul-23	6,827.25	6,091.81	735.44	1.59	86.38	13.75
12	Aug-23	9,395.76	8,469.52	926.24	1.42	3.56	0.51
Total		**83,680.35**	**76,028.94**	**7,651.42**		**632.61**	**93.51**
Additional Surcharge on OA Consumers (Rs./Unit) = (8/7)							**1.48**

3.37 The Petitioners have thus claimed the Additional Surcharge of Rs. 1.48 per unit on the power drawn by the Open Access consumers from the date of issuance or applicability of this Retail Supply Tariff Order by the Commission.

Commission's Analysis

3.38 The Commission has considered the submission made by the Petitioners and stakeholders in light of the provisions of Clause 5.8.3 of the National Electricity Policy, Clause 8.5 of the Tariff Policy, 2016, Section 42(4) of the Electricity Act, 2003, and determined Additional Surcharge. The Additional Surcharge determined by the Commission shall be levied in addition to Cross Subsidy Surcharge determined by the Commission in accordance with the Tariff Policy, 2016, Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, (Revision-I) 2021 and Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023, as amended from time to time.

3.39 The Commission has computed the Additional Surcharge by considering the average per unit fixed charge of the Thermal power plants as per the approach adopted by the Commission in MYT Order. Computation of the Additional Surcharge is shown in the table below:

Table 94 : Determination of Additional Surcharge for FY 2024-25

Sr. No.	Particulars	Reference	Unit	Values
1	Fixed Cost of Thermal Generating Sources for FY 2024-25	A	Rs. Crore	11,290.84
2	Total Available MU from Thermal Generating Stations for FY 2024-25	B	MU	86,927.70
3	**Weighted Average Per Unit FC of Thermal Generating Stations for FY 2024-25**	**C=A/B*10**	**Rs. /kWh**	**1.30**
4	Total Projected Back down/RSD Volume for FY 2024.25	D	MU	7,178.29
5	Projected Open Access Volume for year for FY 2024-25 based on actual of previous year (as per Petitioners submission)	E	MU	632.61
6	Fixed Cost pertaining to Back down/RSD capacity for FY 2024-25	F=E*C/10	Rs. Crore	82.17
7	**Per Unit Additional Surcharge (to be applicable on OA Consumers)**	**G=F/E*10**	**Rs./kWh**	**1.30**

3.40 The Commission has thus determined the Additional Surcharge of Rs. 1.30 per unit in accordance with the applicable Regulations from the date of applicability of this Retail Supply Tariff Order.

A4: GREEN ENERGY TARIFF

Petitioners' submission

4.1 The Petitioners for FY 2024-25 have proposed two types of Green Energy Charges/Tariff as summarized below:

a) Green Energy Charges and Modalities for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking certification to this effect.

b) Tariff for Green Energy and Modalities for consumers availing Green Energy from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof.

4.2 The Petitioners further submitted that the Green Energy Tariff for certification purpose was introduced during FY 2022-23 as an optional / voluntary arrangement for the consumers who are willing to procure 100% power from RE sources from DISCOMs for the purpose of reducing their carbon footprint. As there was requirement to avail 100% Renewable Energy against the consumption, there was less participation from the consumers. Subsequently, during the past tariff proceedings, the Petitioners taking cognizance of the stakeholders suggestions, have requested the Commission to lower the criteria for consumption from RE sources from existing level of 100%. Accordingly, the Commission in its Tariff Order of FY 2023-24 has lowered the criteria for requisition.

4.3 The Petitioners submitted that in previous tariff proceedings, consumers have been approaching the DISCOMs for availing Renewable / Green Energy for occasions like marriage functions, fests, parties etc. on permanent or temporary connection for shorter durations than a month. So, if the Green energy is allowed for shorter durations also then there would be more takers for Green Energy. Therefore, the Petitioners propose to waive the minimum requisition criteria to avail RE Power for certification purpose and allow consumer to purchase green energy in any integer percentage of the consumption or its entire consumption. This will provide flexibility for consumer and accelerate the consumptions of green energy. 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.

4.4 Green Energy Charges determined for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking certification to this effect and for consumers availing Green Energy from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof by the Petitioners are as follows:-

Table 95 : Green Energy Charges/ Tariff Proposed by the Petitioners for FY 2024-25

Particular	Incremental Rate (Rs./kWh)	Incremental Rate (Rs./kWh)		
		Wind	HPO	Others
Green Energy Charges only for Certification Purpose	0.40	-	-	-
Green Energy Charges for RPO Obligation	-	0.06	2.30	0.11

4.5 The Petitioners submitted that the above Green Energy Tariff shall be over and above the existing energy charges applicable for different categories of consumers. Also, in addition to above Green Energy Tariff, the Demand Charges/Fixed Charges or any other charges as being approved by the Commission for FY 2024-25 shall also be applicable to the respective categories of consumer.

4.6 Further, the Petitioners submitted that the Rules notified by MoP, GOI also specify that rating of the consumer based on the percent of green energy purchased by such consumer. Therefore, the Petitioners wishes to introduce the rating wherein the distribution licensee at the end of the financial year shall specifying the percentage of RE power purchased by consumer against his total consumption during the year and rating shall be as given below:

% of RE Purchase during the year	Rating
>50% to 75%	Semi-Green
>75% to 100%	Green

4.7 In view of the above, the Petitioners requested the Commission to approve the Green Energy Tariff as claimed in this Petition.

Commission's Analysis

4.8 In the Tariff Order for FY 2023-24, the Commission determined the Green Energy Charges/Tariff and Modalities for two categories of Green Energy transactions. In this Order, the Commission is maintaining the same approach previously adopted for determining the Green Energy Charges/Tariff and Modalities for the two types of Green Energy transactions, as outlined below:-

a) Green Energy Charges and Modalities for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking Certification to this effect.

b) Tariff for Green Energy and Modalities for consumers availing Green Energy from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof.

a) Green Energy Charges and Modalities for Consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking Certification to this effect.

Applicability

4.9 The Commission introduced Green Energy Tariff in its Tariff Order for FY 2022-23 as an optional / voluntary arrangement for the consumers who are willing to procure 100% power from RE sources from DISCOMs for the purpose of reducing their carbon footprint.

4.10 The Commission after taking cognisance of the Electricity Act, 2003, stakeholders and Petitioners submission decided to lower the requirement of consumption from RE sources from level of entire 100% consumption to minimum 25% of their monthly consumption of electricity during any billing month for availing power from RE sources in Tariff Order for FY 2023-24. Further, the consumers on a voluntary basis were allowed to purchase more power from RE sources and in such cases, consumers were permitted to increase their consumption from RE Power in steps of 5% of their monthly consumption over and above 25% upto 100% from RE sources during any billing month.

4.11 The Petitioners in this petition has requested the Commission to waive the existing limit towards minimum procurement of 25% of their monthly consumption and proposed to allow the consumer to place requisition for any integer quantum of green power to be purchased against their consumption. Further, the Petitioners has proposed to allow the consumer to increase their requisition for RE power in the steps of any integer value (instead of existing steps of 5%) against their monthly consumption going up to 100% of their consumption during any billing month.

4.12 Further, the Petitioner in the Petition has submitted that consumers are also approaching the DISCOMs for availing Renewable/ Green Energy for occasions like marriage functions, fests, parties etc. on permanent or temporary connections for shorter durations than a month. Therefore, the Commission after taking cognisance of the Petitioners submission has decided to allow the green energy for shorter duration and waive of minimum procurement of 25% of their monthly consumption in order to promote adoption of RE in accordance with the Section 86 (1) (e) of the Electricity Act, 2023.

4.13 Accordingly, the consumers on a voluntary basis may place requisition for any percentage of their monthly consumption up to 100% of their consumption of electricity during any billing month for availing power from RE sources.

4.14 Further, the consumers shall be permitted to increase their consumption from RE sources in the steps of any percentage value against their monthly consumption going upto 100% of their consumption of electricity during any billing month.

4.15 In addition to this, the consumers shall also be permitted to avail power from RE sources for any number of days in a billing month subject to meeting consumption criterion on as mentioned above.

4.16 The consumers shall have to place a requisition for availing power from RE sources with their respective Distribution Licensee.

4.17 The Petitioners are directed to develop procedure/mechanism for receipt and processing of requisition from the consumers willing to avail Green Energy from the distribution licensees, such procedure/mechanism should be finalised within one month from date of issuance of this Order and be made available on the websites of distribution licensees.

Treatment of RPO.

4.18 The RE power supplied by the Petitioners for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking certification from Distribution Licensee to this effect shall only be considered towards RPO compliance of the Petitioners and shall not be considered for fulfilment of RPO for obligated entities which is in line with the approach adopted by the Commission in MYT Order. If the consumer is also an obligated entity, then he may make its own arrangement or submit requisition to Distribution Licensee for procuring RE power from Distribution Licensee for the purpose of meeting their RPO compliance for entity as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof towards fulfilment of its RPO, separately.

Green Energy Charges

4.19 In accordance with the Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote adoption of RE. Therefore, the Commission has determined Green Energy Charges for the consumers who wishes to procure RE Power for the purpose of reducing their carbon footprint and seeking certification to this effect as 75% of the difference in weighted average rate of RE power and weighted average rate of Energy charge (Variable Charges) of Non RE sources as shown in the following table:

Table 96 : Green Energy Charges (for the consumers who wish to procure RE Power for the purpose of reducing their carbon footprint and seeking Certification to this effect) approved by the Commission for FY 2024-25

RE Power Procurement for the Period FY 2024-25			Non-RE Power Procurement (Only Variable) for the Period FY 2024-25			Difference between RE & Non-RE Power	Approved Green Energy Charges
MU	Rs. Crore	Rs/Unit	MU	Rs. Crore	Rs/Unit	Rs/Unit	Rs/Unit
A	B	C	D	E	F	G = (C – F)	H=G*75%
28,395.18	8,481.44	2.99	68,923.01	15,432.36	2.24	0.75	0.56

b) Tariff for Green Energy and Modalities for Consumers availing Green Energy from Distribution Licensee from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof.

Applicability

4.20 As per the Regulation 3.8A of the MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021, any entity, whether obligated or not, may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods: -

- **a.** Own Generation from renewable energy sources
- **b.** By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power markets.
- **c.** By requisition from Distribution Licensee

4.21 Accordingly, in this section, the Commission has dealt with the tariff and modalities of Green Energy Tariff applicable for entities who elect to consume renewable energy in accordance with the provisions of Regulation 3.8A(c) of the MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 through requisition from Distribution Licensee.

4.22 Regulation 3.8 (A)(C) (iv) and (v) of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof also specify that any requisition for green energy from a Distribution Licensee shall be for a minimum period of one year and the quantum of green energy shall be pre-specified for at least one year. Hence the provisions of this Regulation shall be applicable for entities who elect to consume renewable energy in accordance with the provisions of Regulation 3.8A(c) of the MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 through requisition from Distribution Licensee.

Tariff for Green Energy

4.23 As per the provisions of the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 as well as MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, the Commission has to determine separate Tariff for Green Energy.

4.24 As per Regulation 3.8(A)(c)(iii) of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, the components for determining Tariff for Green Energy for consumer shall include :

a) Average Pooled Power Purchase Cost of RE
b) Cross Subsidy Charges, if any and
c) Service Charge covering prudent cost of distribution licensee for providing Green Energy.

4.25 As per provisions of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, Green Energy can be requisitioned by any consumer having contracted demand or sanctioned load of 100 kW and above.

4.26 The Commission observed that the tariff structure in Madhya Pradesh is of two-part tariff involving fixed charges and energy charges which further have multiple slab structure, fixed charge billing, computation of monthly minimum charges and Fuel and Power Purchase Adjustment Surcharge (FPPAS), etc, which are applicable for consuming power from Distribution Licensee. The tariffs approved in this Order covers all the costs of the Distribution Licensees including power purchase cost from all the sources, element of cross subsidy and all other costs of Distribution Licensee approved as part of ARR which also includes Service Charges.

4.27 In view of the above and considering the provisions of the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 as well as MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, the Commission instead of determining separate category wise Tariff for Green Energy for consumers purchasing Green Energy from DISCOMs has determined the Green Energy Charges for such consumers based on the incremental cost basis for availing RE power from Wind, HPO and Others which shall be applicable to consumers over and above the normal tariff of the respective category as per the provisions of Regulations.

4.28 The Commission observed that the Petitioners while proposing Tariff for Green Energy has only asked for Green Energy Tariff for RPO compliance of an entity whereas the provisions of Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 as well as MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof provides any consumer may elect to purchase Green Energy.

4.29 The approach adopted by the Commission for determining Tariff for Green Energy for consumers electing to purchase Green Energy from DISCOMs is as follows:-

a) The Average Pooled Power purchase cost of RE sources (Wind, HPO and Others,) and its contribution in Average Cost of Supply has been worked out separately considering the normative losses, Intra-State Transmission losses and Inter and Intra State Transmission Charges as shown in the table below:

Table 97 : Effective Cost of Pooled Power Purchase of RE sources

Particulars	Unit	Wind	HPO	Others
Power Purchase Cost of RE Sources	Rs. Crore	1,110.29	457.92	6,913.24
Quantum of RE Source	MUs	3,836.65	974.59	23,583.94
Weighted Average Rate of RE Sources	**Rs./kWh**	**2.89**	**4.70**	**2.93**
Distribution loss	%	17.22%	17.22%	17.22%
RE Source Rate after considering Distribution loss	Rs./kWh	3.50	5.68	3.54
Intra-State Transmission loss	%	2.63%	2.63%	2.63%
RE Source Rate after Considering Intra-State Transmission loss	Rs./kWh	3.59	5.83	3.64

Particulars	Unit	Wind	HPO	Others
Inter and Intra – State Transmission Charges	Rs./kWh	0.86	0.86	0.86
Contribution of Pooled Power Purchase of RE sources in ACOS	**Rs./kWh**	**4.45**	**6.69**	**4.50**

b) In order to determine the Cross Subsidy Charges, the difference between ACoS and ABR of respective tariff categories have been considered.

c) Services Charges pertain to the cost of distribution licensee other than the cost associated for purchase of power (i.e Other ARR components) and the fixed cost of power purchase including transmission charges as the power purchase from Renewable Energy is at single part tariff only. Hence, it is important to consider the fixed cost of power purchase also while determining the Service Charges of Distribution Licensee.

d) In the Average Cost of Supply approved by the Commission, the contribution of other components of ARR excluding power purchase cost works out to be Rs 1.17/kWh (i.e Rs. 8,963.16 Crore of Other ARR Components / Sales of 76,524.19 MU*10) and the same is considered as Service Charges covering prudent cost of distribution licensee for supplying power to the consumers. In case Distribution Licensees procure more power from Renewable Energy sources to meet the requisitions of consumers opting for procuring RE power, the thermal capacity contracted by the Distribution Licensees will become stranded and hence the fixed cost due to stranded power also needs to be considered as part of Service Charges of Distribution Licensee for providing Green Energy, which works out to Rs.1.56/kWh (i.e. Rs. 11,975.64 Crore as Fixed Cost of Power Purchase /Sales of 76,524.19 MU*10). The Service Charges related to other ARR components and fixed cost of power purchase takes care of all the other costs, Distribution Licensee will incur in supplying Green Energy for consumer. Hence, the Commission has not considered any other cost separately as proposed by the Petitioners while determining the Tariff for Green Energy.

e) Accordingly, the Green Energy Tariff applicable for different category of consumers for different RE Sources has been computed considering effective cost of pooled power purchase cost from RE, Cross Subsidy Charges and Services Charges in accordance with the provisions of Regulations.

f) Based on the above formulation, incremental Green Energy Charges have been determined (i.e. Green Energy Tariff applicable minus ABR applicable)

4.30 Incremental Green Energy Charges for different RE sources and tariff categories computed are determined given below:-

Table 98 : Computation of Incremental Green Energy Charges for consumers for FY 2024-25

<table>
<tr><th rowspan="2">Category of consumers</th><th colspan="3">Effective Cost of Pooled Power Purchase Cost of RE (Rs/kWh)</th><th rowspan="2">ABR (Rs/kWh)</th><th rowspan="2">Cross Subsidy (Rs/kWh)</th><th colspan="2">Services Charges (Rs/kWh)</th><th colspan="3">Green Energy Tariff Applicable (Rs/kWh)</th><th colspan="3">Incremental Green Energy Charges (Rs/kWh)</th></tr>
<tr><th>Others</th><th>Wind</th><th>Hydro</th><th>Fixed Cost of Power Purchase excluding Transmission Charges</th><th>Other ARR Components</th><th>Other</th><th>Wind</th><th>Hydro</th><th>Other</th><th>Wind</th><th>Hydro</th></tr>
<tr><th>A</th><th>B</th><th>C</th><th>D</th><th>E</th><th>F</th><th>G</th><th>H</th><th>I=B+F+G+H</th><th>J=C+F+G+H</th><th>K=D+F+G+H</th><th>L=I-E</th><th>M=J-E</th><th>N=K-E</th></tr>
<tr><td>LV-1: Domestic</td><td rowspan="15">4.50</td><td rowspan="15">4.45</td><td rowspan="15">6.69</td><td>6.71</td><td>(0.19)</td><td rowspan="15">1.56</td><td rowspan="15">1.17</td><td>7.05</td><td>7.00</td><td>9.24</td><td rowspan="15">0.34</td><td rowspan="15">0.29</td><td rowspan="15">2.53</td></tr>
<tr><td>LV-2: Non Domestic</td><td>9.32</td><td>2.42</td><td>9.66</td><td>9.61</td><td>11.85</td></tr>
<tr><td>LV-3: Public Water Works & Street Light</td><td>6.82</td><td>(0.08)</td><td>7.16</td><td>7.11</td><td>9.35</td></tr>
<tr><td>LV-4: LT Industrial</td><td>8.98</td><td>2.08</td><td>9.32</td><td>9.28</td><td>11.51</td></tr>
<tr><td>LV-5: Agriculture & allied activities</td><td>6.13</td><td>(0.76)</td><td>6.47</td><td>6.43</td><td>8.67</td></tr>
<tr><td>LV-6: E-Vehicle/ E-Rickshaws Charging Stations</td><td>6.90</td><td>0.00</td><td>7.24</td><td>7.19</td><td>9.43</td></tr>
<tr><td>HV-1: Railway Traction</td><td>5.17</td><td>(1.72)</td><td>5.51</td><td>5.47</td><td>7.71</td></tr>
<tr><td>HV-2: Coal Mines</td><td>8.58</td><td>1.68</td><td>8.92</td><td>8.88</td><td>11.11</td></tr>
<tr><td>HV-3: HT Industrial, Non-Industrial and Shopping Malls</td><td>7.46</td><td>0.57</td><td>7.80</td><td>7.76</td><td>10.00</td></tr>
<tr><td>HV-4: Seasonal</td><td>8.43</td><td>1.53</td><td>8.77</td><td>8.72</td><td>10.96</td></tr>
<tr><td>HV-5: Irrigation, Public Water Works and Other than Agricultural</td><td>7.84</td><td>0.95</td><td>8.18</td><td>8.14</td><td>10.38</td></tr>
<tr><td>HV-6: Bulk Residential Users</td><td>7.67</td><td>0.78</td><td>8.01</td><td>7.97</td><td>10.21</td></tr>
<tr><td>HV-7: Synchronization of Power for Generators connected to the Grid</td><td>11.14</td><td>4.25</td><td>11.48</td><td>11.44</td><td>13.68</td></tr>
<tr><td>HV 8: E-Vehicle/ E-Rickshaws Charging Stations</td><td>6.90</td><td>0.00</td><td>7.24</td><td>7.19</td><td>9.43</td></tr>
<tr><td>HV 9: Metro Rail</td><td>8.45</td><td>1.55</td><td>8.79</td><td>8.74</td><td>10.98</td></tr>
</table>

Treatment of RPO

4.31 The treatment of RPO for consumers availing Green Energy shall be as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof towards fulfilment of its RPO. The Green Energy purchased by obligated entity from Distribution Licensees shall be first considered to meet the Renewable Power Obligation of the obligated entity. As per Regulation 3.8 (A)(c) (vi) and (vii) of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, the green energy purchased from Distribution Licensee or from Renewable Energy sources other than Distribution Licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the Distribution Licensee.

Summary of Green Energy Charges

4.32 Green Energy Charges determined for consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking Certification to this effect and for consumers availing Green Energy from Distribution Licensee as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof for FY 2024-25 are summarised as below:-

Table 99 : Green Energy Charges for FY 2024-25

Particular	For availing Green Energy for purpose of reducing their carbon footprint and seeking Certification to this effect (Rs./kWh)	For availing Green Energy as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021, as amended and on terms and conditions contained therein (Rs./kWh)		
Green Energy Charges for purpose of reducing their carbon footprint and seeking Certification to this effect. (RPO compliance for DISCOMs)	**0.56**	**Other**	**Wind**	**Hydro**
Green Energy Charges for Consumers	-	**0.34**	**0.29**	**2.53**

4.33 The Green Energy Charges as summarised above shall be over and above the existing fixed and energy charges and any other charges as approved by the Commission in this Order shall also be applicable for respective categories of consumer.

4.34 The revenue earned by the Petitioners from sale of power from Green Energy for purpose of reducing their carbon footprint and seeking certification to this effect shall be considered as Tariff Income at the time of truing up. Such treatment of revenue shall also ensure that the benefit of same is passed on to other consumers of the State.

4.35 The revenue earned by the Petitioners from sale of power to consumers under Green Energy Charges. For availing Green Energy as per MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof shall be considered as revenue from sale of power. **The Distribution Licensee are directed to separately maintain tariff category and sub-category wise accounting of no. of consumers, connected load, sale and revenue from sale under Tariff for Green Energy**

for consumers and same shall be shown separately by the Petitioners at the time of truing up.

4.36 It is to be noted that above arrangements is optional / voluntary and shall only be provided on the request of the Consumer. The Green Energy Charges and Tariff for Green Energy shall only be applicable if Consumer opts to avail power under the respective above arrangement.

4.37 Regarding rating for Green Energy Consumption, the Petitioners are directed to develop detailed operational and requisite guidelines/procedure for rating of green energy consumption for the consumers of the distribution licensees. The guidelines/procedure should be submitted to the Commission for approval within three months from date of issuance of this Order.

4.38 The Commission noted that some of stakeholders in public hearings and in written submissions have requested the Commission to direct DISCOMs to develop procedure/mechanism for obtaining Green Energy Certificate from the DISCOMs for the consumers procuring the Green Energy. In view of this, the Petitioners are directed to develop procedure/mechanician for issuance of Green Energy Certificate for the consumers availing Green Energy from the distribution licensees within one month from date of issuance of this Order and the same should be made available on the websites of distribution licensees for the consumer access.

A5: FUEL AND POWER PURCHASE ADJUSTMENT SURCHARGE

Petitioners' submission

5.1 The Petitioners submitted that they would calculate and levy the FPPAS in line with the Regulation 9 of the MYT Regulations, 2021 and amendments thereof.

Commission's analysis

5.2 For timely recovery of Power Purchase Cost by Distribution Licensees, the Commission has notified the First and Second Amendment to MYT Regulations, 2021 and specified the methodology and formula for Fuel and Power Purchase Adjustment Surcharge (FPPAS) in terms of Section 62(4) of the Electricity Act, 2003. As per the provisions of the aforesaid Regulations FPPAS shall be computed and billed to consumers automatically, without going through regulatory approval process, on a monthly basis, subject to true-up on annual basis.

5.3 The Distribution Licensees shall submit necessary details within 7 days of FPPAS computation on monthly basis for the information to the Commission.

5.4 The Distribution Licensees shall publish all details including the FPPAS formula, calculation of monthly FPPAS and recovery of fuel and power purchase adjustment surcharges (separately for automatic and approved portions) on its website.

5.5 In view of Regulation 9 of the MYT Regulations, 2021 and amendments thereof the Commission directs the Petitioners to adhere to provisions of the Regulations along with its associated mechanism /modalities as specified in the MYT Regulations, 2021 and amendments thereof.

5.6 The Commission has observed that the Petitioners had adopted a selective approach regarding the pass-through of FPPAS in the last financial year. Positive FPPAS for the month were billed to consumers, while negative FPPAS for the month were not passed on to consumers. Further, the Commission noted that various stakeholders in public hearings and in written submissions requested the Commission to pass through the FPPAS applicable for the month, irrespective of being positive or negative. In view of the above, the Petitioners are directed to pass through positive or negative FPPAS applicable for the month to the consumers in accordance with the provisions of the Regulations, along with the associated mechanism/modalities as specified in the MYT Regulations, 2021, and any amendments thereof.

5.7 Further, Petitioners shall show the FPPAS charge separately in the consumer bills.

A6: RETAIL TARIFF DESIGN

Legal Position

6.1 In exercise of the powers vested under Section 61 and Section 62 of the Electricity Act, 2003, and all other powers enabling in this behalf, the Commission has determined the Aggregate Revenue Requirement and Tariff for FY 2024-25 for the Petitioners. Due consideration was given to the submissions made by Petitioners, Stakeholders, suggestions made by State Advisory Committee and all other relevant material available to the Commission. While determining tariff for various consumer categories, the Commission has given due consideration to the relevant provisions of the Electricity Act, 2003, Tariff Policy, 2016, and relevant Regulations.

Commission's Approach to Tariff Determination

6.2 ARR for FY 2024-25 is determined on the basis of distribution loss level trajectory specified in the MYT Regulations, 2021 and amendments thereof and uniform tariff has been determined for all the three DISCOMs.

Linkage to Average Cost of Supply

6.3 The Commission directed DISCOMs to determine the voltage-wise cost of supply in compliance of the directives given in the Judgment passed by Hon'ble Appellate Tribunal for Electricity (APTEL) in Appeal No. 103 of 2010 and IA Nos. 137 & 138 of 2010 in pervious Tariff Orders.

6.4 The Petitioners have submitted that they have worked out the voltage wise cost of supply as per approach adopted by the Commission in its previous Tariff Order and as per the judgment passed by Appellate Tribunal for Electricity (APTEL) in Appeal No. 103 of 2010 & IA Nos. 137 & 138 of 2010 regarding determination of voltage level wise Cost of Supply.

6.5 Petitioners further submitted that the MYT Regulations, 2021 do not provide segregation of normative losses for the distribution licensees into voltage-wise normative losses in respect of technical and commercial losses. Petitioners also submitted that determination of voltage-wise losses would require detailed technical studies of the distribution network. Therefore, for the purposes of illustrative computation of voltage-wise cost of supply, the Petitioners have assumed voltage-wise losses.

6.6 In view of the above, the Commission has endeavoured to work out indicative category-wise cross subsidy based on voltage-wise cost of supply in-spite of constraints in terms of segregation of voltage-wise losses and capital expenditure related costs. As can be seen from the foregoing paragraphs, Hon'ble APTEL has concluded that the mandate of the Tariff Policy to limit cross subsidies within (+/-) 20% of the overall average cost of supply can be applied to determine the category wise retail tariff. However, determination of voltage-wise cost of supply is required to enable the Commission to evaluate cross subsidies prevalent at various voltages. The Commission would thus, be guided by the voltage-wise cost of supply with attempt to gradually reduce cross subsidies at various voltage levels.

6.7 In the absence of requisite data, Hon'ble APTEL has further advised that the power purchase cost, which is the major component of the DISCOMs' costs, can be apportioned to different voltage levels in proportion to the sales and losses at the respective voltage levels. As regards the other costs such as Return on Equity, Interest on Loan, depreciation, Interest on Working Capital and O&M costs, etc., these costs can be pooled and apportioned equitably, on pro-rata basis to all voltage levels.

6.8 The Commission agrees with the Petitioners' submission that determination of voltage-wise losses requires detailed technical studies of the distribution network and directs them to conduct such studies within definite timeframe. In order to work out category-wise cross subsidy based on voltage-wise cost of supply. the Commission has attempted to determine the same based on the methodology proposed by the Petitioners. The voltage-wise cross subsidy so computed is indicative in nature and not accurate, as the base data for the same needs to be worked out based on actuals. The Commission has adopted the following methodology for determination of voltage-wise cost of supply:

(i) Voltage-wise cost of supply has been computed for above 33 kV and 33 kV and 11 kV (inclusive of LT) categories only.

(ii) Sales as admitted by the Commission for above 33 kV and 33 kV and 11 kV (inclusive of LT) categories have been considered.

(iii) Losses as specified in the MYT Regulations, 2021 and amendments thereof for FY 2024-25 have been considered for the Petitioners.

(iv) Total losses as admitted by the Commission have been segregated voltage-wise for above 33 kV, 33 kV and 11 kV (inclusive of LT) in the same proportion of losses as submitted by the Petitioners.

(v) The breakup of technical and commercial losses at 11 kV + LT System is not available, 50% of the total loss at this voltage level has been assumed as purely technical loss and remaining 50% loss has been assumed as commercial loss which has been loaded to various voltage levels in the proportion of their sales

(vi) Power purchase costs at the DISCOMs periphery for above 33 kV, 33 kV and 11 kV (inclusive of LT) based on the voltage-wise input energy have been considered. All other costs of the DISCOMs are allocated based on the sales to each voltage-level.

(vii) Voltage-wise total cost so derived has been divided by voltage-wise sales for working out the voltage-wise cost of supply.

6.9 Based on the above methodology, the Commission has computed the indicative voltage-wise cost of supply and commensurate cross-subsidy as shown in the table below:

Table 100 : Computation of voltage-wise cost of supply for the State for FY 2024-25

State	Units	EHT System (400 kV, 220 kV, 132 kV & 66 kV)	33 KV System	11 KV + LT System	Total
Sales admitted	MU	7,153.17	10,800.30	58,570.72	76,524.19
Technical and Commercial losses	%	3.56%	4.65%	12.57%	21.37%

State	Units	EHT System (400 kV, 220 kV, 132 kV & 66 kV)	33 KV System	11 KV + LT System	Total
Energy input admitted	MU	7,417.30	11,745.60	78,155.30	97,318.19
Energy lost admitted (Technical up to 33kV and 11 kV + LT- technical and commercial)	MU	264.13	945.30	19,584.58	20,794.01
Commercial loss assumed as 50% of 11kV and LT overall losses	MU			9,792.29	
Commercial losses apportioned for all voltage in proportion to voltage wise sales admitted	MU	915.34	1,382.04	7,494.90	9,792.29
Net Energy Loss admitted	MU	1,179.47	2,327.34	17,287.19	20,794.01
Net energy input for Computing VCoS	MU	8,332.64	13,127.64	75,857.91	97,318.19
Power Purchase Costs - allocated based on voltage-wise losses net energy input	Rs. Crore	3,751.62	5,910.48	34,153.64	43,815.73
Other costs - allocated based on voltage-wise sales	Rs. Crore	742.28	1,169.42	6,757.49	8,669.19
Less: Other income - allocated based on voltage-wise sales	Rs. Crore	41.49	65.37	377.72	484.58
Recoveries of Past Years	Rs. Crore	66.66	105.02	606.87	778.55
Total Costs (ARR requirement) for FY 2024-25	**Rs. Crore**	**4,519.07**	**7,119.56**	**41,140.27**	**52,778.89**
VCoS	**Rs. /Unit**	**6.32**	**6.59**	**7.02**	**6.90**

6.10 Consumer category-wise approximate cross-subsidy, computed based on voltage-wise cost of supply for FY 2024-25 is shown in the table below:

Table 101: Cross-subsidy based on voltage-wise cost of supply for FY 2024-25 for the State

Tariff Categories	VCoS (Rs. /Unit)	Average Billing Rate (Rs. /unit)	Ratio of Average Billing Rate to Voltage-Wise Cost of Supply (%)
LV-1: Domestic	7.02	6.71	96%
LV-2: Non-Domestic	7.02	9.32	133%
LV-3: Public Water Works & Street Light	7.02	6.82	97%
LV-4 LT Industrial	7.02	8.98	128%
LV 5: Agriculture and Allied Activities	7.02	6.13	87%
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	7.02	6.90	98%
HV-1: Railway Traction	6.32	5.17	82%
HV-2: Coal Mines	6.47	8.58	133%
HV-3.1: Industrial	6.50	7.71	118%
HV-3.2: Non Industrial	6.70	9.09	136%
HV-3.3: Shopping Malls	6.62	8.51	129%
HV-3.4: Power Intensive Industries	6.46	5.68	88%
HV-4: Seasonal	6.67	8.43	126%
HV-5: Irrigation, Public Water Works and Other than Agricultural	6.50	7.84	121%
HV-6: Bulk Residential Users	6.66	7.67	115%
HV-7: Synchronization of Power for Generators connected to the Grid	6.41	11.14	174%
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	6.59	6.90	105%
HV 9: Metro Rail	6.32	8.45	134%
Total	**6.90**	**6.90**	**100%**

6.11 While determining the tariffs for FY 2024-25, the Commission has given due consideration to the provision of the Electricity Act, 2003 that consumer tariffs should reflect the cost of supply. The average cost of supply for FY 2024-25 works out to Rs. 6.90 per unit as against Rs. 6.79 per unit for FY 2023-24. The table below shows the cost coverage (Average realization as percentage of Average cost of supply) on account of tariff for FY 2024-25, as compared to the cost coverage in the Tariff Order for FY 2023-24:

Table 102: Comparison of tariff v/s overall average cost of supply

Tariff Categories	Average Realisation as % of Average CoS		Average Billing Rate (ABR) (Rs. /Unit)	Average Cost of Supply (ACoS) (Rs. /Unit)
	FY 2023-24 (as per Tariff Order)	FY 2024-25 (Achieved as per this Tariff Order)		
LV- Categories				6.90
LV-1: Domestic	96%	97%	6.71	
LV-2: Non-Domestic	139%*	135%	9.32	
LV-3: Public Water Works & Street Light	103%	99%	6.82	
LV-4 LT Industrial	132%	130%	8.98	
LV 5: Agriculture and Allied Activities	89%	89%	6.13	
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%	6.90	
Total LT	**96%**	**97%**	**6.68**	
HV- Categories				
HV-1: Railway Traction	80%	75%	5.17	
HV-2: Coal Mines	128%	124%	8.58	
HV-3.1: Industrial and Industrial and HV-3.4: Power Intensive Industries	109%	106%	7.30	
HV-3.2: Non Industrial and HV-3.3: Shopping Malls	133%	131%	9.06	
HV-4: Seasonal	124%*	122%	8.43	
HV-5: Irrigation, Public Water Works and Other than Agricultural	116%*	114%	7.84	
HV-6: Bulk Residential Users	111%*	111%	7.67	
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%	6.90	
HV 9: Metro Rail	100%	122%*	8.45	
Total HT	**112%**	**109%**	**7.54**	
Total (LT + HT)	**100%**	**100%**	**6.90**	

Note:- ** Average Realisation as % of ACoS is increasing as compared to pervious year mainly because growth in the connected load/ demand outnumbers growth in Sales resulting in increase in revenue from fixed charges.*

6.12 Hon'ble APTEL in its Judgment dated 9th January, 2017 in the matter of Appeal No.134 of 2015 observed that the State Commissions while issuing the Retail Supply Tariff Orders and for purpose of avoiding tariff shocks to the consumers, should identify the roadmap for reduction of cross-subsidies. The Commission has been consciously making efforts over the past several years to reduce the cross-subsidy levels across all consumer categories.

6.13 Further, the Petitioners in the Petition have proposed reduction cross-subsidy trajectory for FY 2025-26 and FY 2026-27, which is as follows:-

Table 103: Cross-Subsidy reduction trajectory proposed by the Petitioners

Tariff Categories	FY 2025-26	FY 2026-27
LV-1: Domestic Consumers	97%	98%
LV-2: Non Domestic Consumers	129%	120%
LV-3: PWW & SL	100%	100%

Tariff Categories	FY 2025-26	FY 2026-27
LV-4: LT Industrial	124%	120%
LV-5: Agriculture	90%	91%
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%
HV-1: Railway Traction	104%	104%
HV-2: Coal Mines	122%	120%
HV-3.1: Industrial + HV-3.4: Power Intensive	110%	112%
HV-3.2: Non Industrial + HV-3.3: Shopping Malls	127%	120%
HV-4: Seasonal	137%	130%
HV-5: Irrigation, Public Water Works and Other than Agricultural	112%	112%
HV-6: Bulk Residential Users	110%	110%
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%
HV 9: Metro Rail	120%	120%
Total	**100%**	**100%**

6.14 The Commission observed that the cross-subsidy is computed as the difference between the ACoS and ABR for a specific consumer category. To project the cross-subsidy roadmap, it's crucial to determine the expected cost to serve future consumers of DISCOMs. This expected cost for the distribution licensee in the upcoming year depends on various factors such as expected Sales, connected load, number of consumers, impact of True-up of Gencos, Transco, and DISCOMs. Further, the anticipated future costs of Gencos, Transco, and DISCOMs must be considered when determining the future cost to serve. However, neither the Petitioners nor the Commission possess such data, particularly regarding Gencos and Transco, making it challenging to compute the expected cost to serve for future years.

6.15 Further, Tariff Policy, 2016 stipulates that the appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply. The relevant extract from the Tariff Policy, 2016 is as reproduced below:

> *"**8.3 Tariff design: Linkage of tariffs to cost of service***
>
> *…………….*
>
> *2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, **the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply**. The road map would also have intermediate milestones, **based on the approach of a gradual reduction in cross subsidy**"*

6.16 The above provision of Tariff Policy specifies to adopt the approach of a gradual reduction in cross subsidy. Accordingly, the Cross Subsidy determined for FY 2024-25 for different category of consumers is then projected to reduce gradually in such manner that there is no abnormal reduction/hike in tariff and by the end of the Control Period, i.e., by FY 2026-27, DISCOMs are in a position to bring the tariff for most of category of consumer within ±20% of the average cost of supply. The roadmap trajectory for reduction of cross-subsidy for FY 2025-26 and FY 2026-27 for DISCOMs is as follows-

Table 104: Cross-Subsidy reduction trajectory for DISCOMs

Tariff Categories	FY 2025-26	FY 2026-27
LV-1: Domestic	97%	98%
LV-2: Non-Domestic	128%	120%
LV-3: Public Water Works & Street Light	99%	100%
LV-4 LT Industrial	125%	120%
LV 5: Agriculture and Allied Activities	90%	91%
LV 6: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%
HV-1: Railway Traction	78%	80%
HV-2: Coal Mines	122%	120%
HV-3.1: Industrial and Industrial and HV-3.4: Power Intensive Industries	106%	106%
HV-3.2: Non Industrial and HV-3.3: Shopping Malls	126%	120%
HV-4: Seasonal	121%	120%
HV-5: Irrigation, Public Water Works and Other than Agricultural	114%	114%
HV-6: Bulk Residential Users	111%	111%
HV 8: E-Vehicle/ E-Rickshaws Charging Stations	100%	100%
HV 9: Metro Rail	121%	120%
Total	**100%**	**100%**

6.17 Regarding Petitioners request for approval of Grid Support Charges under net metering arrangement, the Commission observed that vide Order dated 13th December, 2023 in Petition No. 31/2023 rejected the Petitioners proposal for levy of grid support charges, The relevant extract of the Order has been reproduced below:-

*"**Conclusion***

27. Distribution Licensees being designated consumers under the provisions of Energy

Conservation Act 2001 are required to ensure compliance of notification dated 20.10.2023 and ensure targeted minimum consumption of renewable energy from distributed renewable energy sources. Commission noted that even after notifying Net Metering Regulations in 2015, growth of distributed energy sources capacities in the State remains insignificant and only 332 MW capacity could be added from 2015 till now. Currently, there is huge gap between required capacity and installed capacity of distributed energy sources in the State as indicated in Para 21above. Therefore, Commission is of the view that there is a need to further encourage capacity enhancement of distributed energy sources in the State.

*28. Considering the submissions made by petitioners, respondents and interveners and also considering that the Ministry of Power, Government of India through notification dated 20.10.2023 has specified minimum share of consumption of renewable energy from distributed renewable energy sources for designated consumers**, Commission is not inclined to consider the request of petitioner for levy of grid support charges and would not delve into the computations furnished by petitioners at this stage.*** *Commission is also not inclined to consider the request of the Petitioners to reduce the limit of 1 MW fixed for net metering connections to 100 KW and to introduce net billing or net-feed-in arrangement for contract demand/ sanctioned load up to 500 KW.* ***Commission would review the matter regarding levy of Grid Support Charges as and when necessary****"*

6.18 In view of the aforesaid Order, the Commission rejects Petitioners proposal for levy of grid support charges in this Petition.

6.19 Further, regarding the Petitioners request to allow recovery of RPO shortfall cost of Rs. 660.24 Crore for FY 2020-21 and Rs. 530.09 Crore in FY 2021-22 through tariff from FY 2024-25, the Commission directs the Petitioners to file a separate petition in this regard.

6.20 Regarding Petitioners request for introduction of kVAh based billing to HT Consumers, the Commission observed that the outreach of awareness programme conducted by the Petitioners is inadequate and also observed that the Petitioners have not submitted any impact assessment study on transition from kWh billing to kVAh billing considering yearly average power factor for each category of HT consumers based on last three years data. Petitioners are required to conduct comprehensive consumer awareness programmes across the State for consumers. They are also directed to carry out the impact assessment study and submit the study report before next tariff filing. Detailed directives in this regard are given at para 7.5 in Chapter 7.

6.21 After giving due consideration to the suggestions/ comments of the Stakeholders and the proposals submitted by the DISCOMs, the Commission has made some changes in the tariff design for FY 2024-25. Main features of the tariff design are detailed in following paragraphs:

i. **Minimum Charges:** For LV-1:- Domestic, LV-4: LT Industrial and LV-5 Agriculture and Allied Activities Consumers minimum charges have been abolished.

ii. **Metering Charges:** No metering charges are to be levied.

iii. **Introduction of Time of Day (ToD) Rebate/Surcharge for LV-2: Non-Domestic and LV-4: LT Industrial Consumers**:- The Ministry of Power, GoI has issued the Electricity (Rights of Consumers) Amendment Rules, 2023 dated 14th June, 2023. To implement the provision of these Rules, the Commission has introduced ToD Rebate/Surcharge for consumer categories LV-2: Non-Domestic and LV-4: LT Industrial Consumers having contract demand exceeding 10 kW.

iv. **Modification of Rebate and Introduction of Surcharge for HT Consumers:** The Ministry of Power, GoI has issued the Electricity (Rights of Consumers) Amendment Rules, 2023 dated 14th June, 2023. The ToD Rebate/Surcharge for HT consumer categories has been accordingly aligned with GoI Rules. The Commission has introduced ToD Surcharge of 20% during the peak hours and Rebate of 20% during Solar hours (Off-peak). Further, the Commission has approved the night Off-peak hours (10 PM to 6AM next day) rebate at the rate of 10% for the entire year.

v. **Rebate to existing HV 3 category consumers (all sub-categories):** The rebate for incremental consumption for HV -3 category consumers (Industrial, Non -industrial, Shopping Malls and Power Intensive) has been extended for the incremental consumption at Rs. 1 per unit.

vi. **Other rebates for HV 3 category consumers:** The duration of rebate for captive power plant consumers, open access consumers and rebate for conversion of existing LT Industrial/Non-domestic connection to corresponding HT connection has been extended to FY 2024-25.

A7: COMPLIANCE OF DIRECTIVES ISSUED IN TARIFF ORDER FOR FY 2023-24

The response submitted by DISCOMs on the directives issued by the Commission in the Retail Supply Tariff Order for FY 2023-24 and the Commission's observations/directions thereon are given below:

7.1 Technical studies of the Distribution network to ascertain voltage-wise cost of supply

Commission's Directives:

The Commission has noted the submissions of DISCOMs. However, the Commission observed that the study reports are not in accordance with Regulation 26.7 of the MYT Regulations, 2021 and amendments thereof. In view of above, Commission directs the Petitioners to submit the comprehensive study as per Regulations 26.7 of the MYT Regulations, 2021 and amendments thereof along with the next tariff petition. Further, the Petitioners are directed to submit methodology of the study and get it approved by the Commission within 2 months of issuance of this Order.

East and Central DISCOMs Submission:

East and Central DISCOMs submitted that the status of compliance in this regard has been submitted to the Commission vide letters dated 10th October, 2023 and 21st November, 2023, respectively.

West DISCOM Submission:

West DISCOM submitted that the required study has been carried out through M/s PwC and the Study Report has been submitted to the Commission along with Tariff Petition of FY 2023-24. However, the Commission again directed to conduct the same study with greater sample size. Further, approval for the methodology was to be obtained from the Commission. In this regard, a meeting was conducted through Video Conferencing on 25th May, 2023 in presence of CPRI member and MPPMCL. Existing methodology for the study adopted by the West Discom has been demonstrated in the said meeting. It was decided in the meeting that the Study Report will have to be submitted to CPRI for further analysis. The same has been submitted to CPRI through email. Further, the said methodology has been submitted before the Commission vide letter dated 1st June, 2023.

However, it would be appropriate if a common methodology for all three DISCOMs be prepared through consultants and be approved by the Commission through MPPMCL.

Commission's Observations/ Directions:

The Commission vide letter dated 12th December, 2023, has already communicated the methodology for technical loss study and directed the DISCOMs to conduct the study accordingly and submit the results of the study within four months. Therefore, the DISCOMs are directed to expedite the study and submit the study results within the timelines.

The Commission also observes that the present accounting practices of DISCOMs do not include the segregation of GFA across voltage levels. Therefore, DISCOMs are directed to segregate the GFA across voltage levels for estimating the voltage-wise cost of supply and submit the desired study report before filing the next ARR and Tariff Petition.

7.2 Replacement of Stopped and Defective Meters

Commission's Directives:

The Commission has noted the submission and directs the Petitioners to submit the quarterly progress report to the Commission.

East DISCOM Submission:

East DISCOM submitted that the status of compliance in this regard has been submitted to the Commission vide letter dated 10th October, 2023.

Central DISCOM Submission:

Central DISCOM submitted that most of the stopped/defective meters are in rural areas. It is proposed to install Smart Meters in urban areas on priority. After the implementation of RDSS scheme, the working meters taken out from these urban connections will be utilised for replacement of stopped/defective meters in rural area. DISCOMs shall replace the stopped defective meters by FY 2024-25.

Further, Central DISCOM is committed towards elimination of defective meters from its system and in line with this, a special drive shall be conducted for identification of meters that are working but are out of circuit. As per estimation, approximately 30% of defective meters are out of circuit. The drive shall be conducted in phased manner and is proposed to be completed by March, 2024. The estimated cost of replacement of 100% defective meters is approximately Rs 200 Crore.

West DISCOM Submission:

West DISCOM submitted that quarterly progress report is being submitted in timely manner through Reporting of Regulatory Compliance.

Commission's Observations/ Directions:

The Commission has taken note of the Petitioners' submissions. However, the Commission observed that the status of stopped/defective meters is almost at similar level as was in pre-RDSS period and there has not been much improvement in status of the same. Further, the Petitioners have not been complying with Regulation 8.26 of the MP Electricity Supply Code, 2021 and with the target specified in MPERC (Distribution Performance Standards) Regulations, 2012 and amendments thereof. In view of these observations, the Petitioners are directed to expedite the replacement of stopped/defective meters within the timelines specified in MP Electricity Supply Code, 2021 and also submit the quarterly progress report to the Commission. Based on the progress reports, the Commission may review RoE incentive in respect of metering of consumers.

7.3 Alignment of R-15 strictly with the categories, subcategories, and slabs of the Tariff Schedule as per the new Tariff Structure

Commission's Directives:

The Commission has taken note of the Petitioners submission. The Commission observed that R-15 statement submitted by the Petitioners for the projections of Sales, Connected load and

No. of Consumers are not aligned with the tariff schedule. In view of the above, the Commission once again directs the Petitioners to completely align R-15 report with the tariff schedule approved by the Commission and submit the R-15 report for FY 2022-23 and FY 2023-24 (upto September) in next tariff petition.

East DISCOM Submission:

East DISCOM submitted that R-15 report has been aligned as per new Tariff Structure. Further, R-15 report for FY-2022-23 and FY-2023-24 (up to September 2023) have been submitted to the Commission vide letter dated 09th November, 2023.

Central DISCOM Submission:

The Petitioner submitted that the guidelines of the Commission shall be followed.

West DISCOM Submission:

The Petitioner submitted that it has implemented the tariff category-wise R15, which is available on the website.

Commission's Observations/ Directions:

The Commission has taken note of the Petitioners' submission. However, the Commission observed that the number of consumers, connected load and Sales for various sub-categories in the Statements submitted by the Petitioners aligned with the Tariff Schedule are not matching with standard R-15 Statement. Therefore, the Petitioners are directed to remove the discrepancies within R-15 Statements. Further, from next True-up/ARR Petition, the Petitioners are directed to furnish the information of number of Consumers, Connected Load and Sales strictly as per the Tariff Categories/ sub-categories and slabs approved by the Commission in R-15 statement being submitted to the Commission.

7.4 Accounting of Rebates/Incentives/Surcharges

Commission's Directives:

The Commission has noted the submissions of DISCOMs and directs DISCOMs to expedite the process of development of a report and submit the same on quarterly basis. The Commission has extended applicability of various rebates in this Order. The Commission observed that the Petitioners have not submitted proper analysis to ascertain the impact of various incentive/rebate/surcharge being allowed by the Commission in tariff order. Therefore, the Commission once again directs the Petitioners to undertake study and analysis to ascertain the impact of various incentive/rebate/surcharge being allowed by the Commission in tariff order and submit the above study accompanied by analysis before next petition filing.

East and Central DISCOMs Submission:

East and Central DISCOMs submitted that the status of compliance in this regard has been submitted to the Commission vide letters dated 6th July, 2023 and 21st November, 2023, respectively.

West DISCOM Submission:

West DISCOM submitted the summary of incentive/surcharge for HT and LT consumers for FY 2022-23 as under:

HT Consumers		
Particulars	**FY 2022-23**	**Rs. Crore**
Surcharge	Power Factor Surcharge	21.48
	Time of Day Surcharge	0.00
	Late Payment Surcharge	53.05
	Total Additional charge/ surcharge Recovered (A)	**74.53**
Incentive	Rural Feeder Rebate	0.00
	Power Factor Incentive	196.31
	Load Factor Incentive	0.00
	Time of Day Incentive	206.66
	Prompt Payment Incentive	2.91
	Captive Incentive	52.62
	Open Access Rebate	0.00
	Green Field/NSC Rebate	178.42
	Advance Payment Incentive	0.69
	Incremental Rebate	117.66
	Online Payment Rebate	3.05
	Total Rebate (B)	**758.33**
Net Impact (Rs. Crore)	**Net Impact (Rs. Crore) (B-A)**	**683.80**

LT Consumers		
FY 2022-23		**Rs. Crore**
Surcharge	Power Factor Surcharge	828.26
Incentive	Power Factor Incentive	(77.25)
	Load Factor Rebate	8.19
	ToD Rebate	0.00
	Incremental unit rebate	0.00
	Captive Rebate	0.00
	Greenfield Rebate	0.00
	NSC Rebate	0.00
	Online payment rebate	17.26
	Prompt payment rebate	2.06
	Advance payment rebate	6.75

Commission's Observations/ Directions:

The Commission has noted the submissions of the DISCOMs and directs DISCOMs to expedite the process of development of a report in this regard and submit the same on quarterly basis. The Commission has extended applicability of various rebates in this Order. The Commission observes that the Petitioners have not submitted proper analysis to ascertain the impact of various incentive/rebate/surcharge being allowed by the Commission in Tariff Order. Therefore, the Commission once again directs the Petitioners to undertake comprehensive study and analysis to ascertain the impact of various incentive/rebate/surcharge being allowed by the Commission in the Tariff Order. Further, the analysis should cover scenarios for Rabi and non-Rabi seasons separately and also scenario if no incentives/rebates are provided in tariff. The Petitioners are directed to submit the above study accompanied by appropriate analysis before the next Petition filing.

7.5 Introduction of kVAh billing

Commission's Directives:

The Petitioners have proposed to implement kVAh billing initially for HT consumers considering awareness about advantages of maintaining PF among HT consumer groups. The Commission has observed that the Petitioners have applied 0.934 conversation factor for all HT categories of the consumers which is not substantiated with supporting data.

During the public hearing, the Commission received mixed response from the stakeholders where some stakeholders submitted that appropriate time may be given to consumers to adopt to change in methodology of billing. Even some stakeholders, who welcomed the Petitioners proposal, requested the Commission to defer the implementation of kVAh billing upto next year.

In view of the above, the Commission directs the petitioners to carry out impact assessment study within 6 months of this tariff order on transition from kWh billing to kVAh billing considering yearly average power factor for each category of HT consumers based on last three years data. Further, the Petitioners are directed to conduct consumer awareness programs across the State to explain the concept of kVAh billing and its implications to consumers of relevant categories such that the consumers are prepared and kVAh based billing may be implemented upon HT consumers in next tariff order.

East DISCOM Submission:

East DISCOM submitted that the status of compliance in this regard has been submitted to the Commission vide letter dated 22nd November, 2023.

Central DISCOM Submission:

As directed by the Commission regarding implementation of kVAh billing for HT consumers, the following benefits for the same have been conveyed vide SMS to HT consumers as an initiative for awareness programme:

1. Having one less parameter will reduce the complexity of billing.
2. kVAh billing will encourage the consumer to improve their Power Factor.
3. kVAh tariff is cheaper than kWh tariff, which also reduces other dependent charges.
4. Consumers can avoid penalties for low Power Factor and high reactive power in kVAh billing system, which can save money in the long run.
5. kVAh billing can encourage consumers to manage their peak demand, leading to more stable and efficient electricity grid.

West DISCOM Submission:

West DISCOM submitted the awareness programme regarding kVAh billing was conducted for HT consumers of Pithampur and Dewas industrial area on 11th May, 2023 and 24th May, 2023 respectively. Furthermore, awareness programmes are being conducted for other consumers also. As regards impact study, the concerned section of the DISCOM has been requested to submit the desired study and same shall be submitted soon.

Commission's Observations/ Directions:

The Commission observed that the outreach of awareness programme conducted by the Petitioners is inadequate. Therefore, the Petitioners are once again directed to conduct consumer awareness programmes across the State to explain the concept of kVAh billing and its implications to consumers of relevant categories such that the consumers are prepared and kVAh based billing may be implemented upon HT consumers in next Tariff Order. Consumers may also be aware of the measured quantities by the energy meter and accessibility to readings of such quantities alongwith use thereof in monitoring reactive power management at consumer's premises.

Further, regarding impact assessment study, the Commission observed that the Petitioners have not submitted any impact assessment study on transition from kWh billing to kVAh billing considering yearly average power factor for each category of HT consumers based on last three years data. Therefore, the Petitioners are once again directed to carry out the impact assessment study and submit the study report before next tariff filing. Petitioners are directed to install power analysers at appropriate locations to measure reactive power flow and power factor and identify the consumer categories having low power factor. Results of such measurements be also provided to the Commission before next tariff filing.

FRESH DIRECTIVES ISSUED IN THIS TARIFF ORDER

7.6 Consumer services related issues:

The Commission has taken cognizance with regard to non-compliance of the consumer service-related issues raised during the public hearing. It is also brought to fore that service lines, transformers and associated equipment are not properly maintained by the Petitioners. The Commission, therefore, directs the Discoms as under :-

1. Special attention needs to be paid in meeting the Standards of Performance (SoP) parameters as specified in MPERC (Distribution Performance Standards), Regulations 2012 and amendment thereof and payment of compensation for default in meeting SoP.
2. Automatic compensation mechanism in the event of default on meeting the Standards of Performance should be immediately put in place by the DISCOMs.
3. All out efforts be made in making consumers aware about Standards of Performance parameters and automatic compensation mechanism.
4. The field officers should be fully made aware about Standards of Performance (SoP) and implications of default in terms of compensation by DISCOMs. The field officers to ensure that the incidences of not meeting the Standards of Performance are reported accurately and automatic compensation is passed on to the consumers.
5. DISCOMs need to take appropriate action to ensure 24x7 supply of electricity to consumers (other than agriculture category) as mandated in the Electricity (Rights of consumers), Rules 2020 and the Commission's Regulations as amended from time to time and accordingly unwarranted load shedding must be avoided.

6. DISCOMs to ensure setting up online portal to collate all information/applications regarding planned outages to avoid repeated shut downs in same areas on the account of disjointed applications seeking planned outages.

7. DISCOMs are directed to expedite putting in place infrastructure required to provide consumer services as per the provisions of MPERC (Distribution Performance Standards) Regulations, 2012 and MP Supply Code, 2021 and amendments thereof. The Commission further directs the Petitioners to ensure that there is no load shedding due to inadequate Repairs & Maintenance of the network. As per the MYT Regulations, 2021, DISCOMs are eligible for additional return on equity of 0.50% on achievement of R&M expenses targets specified in the Regulations. Therefore, the DISCOMs should take appropriate measure to avail benefit of incurring additional R&M expenses as per Regulations.

8. DISCOMs shall submit the report on compliance of these directions to the Commission on quarterly basis including all the incidences of not meeting the Standards of Performance along with the amount of automatic compensation provided to the consumers and specific reasons for denial of compensation, wherever applicable. The report should also include all incidences of category wise load shedding along with the duration of load shedding and reasons for the same.

7.7 Preparation of Standard Operating Procedures for Supplementary Bills

Commission's Directives:

The Petitioners are directed to develop a Standard Operating Procedure for mapping supplementary bills, including all relevant supporting documents, on generating station-wise basis for each financial year. The Petitioners should also ensure that mapping of supplementary bill along with all relevant supporting documents is accessible with IT tools to facilitate retrieving of all relevant information related supplementary bills. The petitioners are required to confirm whether full and final payment against the supplementary bills are made. A comprehensive format in MS Excel be submitted showing calculation of claim amount with vital parameters along with supporting documents.

Petitioners are required to submit Standard Operating Procedure to the Commission for approval within three months from date of issuance of this Order and provide comprehensive information with appropriate IT tools at the time of filing petition incorporating supplementary bills.

7.8 Scheme for Accountability of Officer In charge – System thereof

Commission's Directives:

(i) Financial Viability of the Discoms is an area of concern. It is not only affecting performance of the DISCOMs and quality of consumer services, it is also adversely impacting operations of generating companies. In view of cash starved DISCOMs, Govt of India has recently launched RDSS for improving financial conditions of the distribution companies. Under the RDSS, various technical and commercial measures are to be taken up in a time bound manner for improving the sector. The Commission is extending all help to DISCOMs through Regulations and other measures to improve financial and operational performance. The Commission has also been interacting with the DISCOMs to evaluate their performance and to incentivize DISCOMs through tariff regulations on achieving specific performance parameters.

(ii) The Commission has observed that in certain circles/divisions performance has been much below company's overall performance particularly in the area of AT&C losses, meterisation, billing and operational parameters including providing Consumer services in timely manner. There is a need to evolve a system of accountability at the level of officer in charge. Performing officers be rewarded suitably while non-performing ones should be guided to improve their performance. Apart from annual performance review, mid-term reviews can be of use for course correction and guidance to officers. It is imperative that a system to bring in individual accountability be put in place at earliest for which the DISCOMs must set up IT enabled MIS.

(iii) The Petitioners are directed to develop a Personal Accountability Programme encompassing the roles and responsibilities of the personnel, mechanisms for accountability, reward and penalties and review mechanism. The Petitioners are required to submit Standard Operating Procedure for Personal Accountability Programme to the Commission alongwith reward scheme for approval within three months from the date of issuance of this Order.

7.9 Geo-tag of Assets

Commission's Directives:

The Petitioners as per Regulation 24.1(A)(iii) of MYT Regulations, 2021 and amendment thereof are required to geo-tag the assets and that requisite entries are made in the Fixed Asset Register. In view of this, the Petitioners are directed to geo-tag their assets in Fixed Assets Register as per the format specified by the Commission in MYT Regulations, 2021 and amendments thereof and submit the same in True-up filing for FY 2024-25.

7.10 Adhering to the timelines of RDSS

Commission's Directives:

The Petitioners are directed to adhere to the pre-determined timelines outlined under RDSS for achievement of Meterisation, upgradation of distribution infrastructure in terms of loss reduction, and modernisation. Further, the Petitioners are required to ensure timely fulfilment of stipulated works within the targeted timelines outlined under RDSS for availing financial assistance and additional incentive over and above Gross Budgetary Support (GBS). The Commission also directs the Petitioners to submit quarterly status reports on the aforesaid directions to the Commission.

7.11 Disposal of Surplus Power

Commission's Directives:

The Petitioners are directed to ensure compliance of the Commission's directives given vide Order dated 10th January, 2023 and 5th January, 2024 in Petition No. 51/2023 and submit the report to the Commission on quarterly basis. Considering the projected surplus power during FY 2024-25, the Commission directs the Petitioners to explore all the options for sale of surplus power including but not limited to bi-lateral sale to the Distribution Licensees in hilly States, sale to other Distribution Licensees by participating in tenders floated by them for procurement of power on short-term basis, sale on Power Exchanges, PushP portal, HP-DAM and OTC Platform, etc.

7.12Meterisation of DTRs and Unmetered Rural Domestic Consumers Connections

Commission’s Directives:

The Commission has observed that the progress of the DISCOMs regarding meterisation of DTRs is not satisfactory. In Rural areas, it is observed that focus of DISCOMs is only on metering unmetered consumer and progress for that too is not satisfactory. At the same time, Petitioners are not taking much interest in replacing stopped/defective meters for Rural Domestic consumers. Therefore, the Commission directs the DISCOMs to expedite meterisation of DTRs and unmetered rural Domestic connections. At the same time correct metering is also to be ensured for Rural Domestic connections by replacing stopped/ defective meters timely.

Further, the Commission observed that DISCOMs are identified as designated consumers under Energy Conservation Act, 2001.Therefore, DISCOMs are required to conduct energy audit as per Bureau of Energy Efficiency (BEE) (Manner and Intervals for Conduct of Energy Audit in Electricity Distribution Companies) Regulations, 2021 for which DTR metering is required. Therefore, DISCOMs shall submit quarterly progress reports on DTR meterisation along with the Energy Audit Reports to the Commission.

7.13 Establishing of R&D Fund

Commission’s Directives:

MPPMCL is directed to develop a proposal for establishing a Research and Development (R&D) Fund alongwith detailed guidelines/Standrad Operating Procedure. This fund shall be utilised in conducting studies and running pilots, whenever required in areas aimed at enhancing the efficiency of distribution licensees. The emphasis is on utilising the fund strategically to support studies, research and support initiatives that contribute to improvements in technological interventions, operational capabilities and cost savings, etc.

MPPMCL is directed to make provision for R&D Fund of Rs. 2 Crore for each DISCOM. Expenditure in this head shall be posed before the Commission at the time of true-up of FY 2024-25.

7.14 Tariff Subsidy

Commission’s Directives:

In case of grant of tariff subsidy by the State Government for consumers, action as mandated under Section 65 of the Electricity Act, 2003 and in accordance with Electricity (Second Amendment) Rules, 2023 shall be ensured by all concerned and such consumers shall be billed accordingly by the Distribution Licensees.

Additionally, the Petitioners are directed to adhere to the MPERC (Manner of payment of subsidy by the State Government) Regulations, 2024 and ensure following proper procedures in respect of receipt and allocation of subsidies. Further, the Petitioners must submit information/ reports as mandated by GoI Rules and MPERC Regulations .

A8: PUBLIC SUGGESTIONS AND COMMENTS ON LICENSEES' PETITION

8.1 After admission of the ARR and Tariff proposal for FY 2024-25 filed by MPPMCL and three DISCOMs, public notice was published in the prominent newspapers of the State to invite comments/objections/suggestions from the stakeholders. The Tariff Petition filed by the Petitioners, along with a gist of the Petition was uploaded on the Commission's and the Petitioners' websites. The Commission has considered all the comments received up to the last date to file comments/objections/suggestions. Names of the Stakeholders who filed the comments/objections/suggestions on the ARR /Tariff Proposal for FY 2024-25 are given in **Annexure-I**.

8.2 The Public Notice, comprising the gist of the ARR and Tariff proposal were published by the Petitioners in the following Hindi and English newspapers, seeking stakeholders' comments/objections/suggestions latest by 22nd January, 2024.

Table 105 : List of Newspapers- Public Notice published by Petitioner

Newspaper	Language
Nai Duniya, Jabalpur	Hindi
Dainik Bhaskar, Sagar	Hindi
Patrika, Jabalpur	Hindi
Hitvada, Jabalpur	English
Dainik Bhaskar, Satna	Hindi
Dainik Samay, Shadhol	Hindi
Nav Bharat, Bhopal	Hindi
The Times of India, Bhopal	English
Patrika, Indore	Hindi
The Free Press, Indore	English

8.3 The Commission scheduled the Public Hearing on 29th January, 2024 for East DISCOM, 30th January, 2024 for West DISCOM, and 31st January, 2024 for Central DISCOM through video conferencing and heard the objections/comments/ suggestions of the stakeholders, who appeared in public hearing.

8.4 The number of comments received on ARR/Tariff proposal are shown in the table below:

Table 106 : Public Suggestions/Comments on the Petition

Sr. No.	Name of DISCOM	Number
1.	East DISCOM, Jabalpur	15
2.	West DISCOM, Indore	37
3.	Central DISCOM, Bhopal	15
	Total	**67**

8.5 As a part of the tariff exercise, a meeting of the State Advisory Committee (SAC) was convened on 23rd January, 2024, through video conferencing to seek suggestions on the

Petition. The issues raised and suggestions made by the members of SAC have been appropriately considered herein.

8.6 The comments/objections/suggestions received from various stakeholders have been given due consideration by the Commission. The salient comments/ objections/ suggestions related to the Tariff Petition have been grouped together according to the nature of the comments/objections/suggestions and are summarized in this Section. Some of the issues raised by the stakeholders, which do not relate to ARR and tariff are not discussed in this Chapter.

ISSUE No. 1: Tariff Hike

Issue Raised by Stakeholder

The Stakeholder submitted that the proposed hike in fixed charges by the Petitioners should not be considered, instead the fixed charges should be reduced due to surplus power availability in the State. The Petitioners have proposed to increase the tariff to bridge the gap, without working out other options to reduce the overall expenses of the DISCOMs. In addition, the Stakeholder submitted that in the past 10 years, several new power stations have been allocated to the State of Madhya Pradesh. The primary reasons for increase in power tariff are the high rates set in PPA, due to which the Distribution Licensees are obligated to pay the fixed charges even if the power is not scheduled.

Petitioners' Response

The Petitioners submitted that the expense and revenue components are worked out in accordance with the norms specified in the MYT Regulations, 2021. Nominal tariff increase has been proposed in the Petition to cover the inflation cost. Further, the fixed cost component amounts to around 60% of total ARR, which includes fixed cost payable to the generators, transmission service providers, O&M expenses, depreciation, interest and finance charges, and return on equity. The fixed costs of the Utility should be recovered through fixed charges to ensure revenue stability, however, based on past Tariff Orders issued by the Commission, it is observed that recovery of fixed cost through fixed charges from the consumer amounts to only ~20%.

Commission's View

The Commission has been consciously making efforts over the past several years to pass through the efficient cost of supply. At the same time the Commission has to ensure that reasonable fixed cost of the distribution licensees are recovered. The Commission after exercising prudence check on the submissions filed by the Petitioners and other documents placed on record by the Petitioners has approved the Tariff Schedule. The Commission in this Tariff Order has not increased the tariff for most of the categories.

ISSUE No. 2: Incentive / Rebate / Surcharge

Issue Raised by Stakeholder

The stakeholders suggested to increase the rebate of Captive Power Plants consumers of HV-3 category to Rs. 3/kWh from Rs. 2/kWh on incremental consumption. Such rebate should be continued for at least next 10 years to provide regulatory certainty. Further, there should be no levy of penal charges for exceeding maximum demand in respect to Contract Demand up to 30%.

The Stakeholders also suggested to increase the rebate on advance payment to 1.5% from 1% and introduce an additional rebate of 0.5% for online payment on the entire bill amount, without a maximum ceiling of Rs. 1000/-.

Petitioners' Response

The Stakeholder submitted that proposal to increase the rebate for Captive Power Plants consumers of HV-3 category is without any rationale and lacks merit. Further, any increase in the rebate will burden other category consumers. In ideal condition, the consumer should restrict its drawal up to its Contract Demand (CD) and provision of additional billing provided in Tariff Order does not discharge the consumer from its obligation to regularize such excess drawal.

Commission's View

The Commission has noted the submission of the stakeholders and reply submitted by the Petitioners. The Commission in this Order has continued various rebates/ incentives/surcharges, which have been detailed in the Tariff Schedule chapter of this Tariff Order.

ISSUE No. 3: **Fuel and Power Purchase Adjustment Surcharge (FPPAS)**

Issue Raised by Stakeholder

The Stakeholders submitted that Fuel and Power Purchase Adjustment Surcharge (FPPAS) is being determined every month and rates may vary either side, i.e., positive or negative. The Distribution Licensees are billing positive FPPAS in the same month while in case of negative FPPAS, zero FPPAS is being billed and the same is not passed on to the consumers. The FPPAS worked out to be negative for last three months, i.e., -6.38% for October, 2023, -2.71% for November, 2023, and -1.72% for December, 2023, resulting in an additional recovery from consumers. The Stakeholder submitted that negative FPPAS is not being refunded in the same month and kept in abeyance to be adjusted in future.

Petitioners' Response

The Petitioner stated that the practice of determination of FPPAS is in accordance with the provisions of Tariff Regulations.

Commission's View

The Commission has noted the submission of Stakeholders and reply submitted by the Petitioners. The Commission directs the Petitioners to ensure that FPPAS irrespective of being positive or negative, should be passed on to the consumers in accordance with the provisions of MPERC (Terms and Conditions for Determination of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) Regulations, 2021 and amendments thereof.

ISSUE No. 4: Cross Subsidy Surcharge and Additional Surcharge

Issue Raised by Stakeholder

The Stakeholder submitted that the cross-subsidy for all categories of consumers should be kept within +-20% in accordance with the Electricity Act and the proposal of the Petitioner to increase the Cross-Subsidy Surcharge (CSS) from Rs. 1.36/kWh to Rs. 1.43/kWh for HV-3 category consumers should not be accepted. The Stakeholder requested the Commission to carry out the verification of the voltage-wise cost of supply.

The Stakeholder added that the Petitioner has proposed to impose an Additional Surcharge of Rs. 1.48/kWh, considering the weighted average monthly fixed rate of surrendered power. The Stakeholder requested the Commission to direct the Petitioner to evaluate all options by carrying out detailed study on surplus power through an independent expert agency.

The Stakeholder further requested the Commission to invoke provisions under Section 42(2) sub para 4 of Electricity Act, 2003 and abolish the Cross Subsidy Surcharge and Additional Charge.

Petitioners' Response

The Petitioner submitted that the proposed CSS & Additional Surcharge are in line with the Electricity Act 2003, Tariff Policy, Regulations of CERC/MPERC, and Cross Subsidy Road Map.

Commission's View

The Commission has noted the submission made by stakeholders and reply submitted by the Petitioners. The methodology for computation of CSS and Additional Surcharge has been detailed in relevant sections of this Tariff Order.

The Commission has been consciously making efforts over the past several years to reduce the cross-subsidy levels, to keep it within the range of +/- 20% across all consumer categories in accordance with the Tariff Policy, taking cognizance of the fact that there should not be any tariff shock to the consumers. Further, for issue of cross subsidy surcharge in pursuance to the Electricity (Amendment) Rules, 2022 issued by Ministry of Power, the Commission has amended Regulation 47 of MYT Regulations, 2021 whereby to safeguard the interest of the consumers it is now specified that CSS shall not exceed 20% of the Average Cost of Supply.

ISSUE No. 5: Green Energy Tariff

Issue Raised by Stakeholder

The Stakeholders have suggested to remove the 100% limit for green power consumption. Further, flexibility should be provided to consumers to consume any percentage of quantum for any duration/period of the month. The Stakeholder also suggested that the procedure for obtaining the green energy certificate should be clarified by DISCOMs.

Petitioners' Response

The Petitioners submitted that they have given additional submission in this regard. Further, the Commission may take an appropriate view on the above said issue.

Commission's View

The Commission has taken cognizance of Stakeholder's suggestions and Petitioners' reply in the above said matter. The Commission has provided the flexibility to consumers to consume green energy as detailed in relevant section of this Tariff Order.

For the consumers availing green energy from Distribution Licensees for the purpose of reducing their carbon foot print and seeking certification to this effect, there shall be no ceiling with regard to load /contract demand / period etc.

ISSUE No. 6: Distribution Losses

Issue Raised by Stakeholder

The proposed distribution losses for FY 2024-25, i.e., 21.37%, are on higher side compared with other States like Himachal Pradesh (12.90%), Delhi (8.72%), Maharashtra (15%), Telangana (10.65%), and Andhra Pradesh (10.55%).

Petitioners' Response

The Petitioner submitted that the quantum of power purchase has been computed considering the normative distribution loss approved in accordance with the MYT Regulations, 2021 and amendments thereof. The power purchase cost over and above normative losses are borne by Petitioners and consumers are not being burdened with such additional losses. The Petitioners further added that they are striving hard to reduce the losses.

Commission's View

In pursuance to the Ministry of Power, Govt of India letter dated 30/05/2023, the Commission has amended its MYT Regulations 2021 and specified AT&C loss Trajectory from FY 2024-2025 to FY 2026-2027. Accordingly, the Commission has approved ARR for FY2024-25 for Distribution Licensees .

ISSUE No. 7: Tariff Minimum Charges

Issue Raised by Stakeholder

The Stakeholder submitted that the Tariff Minimum Charges for all HT/LT consumer categories should be abolished and actual consumption should be considered for billing purpose.

Petitioners' Response

The Petitioners submitted that in two-part tariff, fixed charges are meant to recover fixed cost and energy charges are meant to recover variable cost. At present, the fixed charges are not sufficient to recover the fixed cost of the Licensee. Therefore, unless the fixed charges are increased to such level, sufficient to recover the fixed cost of supply, Tariff Minimum Charges cannot be abolished. Further, Regulation 41 of the MYT Regulations, 2021 clearly stated that Tariff Minimum charges shall be included in tariff income.

Commission's View

Tariff Minimum Charges are intended to ensure guaranteed recovery of minimum fixed costs by the DISCOMs and are levied only when consumption of consumer falls below guaranteed minimum consumption for a month. The Commission in its Tariff Order for FY 2023-24 abolished tariff minimum charges for LT Domestic category. As another step forward towards tariff rationalization, the Commission in this Order has abolished the tariff minimum charges for Agriculture and LT Industry category as given in the Tariff Design Chapter of the Order.

ISSUE No. 8: Seasonal Consumers

Issue Raised by Stakeholder

The Stakeholder submitted that the DISCOMs have proposed to withdraw the billing on actual consumption during off season. The Stakeholder requested the Commission to continue the existing provisions of Tariff Order FY 2023-24 to bill on actual consumption during off season. Further, the Stakeholder also requested the Commission to revise the off-season period for seasonal consumer to 4 months instead of existing 6 months.

Petitioners' Response

The Petitioners submitted that billing of minimum consumption during off season is being done in accordance with the methodology approved in Tariff Order for FY 2023-24. Further, the Commission may take a view in regard to off-season and season period.

Commission's View

The Commission has taken note of the Stakeholder's suggestion and reply submitted by the Petitioner. The Commission in Retail Supply Tariff Order of FY 2023-24 rationalized the billing of seasonal consumers. The Commission in this Order has decided to continue with the existing provisions of billing seasonal consumers. Further, the Commission directs the Petitioners to bill the seasonal consumers in accordance with the General Terms and Conditions specified in Tariff Schedule of this Order.

ISSUE No. 9: Supply for temporary purpose in existing HT consumer's premises

Issue Raised by Stakeholder

The Stakeholder proposed to allow 10% of the Sanctioned Load for construction purpose like expansion/renovation/modification by existing HT connections on the tariff applicable for the permanent connection as small construction and modification is always required in the industries.

Petitioners' Response

The Petitioners submitted that billing for temporary connections is done as per Clause 1.20 of General Terms and Conditions for HT Tariff of the Tariff Order issued by the Commission.

Commission's View

The Commission has noted the suggestion of Stakeholder and reply of the Petitioners. The Commission at this stage has decided to retain the existing provisions regarding power consumption for temporary purpose in this Tariff Order.

ISSUE No. 10: Review of Tariff Structure for Load Based Tariff For H.V 3.1 (Industrial Consumer)

Issue Raised by Stakeholder

The Stakeholder requested the Commission to restructure the existing energy charge slab from a) Energy Charge (EC) for consumption up to 50% Load Factor (LF) and b) EC for consumption in excess of 50% LF, to a) EC for consumption up to 30% LF, b) EC for consumption in excess of 30% and up to 50% LF, and c) EC for consumption in excess of 50% LF.

Petitioners' Response

The Petitioners submitted that the Commission may take a view on the above said issue.

Commission's View

The Commission has noted the suggestion of Stakeholder and reply of the Petitioners. The Commission is of the view that creation of more slabs is against the principles of tariff rationalisation and simplification of tariff structure. Hence, the Commission has decided to retain the existing provisions in this Tariff Order.

ISSUE No. 11: Introduction of kVAh tariff for HT categories

Issue Raised by Stakeholder

The stakeholders submitted that change in methodology in billing for HT/EHT Consumers from kWh to kVAh billing will result in increase of tariff by ~15% in case the rate of Energy Charges is not reduced correspondingly. Further, such change in tariff structure will adversely affect the industrial category. The Stakeholders further added that the Petitioners' proposal is against the MYT principles as prescribed in Section 61 (h) of the Electricity Act, 2003, Tariff Policy, 2016 and MYT Regulations, 2021. Further, kVAh billing should not be accepted considering the prevailing situation of industry and market due to fuel price hike, COVID-19 pandemic, etc.

Further, the Commission in Tariff Order for FY 2023-24 instructed DISCOMs to conduct an impact assessment study on transitioning from kWh to kVAh billing within six months, based on last three years data. Despite the Commission's directive, DISCOMs have not complied the Commission's direction fully adhered to the Commission's directive. Hence, the Stakeholders requested the Commission to defer the implementation of kVAh billing.

Petitioners' Response

The Petitioners submitted that the prime objective of kVAh billing is to encourage the consumers to improve Power Factor to achieve loss reduction, improve system stability, power quality and voltage profile. Further, with the introduction of kVAh billing, the existing provision of PF incentives/rebates and penalties may be omitted. Moreover, incentive as such is the prerogative of the Licensee to promote its business and create goodwill amongst the consumer and may not be construed as a matter of right.

Commission's View

The Commission has noted the submissions made by the Stakeholders and reply submitted by the Petitioners. The Commission in its Tariff Order for FY 2023-24 directed the Petitioners to carry out impact assessment study within 6 months of this Tariff Order on transition from kWh billing to kVAh billing considering yearly average Power Factor for each category of HT consumer based on last three years data and to conduct consumer awareness programmes across the State to explain the concept of kVAh billing and its implications to consumers of relevant categories.

Based on the details submitted by the Petitioner, it is observed that the outreach of awareness program conducted by the Petitioners is not adequate. Further, the Commission observes that the Petitioners have not carried out or submitted any impact assessment study on transition from kWh billing to kVAh billing considering yearly average PF.

Hence, the Commission has not considered the Petitioners' proposal of implementing kVAh based billing in this Tariff Order and has given appropriate directives in this regard to the Petitioners as detailed in Directive Chapter of this Tariff Order.

ISSUE No. 12: Categorisation of Telecom towers

Issue Raised by Stakeholder

The Stakeholder submitted that Telecom tower should be placed in Industry tariff category as it is a public service utility or separate tariff category may be provided for telecom. The Stakeholder further added that they are providing Telecommunication services to industries / institutions for utilities in HT Connection premises. MERC has also considered 'telecom' under 'Industrial Tariff Category'. Therefore, they requested the Commission to revisit the category of telecom from commercial to Industrial (HV-3 Category).

Petitioners' Response

The Petitioners submitted that Section 62(3) of Electricity Act, 2003 provides for creation of any category and thereafter tariff for such category. Taking cognizance of the above said section of the Act and considering the nature and purpose for which the supply is required, industrial category was introduced in the State of Madhya Pradesh, covering manufacturing and processing activities. In other words, the raw material is being processed into finished product through manufacturing process and other such activities. However, no activity of manufacturing/processing is being carried out in telecom towers. Therefore, the present classification under non-domestic category is appropriate and telecom towers cannot be considered under industrial category.

As far as categorization of telecom towers under industrial category in Maharashtra State is concerned, the Petitioner submitted that IT/ITeS policy of the Government of Maharashtra has categorically mentioned the applicability of Industrial tariff to Telecommunication Towers. No such provision has been specified in Madhya Pradesh State. Also, the applicability of provisions of IT/ITES policy of Government of Maharashtra is confined to the State of Maharashtra and therefore, its provision is not applicable to the matters in the State of Madhya Pradesh.

The Petitioners further added that different States have different policies and tariff categories/tariffs, which are based on their specific requirement, demography, consumption pattern and various other social/economic/financial factors. There is no binding on any State to compulsory adopt the provision of other State or have same provision as that of others.

Commission's View

The Commission has taken cognizance of stakeholders' suggestions, Petitioners' reply and other commercial aspects, and has decided to retain the existing provisions. The Commission has been allowing Industrial tariff to the industries where raw material is processed into finished product through manufacturing process and other such activities. The telecom tower connections are covered under LV Non- Domestic and HV Non- Industrial categories, as the case may be.

ISSUE No. 13: Power Intensive Industries HV 3.4

Issue Raised by Stakeholder

The Stakeholder stated that Energy Conservation Act, 2001 covers cement industry and Textile Industry as Power Intensive industries. Therefore, the Stakeholder requested the Commission to considered the Cement and textile Industries as Power Incentive industries.

Petitioners' Response

The Petitioners submitted that present classification of category is appropriate and the proposal of the Stakeholder for further categorization lacks merit and would only result in complication.

Commission's View

The Commission has noted the submissions made by Stakeholders and reply submitted by the Petitioners. The Commission observes that the Energy Conservation Act was made effective with certain objects and reasons. Tariff determination is being done by the Commission under the provisions of Electricity Act, 2003. The Commission at this point of time is not willing to consider cement industry and Textile Industry under Power Intensive industries tariff category.

ISSUE No. 14: Return on Equity (ROE)

Issue Raised by Stakeholder

The Stakeholder submitted that Return on Equity (RoE) is allowed @ 14%, which is on higher side considering the Forum of Regulators (FOR) recommendations and should be reduced. Further, the Stakeholder suggested that in case there is a need to revisit the MYT Regulations, the same should be carried out by the Commission.

Petitioners' Response

The Petitioner submitted that the Electricity Act, 2003 recognizes retail supply of electricity service separately for the purpose of determination of tariff under clause (a) of subsection (1) of Section 86 of the Act, but it is covered as part of distribution under Section 14 of the Act. The risks involved in distribution and retail supply of electricity is different from that in transmission and generation business. Clause (d) of Section 61 of the Electricity Act, 2003 and clause (a) of Para 5.11 of Tariff Policy, 2016 has laid down broad guiding principles, which provides that the rate of return should be determined based on the assessment of overall risk and prevalent cost of capital. Further, in view of long-term commitment to meet mandatory supply obligations, adequate surplus needs to be allowed. The existing rate on Return on Equity is itself not sufficient.

Commission's View

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission has allowed Return on Equity at base rate of 14% as per provision of MYT Regulations, 2021. Methodology adopted for approval of Return on Equity has been detailed in ARR chapter of this Tariff Order.

ISSUE No. 15: Power Purchase Cost & Management of Surplus Power

Issue Raised by Stakeholder

The Stakeholders submitted that the availability of power is more than the energy requirement of the DISCOMs. Therefore, backing down of surplus power to the tune of 14,158 MU needs to be scrutinized taking into account that such surplus power does not lead to any financial loss. The Stakeholders further added that back down charges of ~Rs 4,000 Crore are being paid to power generating stations every year in addition to transmission charges and losses. There might be instances where DISCOMs result in paying fixed charges to generators without even scheduling the power from such surplus source. Therefore, such PPA with generators need to be examined and terminated accordingly. The Stakeholder further added that surplus power may be consumed during the night hours (10 PM- 6 AM), in case the night rebate is increased from 10% to 20% for complete financial year.

Petitioners' response

The Petitioners submitted that based on historical data, they forecast the sales and estimate the energy requirement by grossing up the sales with normative Distribution loss as approved by the Commission. During the actual operation, the Licensees make the projections for every 15-minute time block interval taking into account the variation on hour-to-hour, day-to-day, season-to-season basis, etc. Further, in real time, the availability of generators varies due to reasons, which are beyond the control of Distribution Licensee. Thus, the actual energy requirement and energy availability may differ from what has been projected in the Tariff Petition. For example, during the Rabi season, the power demand of the Licensee increases, hence, in actual operating conditions it is not necessary that there will be a surplus power uniformly throughout the year and there will be instances when the Petitioners are required to purchase power from open market.

Further, the surplus scenario envisaged is subjected to truing-up exercise based on actuals and in accordance with the MYT Regulations.

Commission's View

The Commission after carrying out due diligence of the details submitted by the Petitioners and applying the merit order dispatch principle as per the provisions of MYT Regulations, 2021, has approved the Power Purchase Cost as detailed in the ARR chapter of this Tariff Order. For optimum utilisation of the surplus power, the Commission has given certain directions to the Petitioners as detailed out in relevant Chapter of this Order.

ISSUE No. 16: Interest and Finance Charges

Issue Raised by Stakeholder

The Stakeholders submitted that interest and finance charges for project loans are to be claimed on Capital projects undertaken in the MYT Period by the Petitioners and only approved CAPEX should be considered for allowing interest charges under this expenditure head. The Stakeholder further added that more avenues for arranging competitive finance should be explored by the Petitioners for reducing the interest and finance charges for working Capital.

Petitioners' Response

The Petitioners submitted that Interest and finance charges are proposed as per CAPEX plan. Further, the Commission may provide appropriate views in the above said matter.

Commission's View

The Commission has admitted the interest and finance charges as per the provision of MYT Regulations, 2021 in this Tariff Order and detailed the approach for approval of Interest and Finance Charges in the ARR chapter of this Tariff Order.

ISSUE No. 17: Surcharge for Delayed Payment

Issue Raised by Stakeholder

The Stakeholder stated that the rate of surcharge for delay payment is proposed at 1.25% per month (15% p.a.) whereas, DISCOMs pay interest at the Bank Rate only on consumers' Security Deposit. The rate of delay payment surcharge should either be aligned with present Bank Rate or the interest on Security Deposit should be paid at 15% p.a.

Petitioners Response

The Petitioners submitted that the rate of Interest on Security Deposit is governed by MPERC (Security Deposit) Regulations, 2009 and amendment thereof. As per the amendment dated 20th July, 2018, the interest on security deposit is to be paid as per Bank Rate prevailing as on 1st April. Further, the Petitioner does not have material control on the rate of interest on Security Deposits of the consumers. Therefore, the request of the Stakeholder cannot be entertained by the Petitioners.

Commission's View

The Commission has considered the interest rate on Security Deposit as per the provision of MYT Regulations, 2021 read with MPERC (Security Deposit) Regulations, 2009 and amendment thereof. Distribution licensees are also required to pay generators on time. In case of delay they are also required to pay LPS as prescribed by GoI. Keeping this in view, provision of Delayed Payment Surcharge (DPS) is there to ensure that the consumer pay their bills on time. This provision will also work as a deterrent if the bills are not paid on time. The DPS has to be charged by the Petitioners as per the General Terms and Conditions of the Tariff Schedule of this Order read with MP Electricity Supply Code, 2021, as amended from time to time.

ISSUE No. 18: Rebate for LV-4 industrial Consumers

Issue Raised by Stakeholder

The Stakeholder submitted that under LV-4 category, the rebate of 30% on fixed and energy charge should be extended for Contract Demand (CD) up to 25 HP – 35 HP, which is presently up to 20 HP.

Petitioners Response

The Petitioners submitted that the proposed alteration will have substantial financial impact on the DISCOMs.

Commission's View

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission has decided to continue with existing rebate of 30% on fixed and energy charges upto 20 HP load under LV-4 Tariff Category.

ISSUE No. 19: Domestic LV 1.1

Issue Raised by Stakeholder

The Stakeholder submitted that at present there are no consumers in Domestic LV-1.1 category. If any such consumers are present, the Petitioners does not bill according to Tariff Schedule under this category. Therefore, the Commission is requested to direct the Petitioner to remove this category.

Petitioners Response

The Petitioners submitted that in the Tariff Policy/National Electricity Policy issued by the Central Government, there are provisions related to special concession on consumption upto 30 units to economically weaker consumers.

Commission's View

The Commission has retained the existing tariff category and provisions in this Tariff Order in accordance with the Tariff Policy/National Electricity Policy.

ISSUE No. 20: Fixed charges for Domestic consumers

Issue Raised by Stakeholder

The Stakeholder submitted that in case the Licensee takes reading after 32 days instead of monthly reading (30 days) and the consumption comes out to 52 units, the consumer is charged Rs. 124 per connection (for units between 51 to 150 Units) instead of Rs. 71 per connection (up to 50 units).

Petitioners Response

The Petitioners submitted that they are billing the consumers as per Tariff Order issued by the Commission. Further, it is suggested to refer Note no. 2 (under LV 1.2 tariff category), where the instruction has been given regarding billing of fixed charges.

Commission's view

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission opines that Tariff Order has the provision to bill the units proportionality in case the readings are recorded for the duration other than the respective days of the billing period. The Commission further directs the Petitioner to ensure the timely billing of the consumers as per the provisions of the Electricity Supply Code 2021, as amended from time to time.

ISSUE No. 21: Temporary Connections for domestic Categories

Issue Raised by Stakeholder

The Stakeholder stated that in HT category, there is no separate Tariff Schedule for temporary connection and temporary connections are billed at 1.25 times the normal charges as applicable to relevant category. Such provision should also be introduced for LV-2.2 Non-Domestic category consumers instead of specific rate approved in the Tariff Order for temporary connection.

Petitioners' Response

The Petitioners submitted that temporary billing for LT and HT is done in accordance with the Tariff Schedule approved by the Commission.

Commission's view

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission has decided to continue with existing provision for temporary connections for LV-2.2 category consumers.

ISSUE No. 22: Pension Terminal Benefit Fund

Issue Raised by Stakeholder

The Stakeholder submitted that there is delay in payment of dearness relief to Pensioners. The payment of dearness relief to Pensioners is a liability which fall under Terminal Benefit. The Stakeholders requested the Commission to direct DISCOMs to pay all backlog arrears to beneficiaries, as declared by the Central Government in past and also ensure timely payment in future. Further, in view of latest actuarial analysis, the Commission may decide the amount of contribution towards Terminal Benefit Trust funds by each Discom so that Terminal Benefit Trust Funds are self-sufficient for next 10 years.

Petitioners' Response

The Petitioner submitted that issue raised by Stakeholder are not the subject matter of instant Petition and as far as issue of Fund transfer is concerned, details of the same have already been given in Chapter 22 (para 22.4) of the Petition.

Commission's View

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission has allowed expense towards contribution to Terminal Benefit Trust Fund for FY 2024-25 as detailed in the ARR chapter of this Tariff Order. The Commission directs the Petitioners to deposit the amount allowed in Tariff Order into the Terminal Benefit Trust Fund without fail. Necessary directives in reference to the actuarial analysis shall be issued separately.

ISSUE No. 23: Incremental Rebate for Existing Connection and Rebate for New Connection under HV-3 Category

Issue Raised by Stakeholder

The Stakeholder submitted that some industries under HV-3 category are eligible for rebate on new connection and are also taking rebate for increased load due to expansions of its unit at a later stage. The green field rebate is intended entirely for new ventures, while the incremental rebate is for existing units expanding their operations. If a unit expands after its initial establishment, it should typically qualify only for Incremental Rebate and not for both subsidies simultaneously.

Petitioners' Response

The Petitioners submitted that the rebate to HV-3 category are provided as per the Tariff Order issued by the Commission.

Commission's View

The Commission has noted the submission made by Stakeholders and reply submitted by the Petitioners. The Commission in its previous Tariff Order for FY 2023-24 has provided incremental rebate for existing consumer and separate rebate for new consumer under HV-3 Category. The Commission further clarifies that existing or new consumer under HV-3 category is eligible for any one rebate. The Commission has retained the existing provisions of rebate detailed in Tariff Schedule chapter of this Tariff Order.

ISSUE No. 24: Quality of Supply in Rural Areas

Issue Raised by Stakeholder

The Stakeholder submitted that in rural areas, DISCOMs are failing to provide quality service, feeder separation work is still incomplete, voltage problem still persists, and transformer, poles and wires are in not good condition. Further, the new connections are not provided by the Petitioners in rural area.

Petitioners' Response

The Petitioners submitted that the approved feeder separation work has been completed under the feeder separation scheme in rural areas and interruption in power supply in feeders is only due to faults or sudden excessive load increase. The power supply is restored by doing rectification work or making alternative arrangement as soon as it comes to the notice of the Petitioners. Further, new connections have regularly been provided by DISCOM under various scheme.

Commission's View

The matter raised by the Stakeholder pertains to the quality of supply and has to be dealt with as per provision under the MPERC (Distribution Performance Standards) Regulations, 2012 and amendments thereof. The Commission has allowed the capital expenditure for the DISCOMs for improvement in infrastructure works and the DISCOMs are directed to ensure adequate supply and services to all consumers including rural consumers.

ISSUE No. 25: Theft of Electricity

Issue Raised by Stakeholder

The stakeholder submitted that DISCOMs have failed to reduce the theft of electricity, rather it has been observed that due to minor discrepancies, cases of theft are made against small consumers.

Petitioners' Response

The Petitioners submitted that efforts are made to stop theft of electricity. Further, the Petitioners are providing incentive amount to individuals for reporting theft of electricity.

Commission's View

The Commission directs the Petitioners to enhance their efforts towards reduction in commercial losses on account of theft of electricity and also to increase the billing efficiency. The Consumers are at liberty to avail remedies under the Electricity Act, 2003.

ISSUE No. 26: Billing Demand for HT Consumers

Issue Raised by Stakeholder

The Stakeholders suggested that Billing Demand for HT consumers may be reduced from 90% to 80%. Such reduction will attract consumers to increase the Contract Demand, which will indirectly increase the technical minimum consumption and further add to revenue of the DISCOMs.

Petitioner's Response

The Petitioner submitted that the tariff is recovered from consumers on the concept of two-part tariff structure, wherein the fixed charges are billed to recover fixed cost of Distribution Licensees and energy charge for variable cost of the Distribution Licensees. Hence, any reduction in the minimum Billing Demand will result in under recovery of fixed cost of the Distribution Licensees.

Commission's View

The Commission has noted the submissions of stakeholders and reply by the Petitioners. The Commission opines that there are fixed costs of Distribution Licensees, which are to be paid irrespective to consumption of consumers. In the two-part tariff especially Fixed Charges and minimum charge are designed in such a manner that the minimum guarantee to Distribution Licensees to meet their fixed costs could be ensure. The consumer can opt for appropriate contract demand keeping in view the provisions of Tariff Order. The Commission after prudence check of the details submitted by the Petitioners, has decided to retain the existing provisions regarding Billing Demand.

ISSUE No. 27: Grid Support Charges under Net Metering

Issue Raised by Stakeholder

The Stakeholder stated that the DISCOMs have proposed Grid Support Charges, which needs to be abolished because consumers bear all the expenditures for installation of Grid Interactive Renewable Energy System, which also help to cater the energy demand of the Licensee without any capital expenditure. Further, the Government of India vide circular No. F. No. 09/01/2023-RCM dated 25th October, 2023 had clarified that the State Government/ SERC have no power to impose any tax or duty on generation of electricity. Also, Ministry of Power (MoP) vide its letter dated 24th April 2023 has advised to withdraw such taxes /duties, if levied or/and recovered.

Petitioners' Response

The Petitioners submitted that there are some incidental expenses, which are being incurred by the Distribution Licensees for catering, developing and maintaining the network for its functions and operations, while facilitating Net Metering arrangement or extending distribution network to the consumers. The detailed rationale behind levy of Grid Support Charges under Net Metering Arrangement is submitted along with the Petition.

Commission's View

The Commission has noted the submission of the Stakeholders and reply submitted by the Petitioners. The Commission observed that vide Order dated 13th December, 2023 in Petition No. 31/2023 rejected the proposal of Petitioners for levy of grid support charges. Accordingly, the Commission in this Order has not imposed any Grid Support Charges.

ISSUE No. 28: Shopping Malls

Issue Raised by Stakeholder

The Stakeholder stated that as per Tariff Order issued by the Commission, shopping malls receive Electricity on HT Tariff (Tariff Schedule: HV-3 Shopping Mall) and bill to their mall tenants on LV 2.2 (Non-domestic) tariff. As the HT tariff is being increased for the last four years, while LT tariff has not been increased, the shopping malls are incurring losses.

Petitioners' Response

The Petitioner submitted that the Commission may provide appropriate view in this regard.

Commission's View

The Commission has noted the submission of the Stakeholders and reply submitted by the Petitioners. The Commission has appropriately dealt with this issue in the Tariff Schedule of this Tariff Order. No disproportionate increase is made to HV-3 Shopping mall category in this Order.

ISSUE No. 29: Tariff Slab for Indian Army (MES)

Issue Raised by Stakeholder

The Stakeholder submitted that MES has been categorized under HV-6.1 category applicable for supply to industrial or any other township whereas, registered Co-operative Group Housing Societies has been classified in Category HV-6.2, with monthly fixed demand charges of Rs 230 per kVA, which is less than fixed demand charges being charged to MES, i.e., Rs 362 per kVA.

Further, other profit-making estates like Railway Station, Offices, Hotels, Institutions, etc., are classified under HV-3.2 (Non-Industrial), whereas shopping malls have been classified under HV-3.3. In view of the above, the Stakeholder requested the Commission for creation of distinct concessional sub-category in existing tariff schedule of HV-6 and HV-3 for MES irrespective of load factor.

Petitioners' Response

The Petitioners submitted that MES falls under HV-6.1 category as per Tariff Order issued by the Commission and is billed accordingly.

Commission's View

The Commission has noted the submission of the Stakeholders and reply submitted by the Petitioners. The Commission after considering the submissions made by the Petitioners has decided to retain the existing categorization.

ISSUE No. 30: TOD Rebate

Issue Raised by Stakeholder

The Ministry of Power vide Electricity (Rights of Consumers) Amendment Rules, 2023 dated 14th June, 2023 has stipulated various provisions for TOD Tariff during peak, normal as well as solar hours. The Stakeholder stated that the existing provisions of TOD are more practical and also suitable to consumers as well as Discoms as surplus power is being used in appraisable cost in night hours.

Further, to give preference to solar power for 8 hrs. (9hrs- 17hrs) can be fulfilled by introducing rebate of 20% for solar Hrs. And in this rule, there is no restriction in giving rebates in normal Hrs. such rebates can be permitted @ 20% for 8 Hrs. (22hrs-06hrs) this would compensate the loss incurred if we align with the rule.

Some of the Stakeholders also requested the Commission to continue the night rebate as approved in Tariff Order for FY 2023-24 till MYT Control Period, whereas other Stakeholders proposed to increase the rebate from 20% to 30% or have flat 20% rebate for the entire financial year.

One Stakeholder requested the Commission to introduce TOD rebate for Captive Power Plant (CPP) consumers under HV-3 category for drawing standby power during planned/forced outage of CPP.

Petitioners' Response

The Petitioners submitted that under Section 62(3) of Electricity Act, 2003, the Commission is empowered to determine the tariff to be charged from consumers for consumption of electricity. The Petitioners further added that TOD rebate proposal in instant Petition is in line with Electricity (Rights of Consumer) Amendment Rule 2023 dated 14^{th} June 2023.

Commission's View

The Commission has noted the submission of the Stakeholders and reply submitted by the Petitioners. The Commission has appropriately dealt with this issue in the Tariff Schedule of Tariff Order and TOD tariff is applied in line with GoI rules.

ISSUE No. 31: Income from other Sources

Issue Raised by Stakeholder

The Stakeholder submitted that DISCOMs are collecting charges from cable operators, communication companies or other advertising company, who uses their pole and other infrastructure, whereas its revenue is not considered in income from other sources.

Petitioners' Response

The Petitioners stated that all the components of ARR in instant Petition have been claimed as per MYT Regulations, 2021 and details of income from other sources are provided in the Petition.

Commission's View

The Commission has noted the submission of the Stakeholders and reply submitted by the Petitioners. The Commission observed that the Petitioners have considered the above said income under 'Other Income' and same is deducted from the ARR as per Clause 42 (Other Income) of MYT Regulations, 2021, as detailed in ARR Chapter of this Order.

Annexure-1 (List of Stakeholders)

LIST OF STAKEHOLDERS- EAST DISCOM

Sr. No.	Name	Address
1	Dr. P.G Najpande	M/s. NagrikUpbhokta Margdarshak Manch, 6/47, Ramnagar, Adhartal, Jabalpur
2	M/s. Ramnik Power & Alloys (P) Ltd	M/s. Ramnik Power & Alloys (P) Ltd. C/o. M/s. A.P.Trivedi Sons, Main Road, Balaghat
3	M/s. A. P. Trivedi Sons	M/s. A.P. Trivedi Sons, Main Road, Balaghat
4	M/s. A.P. T. Tiles	M/s. A.P. T. Tiles, Garden Road, Garra, Balaghat.
5	Shri O.P. Verma	M/s. Prism Johnson Ltd. Rajdeep, Rewa Road, Distt. Satna 485111
6	Shri Kapil Agrawal	M/s. JK (Cement) Ltd., Village Harduwakan, Teh. Amanganj, Distt. Panna M.P
7	M/s. Jai Maa Bhawani Rice Mill	M/s. Jai Maa Bhawani Rice Mill, Mohantola, Malimohgaon, Mandla - 481661
8	Shri Kaushal Kishore Agrawal	M/s MP Vidyut Mandal Pensioners Association, 101. Pragati Tower, in front of Sachin Tent Mall, Mahananda Jabalpur 482003
9	Shri Deependra Sharma	M/s. Birla Corporation Ltd., Satna Cement Works, PO Birla Vikas, Satna
10	Shri Jitendra Kumar Patel (Desi)	M/s. Kisan Sewa Sangathan, Goal Bazar, Jabalpur
11	Shri K.K. Agrawal	Bharat Krishak Samaj, Mahakaushal, Gangotri Apartment, Goal Bazar, Jabalpur
12	Shri S.K. Maurya	M/s. Diamond Cements, Prop. Heildelberg Cement India Ltd. P.O. Narsingarh, Distt. Damoh
13	Shri D. R. Jeswani	M/s. Mahakaushal Udyog Sangh, 22, Industrial Area, Richhai, Jabalpur 482010
14	Shri Rajendra Agrawal	1995/A, Gyan Vihar Colony, Narmada Road, Jabalpur 408068
15	Shri Nirmal Lohiya	Taldarwaja, Tikamgarh

LIST OF STAKEHOLDERS- WEST DISCOM

Sr. No.	Name	Address
1	Shri M.C. Rawat	The Madhya Pradesh Textile Mills Association, Jall Sabhagraha, 56/1, South Tukoganj, Indore 452 001
2	Dr. Gautam Kothari	M/s. Pithampur Audhyogik Sangathan, 231, Saket Nagar, Indore 452018
3	Shri S.M. Jain	M/s. Venus Alloys Pvt. Ltd., Unit -II, Village Fatehganj, Tehsil Dalauda, Distt. Mandsaour R/O, 67, Industrial Area, Mandsaur - 458001 (M.P.)
4	Shri Sandeep Jain	M/s. Rathi Iron & Steel Industries Ltd. 103, Laxmi Tower, 576, M.G. Road, Indore
5	Shri Pawan Singhania	M/s. Jaideep Ispat & Alloys Pvt. Ltd. 103, Laxmi Tower, 576, M.G. Road, Indore 452001
6	Shri Gaurav Jain	Kesar Ispat Ltd., Plot No. 619-621, 609 & 609 A, Sector 3 Industrial Area, Pithampur, Distt. Dhar
7	Shri Ashok Khandelia	M/s. Association of Industries, Dewas, 1/B/1, 1B/2A, I.S. Gajra Industrial Area, No. 1, A.B. Road, Dewas 455001
8	Shri Tarun Vyas	M/s. Association of Industries Madhya Pradesh, 96, Udyog Bhawan, Industrial Estate, Pologround, Indore 455001
9	M/s. Kasyap sweetner Pvt. Limited	M/s. Kasyap sweetner Pvt. Limited, Chetanya Gram, Badnawar, Dist. Dhar (MP) 454 660.
10	M/s. Masand Agro Equipments Pvt. Ltd.	M/s. Masand Agro Equipments Pvt. Ltd., Mfg. of Rahul Sprayers Ghamelas & LD Pipe, 70, Shastri Market, Indore
11	Shri Satish Sood	M/s. Oasis Distilleries Limited, H No. 102, B-2 Metro Towers, Vijay Nagar, Indore
12	Shri Manjeet Singh Chawla	M/s. Mandi Vyapari Sangh, C/o Harman Cottex, Vyapari Vishranti Bhawan, Krishi Upaj Mandi Parisar, Bistan Road, Khargone, Distt. Khargone-451 001
13	M/s. Navin Ginning Factory	M/s. Navin Ginning Factory, Verla Road, Sendhwa, Distt. Barwani
14	M/s. Diveel Cotton Industries	M/s. Diveel Cotton Industries, Khetia, Pansemal Road, Distt. Barwani
15	M/s. Harman Cottex	M/s. Harman Cottex, Bistan Road, Opp. DejlaDewada Colony, Khargone, Distt. Khargone-451 001
16	M/s. Narmada Food Industries	M/s. Narmada Food Industries, 213/1, Gram Palda, Near Tejaji Chowk, Indore
17	M/s. Pradeep Cotton Pvt. Ltd	M/s. Pradeep Cotton Pvt. Ltd., Warla Road, Sendhwa, Tah. Sendhwa, Distt. Barwani
18	Shri Rajrajeshwar Cotton Pvt. Ltd	Shri Rajrajeshwar Cotton Pvt. Ltd., Warla Road, Sendhwa Distt. Barwani

Sr. No.	Name	Address
19	M/s. Goverdhan Cottex Ginning & Pressing Factory	M/s. Goverdhan Cottex Ginning & Pressing Factory, Bygore Road, Khetia, Distt. Barwani
20	M/s. Venkatesh Industries	M/s. Venkatesh Industries, Niwali Road, Sendhwa, Distt. Barwani
21	Shri Agrawal Ginning Factory	Shri Agrawal Ginning Factory, Niwali Road, Pansemal Distt. Barwani
22	M/s. Sancheti Cottex	M/s. Sancheti Cottex, Pansemal Road, Khetia, Distt. Barwani
23	M/s. Goyal Agro Industries	M/s. Goyal Agro Industries, 6, R.D Udhyog Nagar, Village Palda, Nemawar Road, Indore
24	M/s. Karneshwar Cold Storage Ltd.	M/s. Karneshwar Cold Storage Ltd. Karnavad, Distt. Dewas
25	Shree Balaji Cotton	Shri Balaji Cotton, 434/1, Bokrata Road, Khetia, Distt. Barwani
26	Shri Shiv Kumar Goyal	Shri Kailash Fibers Pvt. Ltd., 213/1, Gram Palda, Mundla Nayta Road, Indore
27	M/s. Sampat Pulses	M/s. Sampat Pulses, K No. 16/2/2, Gram Devguradia, Post Sanavdia, Tehsil & Distt. Indore
28	M/s. Grasim Industries Ltd.	M/s. Grasim Industries Ltd. (Chemical Div.) Nagda Ujjain 456 331
29	Shri Ajay Porwal	M/s. Porwal Auto Components Ltd (Solar Division), Plot No. 209, Sector-I, Pithampur Distt. Dhar (MP)
30	M/s. Prem Textiles (International) Pvt. Ltd.	M/s. Prem Textiles (International), Pvt. Ltd., Plot No. 73/2/1-2, Village Jaimalpur, Maheshwar Road, Distt. Khargone, Barwaha
31	Shri Abhijeet Singh Thakur	M/s. Indus Towers Limited, H-4th Floor, Metro Tower, Scheme No. 54, A.B. Road, Indore 452010
32	Shri Sanjeev Jain	M/s. Bharti Airtel limited 3rd & 4th floor, Metro Tower scheme no. 54 a.b. road, near vijaynagar square, Indore- 452010
33	Shri Rajkumar Agrawal	M/s. Rahul Krishi Udyog, M-18, Sector 3, Indorama Dhar
34	M/s. Vippy Industries	M/s. Vippy Industries, 28, Industrial Area, Dewas
35	Shri Suhas Khandekar	Flat No. 201, Vasant Kunj, 270, Lokmanya Nagar, Indore
36	Shri Sudarshan Jatale	M/s. Vidyut Mandal Pensioners Association, Indore
37	Shri Sanjay Kumar Agrawal & others	Sandhya Packaging, 970, Manak Chowk, Mhow

LIST OF STAKEHOLDERS- CENTRAL DISCOM

Sr. No.	Name	Address
1	Shri Vipin Kumar Jain	M/s. M.P. Small Scale Industries Organisation, E-2/30, Mahavir Nagar, Arera Colony, 462 016
2	Shri Yogesh Goel	M/s. Govindpura Industries Association, Association Complex, Industrial Area, Govindpura, Bhopal 462 023
3	Shri C.B Malpani	M/s. Association of All Industries, Mandideep, Plot No. AM-19, Sector-B, Industrial Area, Mandideep Distt. Raisen
4	Shri S Pal	M/s. Vardhman Textiles Ltd. A1-A6, Industrial Area-II, Satlapur, Mandideep Distt. Raisen
5	Shri Shobhit Tandon	M/s. Madhya Pradesh Metro Rail Corporation Ltd. 2nd Floor, Smart City Development Corporation Office Building, Kalibadi Road, BHEL, Sector - A, Barkheda, Bhopal
6	Shri Bharat Singh Laspal	Headquarters, Commander Works Engineers, Military Engineer Services, Sultania Infantry Line, Bhopal
7	Dr. SP Kochhar	M/s. COAI, 14, Bhai Veer Singh Marg, New Delhi
8	Shri Gaurav Maheshwari	M/s. Indian Energy Exchange, Plot No. C-001/A/1, 9th Floor Max Tower, Sector 16B Noida, Uttar Pradesh 201 301
9	Mohd. Faheem Qureshi & Mohd. Khushnuma Khan	Tikari, Betul
10	Shri Alok Verma & Others	Near Pani Tanki, Pratap Ward, Tikari, Betul
11	Shri Pramod Kumar Sharma	M/s. D B Mall Pvt. Ltd. Block 1A, 5th Floor, D B City Corporate Park, Arera Hills, Bhopal
12	Er. V.K.S. Parihar	M/s. United Forum for Power Employees & Engineers, Bhopal
13	Dr. Subhash C Pandey	HIG 1/8, Shivani Complex, 6 No. Bus Stop, Shivaji Nagar, Bhopal
14	Shri Devilal Padokia	H No. 24, Rusalli Karond, Bhopal
15	Shri Kamal Rathi	E-2/48, Arera Colony, Bhopal

TARIFF SCHEDULES

Annexure-2 (Tariff Schedules for Low Tension Consumers)

ANNEXURE TO THE TARIFF ORDER PASSED BY MPERC FOR FINANCIAL YEAR 2024-25

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

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Tariff Schedule LV - 1

DOMESTIC:

Applicability:

This tariff is applicable for light, fan and power for residential use. Dharamshalas, Gaushalas, old age homes, day care centres for senior citizens, rescue houses, orphanages, Affordable Rental Housing Complex established under Pradhan Mantri Awas Yojana, Registered home stays under following Schemes of the State Government: (a) MP Homestay Establishment (Registration and Regulation) Scheme, 2010, Amended 2018, (b) MP Bed and Breakfast Establishment (Registration and Regulation) Scheme, 2019, (c) MP Farm Stay Establishment (Registration and Regulation) Scheme, 2019, (d) MP Gram Stay Establishment (Registration and Regulation) Scheme, 2019, places of worship and religious institutions will also be covered under this category.

Tariff:

LV 1.1 (Consumers having sanctioned load not more than 100 watts (0.1 kW) and consumption not more than 30 units per month)

(a) **Energy Charge and Fixed Charge** – For metered connection

Monthly Consumption (units)	Energy Charge (paise per unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)
Up to 30 units	334	NIL

LV 1.2

(i) Energy Charge and Fixed Charge – For metered connection

Monthly Consumption Slab (units)	Energy Charge with telescopic benefit (paise per unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)	
		Urban areas	Rural areas
Up to 50 units	427	71 per connection	57 per connection
51 to 150 units	523	124 per connection	101 per connection
151 to 300 units	661	27 for each 0.1 kW load	24 for each 0.1 kW load
Above 300 units	680	27 for each 0.1 kW load	26 for each 0.1 kW load

<u>Notes:</u>

1) The fixed charges shall be levied considering every 15 units of consumption per month or part thereof equal to 0.1 kW of load. **Example**: If consumption during the month is 155 units, then the fixed charges shall be levied for 1.1 kW. In case the consumption is 350 units then the fixed charges shall be levied for 2.4 kW.

2) In cases where the readings are recorded for the duration other than the respective days of the month, the consumption shall be prorated for the month so as to arrive at the proportionate units eligible for different slabs in a particular billing month. Accordingly, the Fixed and Energy Charges shall be computed.

<u>Illustration</u>
Previous Meter Reading: 4th April 2024
Next Meter Reading: 10th May 2024
Consumption period: 36 days
Consumption: 450 units

Slab-wise consumption to be considered for billing:

Slab	Computation of Consumption on Pro-rata basis	Units to be considered for billing slab
0-50	50 units/30 days*36 days	60
51-150	100 units/30 days *36 days	120
151-300	150 units /30 days *36 days	180
Above 300	Balance Units	90
Total		**450**

(ii) Energy Charge and Fixed Charge for Temporary connections

Temporary connection	Energy Charge (paise per unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)	
		Urban areas	Rural areas
Temporary connection for construction of own house (max. up to three years)	1.25 times the tariff applicable as per schedule LV 1.2 (i)		

Temporary connection	Energy Charge (paise per unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)	
		Urban areas	Rural areas
Temporary connection for social/ marriage purposes and religious functions.	850	77 for each one kW of sanctioned or connected or recorded load, whichever is highest, for each 24 hours duration or part thereof.	62 for each one kW of sanctioned or connected or recorded load, whichever is highest, for each 24 hours duration or part thereof.
Supply through DTR meter for clusters of Jhuggi/Jhopadi till individual meters are provided	355	NIL	NIL

(iii) Energy Charge and Fixed Charge for un-metered rural domestic connections having connected load upto 500 watts:

Particulars	Units and Energy Charge to be billed per month for unmetered connections (paise per unit)	Monthly Fixed Charge (Rs.)
Un-metered connection in rural areas having connected load upto 500 watts	75 units @ 530 per unit	112 per connection

<u>Specific Terms and Conditions for LV-1 category:</u>

a) No minimum charges are applicable to this category of consumers. .

b) In case of prepaid consumers, a rebate of 25 paise per unit shall be applicable on the energy charges and all other charges shall be calculated on the Tariff applicable after rebate. A consumer opting for prepaid meter shall not be required to make any security deposit.

c) Additional charge for Excess connected load or Excess demand: No extra charges are applicable on the energy/fixed charges due to the excess demand or excess connected load.

d) In case of temporary requirement for renovation/upgradation of premises, load for such temporary purpose is allowed to be used from existing metered connection on the same tariff applicable for permanent connection subject to other terms and conditions of LT Domestic Tariff.

e) Other terms and conditions shall be as specified under General Terms and Conditions for Low Tension Tariff.

Tariff Schedule LV - 2

NON-DOMESTIC:

LV 2.1

Applicability:

This tariff is applicable for light, fan and power to Schools / Educational Institutions including workshops and laboratories of Engineering Colleges / Polytechnics/ITIs (which are registered with /affiliated/ recognized by the relevant Govt. body or university), Hostels for students or working women or sports persons.

Tariff:

Tariff shall be as given in the following table:

Sub category	Energy Charge (paise/unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)	
		Urban areas	Rural areas
Sanctioned load based tariff (only for connected load up to 10 kW)	650	156 per kW	125 per kW
Demand based tariff **Mandatory** for Connected load above 10 kW	650	275 per kW or 220 per kVA of billing demand	235 per kW or 188 per kVA of billing demand

LV 2.2

Applicability:

This tariff is applicable for light, fan and power to Railways (for purposes other than traction and supply to Railway Colonies/water supply), Shops/showrooms, Parlors, All Offices, Hospitals and medical care facilities including Primary Health Centers, clinics, nursing homes belonging to either Govt. or public or private organisations, public buildings, guest houses, Circuit Houses, Government Rest Houses, X-ray plant, recognized Small Scale Service Institutions, clubs, restaurants, eating establishments, meeting halls, places of public entertainment, circus shows, hotels, cinemas, professional's chambers (like Advocates, Chartered Accountants, Consultants, Doctors etc.), bottling plants, marriage gardens, marriage houses, advertisement services, advertisement boards/ hoardings, training or coaching institutes, petrol pumps and service stations, tailoring shops, laundries, gymnasiums, health clubs, telecom towers for mobile communication and any other establishment which is not covered in other LV categories.

Tariff:

Tariff shall be as given in the following table:

Sub category	Energy Charge (paise/unit) Urban/ Rural areas	Monthly Fixed Charge (Rs.)	
		Urban areas	Rural areas
Sanctioned load based tariff (only for connected load up to 10 kW) on all units if monthly consumption is **upto 50 units***	630	82 per kW	67 per kW
Sanctioned load based tariff (only for connected load up to 10 kW) on all units in case monthly consumption **exceeds 50 units***	780	138 per kW	117 per kW
Demand based tariff (**Mandatory** for Connected load above 10 kW)	690	296 per kW or 237 per kVA of billing demand	214 per kW or 171 per kVA of billing demand
Temporary connections including Multi point temporary connection at LT for Mela**	870	224 per kW or part thereof of sanctioned or connected or recorded load, whichever is the highest	195 per kW or part thereof of sanctioned or connected or recorded load whichever is the highest
Temporary connection for marriage purposes at marriage gardens or marriage halls or any other premises covered under LV 2.1 and 2.2 categories	870 (Minimum consumption charges shall be billed @ 6 Units per kW or part thereof of sanctioned or connected or recorded load, whichever is the highest for each 24 hours duration or part there of subject to a minimum of Rs.500/-)	87 for each kW or part thereof of sanctioned or connected or recorded load, whichever is the highest for each 24 hours duration or part thereof	67 for each kW or part thereof of sanctioned or connected or recorded load, whichever is the highest for each 24 hours duration or part thereof

*The applicability of sanctioned load based tariff shall be subject to monthly consumption corresponding to minimum charges leviable under the specific terms and conditions for LV-2 category.

** In case permission for organizing Mela is granted by Competent Authorities of the Government of Madhya Pradesh

Specific Terms and Conditions for LV-2 category:

a) **Minimum charges:** The consumer shall pay minimum annual charges based on consumption of 240 units per kW or part thereof in urban areas and 180 units per kW or part thereof in rural areas of sanctioned load or contract demand (in case of demand based charges) irrespective of whether any energy is consumed or not during the year. However, the load of X-Ray unit shall be excluded while considering the load of the consumer for calculation of minimum charges. The method of billing of minimum charges shall be as given in General Terms and Conditions of Low Tension tariff.

b) **Additional Charge for Excess demand:** Shall be billed as given in General Terms and Conditions of Low Tension tariff.

c) For LV-2.1 and LV-2.2: For the consumers having connected load in excess of 10 kW, demand based tariff is mandatory. The consumers having connected load upto and including 10 kW may also opt for Demand based tariff.

d) In case of prepaid consumers, a rebate of 25 paise per unit shall be applicable on the energy charges and all other charges shall be calculated on the Tariff applicable after rebate. A consumer opting for prepaid meter shall not be required to make any security deposit.

e) **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of Low Tension Tariff.

f) Other terms and conditions shall be as specified under General Terms and Conditions of Low Tension Tariff.

Tariff Schedule LV – 3

PUBLIC WATER WORKS AND STREET LIGHTS

Applicability:
The tariff **LV-3** is applicable for Public Utility Water Supply Schemes, Sewage Treatment Plants, Sewage Pumping Installations run by P.H.E. Department or Local Bodies or Gram Panchayats or any other organization authorised by the Government to supply/ maintain public water works / sewerage installations, traffic signals and lighting of public streets or public places including parks, town halls, monuments and its institutions, museums, public toilets, public libraries, reading rooms run by the Government or Local Bodies, and Sulabh Shochalaya and shall also be applicable to electric crematorium maintained by local bodies/trusts.

Note: Private water supply scheme, water supply schemes run by institutions for their own use/ employees/ townships etc. shall not fall in this category. These shall be billed under the appropriate tariff category to which such institution belongs. In case water supply is being used for two or more different purposes then entire consumption shall be billed for purpose for which the tariff is higher.

Tariff:

Category of consumers/area of applicability	Energy Charge (paise per unit)	Monthly Fixed Charge (Rs. per kW)	Minimum Charges (Rs)
LV 3			
Municipal Corporation/ Cantonment board /Municipality / Nagar Panchayat	583	367	No Minimum Charges
Gram Panchayat	555	179	

Specific Terms and Conditions for LV-3 category:

(a) Incentives for adopting Demand Side Management:

An **incentive** equal to 5 % of Energy Charges shall be given on installation and use of energy saving devices (such as ISI energy efficient motors for pump sets and programmable on-off/ dimmer switch with automation for street lights). **Incentive** will be admissible only if full bill is paid within due dates failing which all consumed units will be charged at normal rates. Such incentive will be admissible from the month following the month in which energy saving devices are put to use and are verified by a person authorized by the Distribution Licensee. This incentive will continue to be allowed till such time these energy saving devices remain in service. The Distribution Licensee is required to arrange wide publicity of above incentive.

(b) The tariff for temporary connection shall be 1.25 times the applicable tariff.

(c) Other terms and conditions shall be as specified under General Terms and Conditions of Low Tension Tariff.

Tariff Schedule LV - 4

LT INDUSTRIAL

Applicability:

Tariff **LV-4** is applicable to light, fan and power for operating equipment used by printing press and any other industrial establishments and workshops (where any processing or manufacturing takes place including tyre re-treading). These tariffs are also applicable to cold storage, gur (jaggery) making machines, flour mills, Masala Chakkies, hullers, khandsari units, ginning and pressing units, sugar cane crushers (including sugar cane juicing machine), power looms, dal mills, besan mills, and ice factories and any other manufacturing or processing units (excluding bottling plant) producing/processing food items or processing agriculture produce for preservation/increasing its shelf life and Dairy units (where milk is processed to produce other end products of milk other than chilling, pasteurization etc.)

Tariff:

S. No.	Category of consumers	Monthly Fixed Charge (Rs.)		Energy Charge (paise per unit) – Urban / Rural Area
		Urban Areas	Rural Areas	
4.1	**Non seasonal consumers**			
4.1 a	Demand based tariff* (Contract demand up to 150 HP/112kW)	320 per kW or 256 per kVA of billing demand	205 per kW or 164 per kVA of billing demand	660

*** In case of consumers having contract demand up to 20 HP/15 kW, the energy charges and fixed charges shall be billed at a rate 30% less than the charges shown in above table for tariff category 4.1a.**

Provided that consumers whose recorded maximum demand during a month is more than 20 HP/15 kW, rebate of 30% shall not be applicable for that particular month.

S. No.	Category of consumers	Monthly Fixed Charge (Rs.)		Energy Charge (paise per unit) – Urban / Rural Area
		Urban Areas	Rural Areas	
4.2	**Seasonal Consumers (**This tariff shall be applicable to such seasonal industries / consumers defined under this schedule**)**			
4.2 a	**During season**	Normal tariff as for Non seasonal consumers	Normal tariff as for Non seasonal consumers	Normal tariff as for Non seasonal consumers

S. No.	Category of consumers	Monthly Fixed Charge (Rs.)		Energy Charge (paise per unit) – Urban / Rural Area
		Urban Areas	Rural Areas	
4.2 b	**During Off - season**	Normal tariff as for Non-seasonal consumers on 10 % of contract demand or actual recorded demand, whichever is more	Normal tariff as for Non-seasonal consumers on 10 % of contract demand or actual recorded demand, whichever is more	120 % of normal tariff as for Non-seasonal consumers

<u>Specific Terms and Conditions for LV-4 category:</u>

(a) The maximum demand of the consumer in each month shall be reckoned as four times the largest amount of kilovolt ampere hours delivered at the point of supply of the consumer during any continuous fifteen minutes in that month.

(b) Demand based tariff is mandatory for all the LT industrial consumers.

(c) **Additional Charge for Excess Demand:** Shall be billed as given in the General Terms and Conditions of Low Tension Tariff.

(d) **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of Low Tension Tariff.

(e) No minimum charges are applicable to this category of consumers.

(f) **Other Terms and conditions for seasonal consumers**:

i. Season shall mean continuous period upto 6 months with a ceiling of 185 days.

ii. Period other than the declared season shall be considered as the off season period.

iii. The consumer has to declare months of season and off season for a year within 60 days of issuance of this tariff order and inform the same to the Distribution Licensee. The Year in this case shall be a period of 12 months commencing from start of season / off season, as applicable. If the consumer has already declared the period of season and off-season prior to issuance of this order, same shall be taken into cognizance for the purpose and accepted by the Distribution Licensee.

iv. The seasonal period once declared by the consumer cannot be changed during the year.

v. If the declared season or off-season spreads over two tariff periods, then the tariff for the respective period shall be applicable.

vi. This tariff is not applicable to composite units having seasonal and other category of loads.

vii. The consumer will be required to restrict his monthly off season consumption to 15% of the highest of average monthly consumption during the preceding three seasons. In case this limit is exceeded in any off season month, the consumer will be billed under Non seasonal tariff for the whole year (as opted) as per the tariff in force.

viii. The consumer will be required to restrict his maximum demand during off season up to 30 % of the contract demand. In case the maximum demand recorded in any month of the declared off season exceeds 36% of CD (120% of 30% of CD), the consumer will be billed under Non seasonal tariff for the whole year (as opted) as per the tariff in force.

(g) The tariff for temporary connection for Non seasonal consumers shall be 1.25 times the applicable tariff.

(h) Other terms and conditions shall be as specified under General Terms and Conditions of Low Tension Tariff.

Tariff Schedule LV - 5

AGRICULTURE AND ALLIED ACTIVITIES

Applicability:

The tariff **LV-5.1** shall apply to connections for agricultural pump, chaff cutters, threshers, winnowing machines, seeding machines, irrigation pumps of lift irrigation schemes including water drawn by agriculture pumps for use by cattle and pump connections for the purpose of fodder farming associated to Gaushalas.

The tariff **LV-5.2** shall apply to connections for nurseries, farms growing flowers/ plants/ saplings/ fruits, mushroom and grasslands.

The tariff **LV-5.3** shall apply to connections for fisheries ponds, aquaculture, sericulture, hatcheries, poultry farms, cattle breeding farms and those dairy units only where extraction of milk and its processing such as chilling, pasteurization etc. is done.

The tariff **LV- 5.4** shall apply to connections for permanent agricultural pump, chaff cutters, threshers, winnowing machines, seeding machines, irrigation pumps of lift irrigation schemes including water drawn by agriculture pumps for use by cattle and pump connections for the purpose of fodder farming associated to Gaushalas to whom flat rate tariff is applicable.

Tariff:

S. No.	Sub-Category	Monthly Fixed charges (Rs. per HP)	Energy charges (paise per unit)
LV- 5.1			
a) (i)	First 300 units per month	60	489
(ii)	Above 300 units up to 750 units in the month	76	592
(iii)	Rest of the units in the month	84	620
b)	Temporary connections	84	620
c)	DTR metered group consumers	Nil	469
LV-5.2			
a) (i)	First 300 units per month	60	489
(ii)	Above 300 units up to 750 units in the month	76	592
(iii)	Rest of the units in the month	84	620
b)	Temporary connections	84	620
LV-5.3			
a)	Up to 25 HP in urban areas	122 per HP	545
b)	Up to 25 HP in rural areas	91 per HP	528
c)	Demand based tariff (Contract demand up to 150 HP) (Mandatory above 25 HP) in urban areas	281 per kW or 225 per kVA of billing demand	620
d)	Demand based tariff (Contract demand up to	150 per kW or 120 per	620

S. No.	Sub-Category	Monthly Fixed charges (Rs. per HP)	Energy charges (paise per unit)
	150 HP) (Mandatory above 25 HP) in rural areas	kVA of billing demand	
LV-5.4		See para 1.2 of terms & conditions	

Note: The agriculture consumers in urban area connected to a feeder other than separated agriculture feeder will be billed as per consumption recorded in the meter. Existing unmetered consumers may be billed as per flat rate till meters are installed. DISCOMs must ensure that meters on all such connections are installed by the end of the current financial year.

Specific Terms and Conditions for LV-5 category:

1.1 **Billing of consumers under tariff schedule LV 5.1:** Billing to the consumers covered under tariff schedule LV 5.1 shall be done on a monthly basis based on the consumption recorded in the meter. Unmetered temporary connection under this schedule shall be billed on the basis of assessment of consumption provided under condition 1.3 (iii) of this schedule.

1.2 **Billing of consumers under tariff schedule LV 5.4:**
The bill for the consumer covered under the tariff category LV 5.4 shall be calculated at the rates specified under the tariff schedule LV 5.1 based on norms for assessment of units per HP specified under condition 1.3 of this schedule. In event of tariff subsidy for consumers, action as mandated under Section 65 of the Electricity Act, 2003 shall be ensured by all concerned and such consumers shall be billed accordingly by the Distribution Licensees.

1.3 **Basis of energy audit and accounting for categories LV 5.1 and LV 5.4**:

i) For energy audit and accounting purposes, actual billed consumption of LV 5.4 and metered consumers covered under tariff schedule LV 5.1 shall be considered.

ii) For unmetered agriculture consumers under LV 5.4 category, assessed consumption shall be as per following norms:

Particulars	No. of units per HP of sanctioned load per month	
	Urban/Rural Area	
Type of Pump/Motor	**April to Sept**	**Oct to March**
Three Phase	**95**	**170**
Single Phase	**95**	**180**

iii) For unmetered temporary agriculture consumers under LV 5.1 category, assessed consumption shall be as per following norms:

Particulars	**No. of units per HP of sanctioned load per month**	
Type of Pump/ Motor	**Urban Area**	**Rural Area**
Three Phase	**220**	**195**
Single Phase	**230**	**205**

1.4 Agricultural consumers opting for temporary supply shall have to pay the charges in advance for three months including those who request to avail connection for one month only subject to replenishment from time to time for extended period and adjustment as per final bill after disconnection. Regarding temporary connection for the purpose of threshing the crops, temporary connection for a period of one month can be served at the end of Rabi and Kharif seasons only with payment of one month's charges in advance.

1.5 Following **incentive*** shall be given to the metered agricultural consumers on installation of energy saving devices –

S. No.	**Particulars of Energy Saving Devices**	**Rate of rebate**
1.	ISI / BEE star labeled motors for pump sets	15 paise per unit
2.	ISI / BEE star labeled motors for pump sets and use of frictionless PVC pipes and foot valve	30 paise per unit
3.	ISI / BEE star labeled motors for pump sets and use of frictionless PVC pipes and foot valves along with installation of shunt capacitor of appropriate rating	45 paise per unit

*Incentive shall be allowed on the consumer's contribution part of the normal tariff (full tariff minus amount of Govt. subsidy per unit, if any) for installation of energy saving devices under demand side management. This incentive will be admissible only if full bill is paid within due dates failing which all consumed units will be charged at normal rates. Incentive will be admissible from the month following the month in which Energy Saving Devices are put to use and its verification by a person authorized by the Distribution Licensee. The Distribution Licensee is required to arrange wide publicity to above incentive in rural areas. The licensee is required to place quarterly information regarding incentives provided on its website.

1.6 **Additional Charge for Excess Demand:** Shall be billed as given in the General Terms and Conditions of Low Tension Tariff.

1.7 **Delayed payment surcharge** in case of agriculture consumers on LV - 5.4 flat rate tariff shall be levied @ of Rs 1 every month for each block or part thereof of arrears of Rs.100/-. For other sub categories of this Tariff Schedule, the delayed payment surcharge shall be billed as specified under General Terms and Conditions of Low Tension Tariff.

1.8 **Specific conditions for DTR metered consumers:**

a) All the consumers connected to the DTR shall pay the energy charges for the units worked out based on their actual connected load.

b) The Distribution Licensee will obtain consent of such connected consumers for billing as per procedure specified in (a) above.

1.9 One CFL/ LED lamp up to 20 Watt is permitted at or near the pump in the power circuit.

1.10 The use of three phase agriculture pump by installing external device during the period when the supply is available on single phase, shall be treated as illegal extraction of energy and action as per prevailing rules and Regulations shall be taken against the defaulting consumer.

1.11 No minimum charges are applicable to this category of consumers.

1.12 Other terms and conditions shall be as specified under General Terms and Conditions of Low Tension Tariff.

Tariff Schedule LV - 6

E- VEHICLE / E-RICKSHAWS CHARGING STATIONS

Applicability:

The tariff is applicable exclusively for Electric Vehicle / Electric Rickshaws charging and battery swapping stations. However, tariff for other consumers who use electricity for charging their own Vehicle / Rickshaws shall be the same as applicable for the relevant category of metered connection from which the Vehicle / Rickshaws are being charged.

Applicable Tariff:

Category	**Energy Charge (Paise/unit)**
Electric Vehicle/ Rickshaw Charging Stations	690

Specific Terms and Conditions for LV-6 category:

a) The energy charges for E- Vehicle / E- Rickshaws charging stations shall be applicable as below:-

   (i) **During Solar Hours (9 AM to 5 PM):** Rebate of 20% on normal rate of energy charge shall be applicable on energy consumed during this period and;

   (ii) **During Non-Solar Hours (for remaining part of Day):** Surcharge of 20% on normal rate of energy charge shall be applicable on energy consumed during this period.

b) Other terms and conditions shall be as specified under General Terms and Conditions of Low Tension Tariff.

GENERAL TERMS AND CONDITIONS OF LOW-TENSION TARIFF

1. **Rural Areas** mean those areas notified by the GoMP vide notification no. 2010/F13 /05/13/2006 dated 25th March 2006 as may be amended from time to time. **Urban areas** mean all areas other than those notified by the GoMP as Rural Areas.

2. Tariff for Green Energy shall be inclusive of normal tariff as applicable to that category of consumer and Green Energy Charges as mentioned in Clause 12 of General Terms and Conditions of LT Tariff.

3. **Rounding off:** All bills will be rounded off to the nearest rupee i.e. up to 49 paisa shall be ignored and 50 paisa upwards shall be rounded off to next Rupee.

4. **Billing Demand:** In case of demand based tariff, the billing demand for the month shall be the actual maximum kVA demand of the consumer during the month or 90% of the contract demand, whichever is higher. The billing demand shall be rounded off to the nearest integer number i.e. fraction of 0.5 or above will be rounded to next higher integer and the fraction of less than 0.5 shall be ignored.

5. **Fixed charges billing:** Unless specified otherwise, fractional load for the purposes of billing of fixed charges shall be rounded off to nearest integer i.e. fraction of 0.5 or above will be rounded to next higher integer and the fraction of less than 0.5 shall be ignored. However, for loads less than one kW/HP, it shall be treated as one kW/HP.

6. **Method of billing of Minimum Charges:**

   A. **For consumers where applicable**:

      i. The consumer shall be billed one twelfth of annual minimum consumption (kWh) specified for his category each month in case the actual consumption is less than above mentioned minimum consumption.

      ii. During the month in which actual cumulative consumption equals or is greater than the annual minimum consumption, no further billing of monthly minimum consumption shall be done in subsequent months of the financial year and only actual recorded consumption shall be billed.

      iii. Minimum consumption shall be adjusted in the month in which cumulative actual or billed monthly consumption exceeds cumulative monthly prorated minimum annual consumption. If actual cumulative consumption does not get fully adjusted in that month, adjustment shall continue to be provided in subsequent months of the financial year. The following example illustrates the procedure for monthly billing of consumption where prorated monthly minimum consumption is 100 kWh based on annual consumption of 1200 kWh.

Month	Actual cumulative consumption (kWh)	Cumulative minimum consumption (kWh)	Higher of 2 and 3 (kWh)	Already billed in the year (kWh)	To be billed in the month = (4-5) (kWh)
1	2	3	4	5	6
April	95	100	100	0	100
May	215	200	215	100	115
June	315	300	315	215	100
July	395	400	400	315	85
Aug	530	500	530	400	130
Sept	650	600	650	530	120
Oct	725	700	725	650	75
Nov	805	800	805	725	80
Dec	945	900	945	805	140
Jan	1045	1000	1045	945	100
Feb	1135	1100	1135	1045	90
March	1195	1200	1200	1135	65

7. **Additional Charge for Excess connected load or Excess Demand:** Shall be billed as per the following procedure:

   a) **For demand based tariff:** The consumers availing supply at demand based tariff shall restrict their actual maximum demand within the contract demand. However, in case the actual maximum demand recorded in any month exceeds 120% of the contract demand, the tariff in this schedule shall apply to the extent of 120 % of the contract demand only. The consumer shall be charged for demand recorded in excess of 120% of contract demand (termed as Excess Demand) at the following rates: -

      i. **Energy charges for Excess Load**: No extra charges are applicable on energy charges due to excess demand or excess connected load

      ii. **Fixed Charges for Excess Demand:** These charges shall be billed as per the following:

         1. **Fixed Charges for Excess Demand when the recorded maximum demand is up to 130% of the contract demand**: Fixed Charges for Excess Demand over and above the 120 % of contract demand shall be charged at 1.3 times the normal rate of Fixed Charges.

         2. **Fixed Charges for Excess Demand when the recorded maximum demand exceeds 130% of contract demand**: In addition to Fixed Charges in 1 above, recorded demand over and above 130 % of the contract demand shall be charged at 2 times the normal rate of Fixed Charges.

b) **For connected load based tariff:** The consumers availing supply at connected load based tariff shall restrict their actual connected load within the sanctioned load. However, in case the actual connected load in any month exceeds 120% of the sanctioned load, the tariff in this schedule shall apply to the extent of 120 % of the sanctioned load only. The consumer shall be charged for the connected load found in excess of 120% of the sanctioned load (termed as Excess Load) at the following rates:-

i. **Energy charges for Excess Load**: No extra charges are applicable on energy charges due to excess demand or excess connected load

ii. **Fixed Charges for Excess load:** These charges shall be billed as per the following, for the period for which the use of excess load is determined in condition i) above:

1. **Fixed Charges for Excess load when the connected load is found up to 130% of the sanctioned load**: Fixed Charges for Excess load over and above the 120 % of sanctioned load shall be charged at 1.3 times the normal rate of Fixed Charges.

2. **Fixed Charges for Excess load when the connected load exceeds 130% of sanctioned load**: In addition to Fixed Charges in 1 above, connected load found over and above 130 % of the sanctioned load shall be charged at 2 times the normal rate of Fixed Charges.

c) The above billing for Excess Connected Load or Excess Demand, applicable to consumers is without prejudice to the Distribution Licensee's right to ask for revision of agreement and other such rights that are provided under the Regulations notified by the Commission or under any other law.

d) The maximum demand of the consumer in each month shall be reckoned as four times the largest amount of kilovolt-ampere hours delivered at the point of supply of the consumer during any continuous fifteen minutes in that month.

8. Incentives/Rebates:

(a) **Rebate on advance payment**: For advance payment made before commencement of consumption period for which bill is prepared, a rebate at one twelfth of annual interest rate in percentage applicable on working capital shall be given on the amount (excluding security deposit), which remains with the Distribution Licensee at the end of billing month. However, such amount shall be credited to the account of the consumer after adjusting any amount payable to the Distribution Licensee.

(b) **Incentive for prompt payment**: An incentive for prompt payment @ 0.50% of the bill amount (excluding security deposit, any subsidy given by Government and Government levies viz. Electricity Duty and Cess etc.) shall be given in case the payment is made at least 7 days in advance of the due date of payment where the current month billing amount is equal to or greater than Rs. Ten Thousand. The consumers in arrears shall not be entitled for this incentive.

(c) Rebate for online bill payment:

(i) Rebate of 0.50% on the total bill amount subject to maximum Rs.20 and minimum Rs 5 shall be applicable.

Provided that the consumers covered under LV-1: Domestic, shall be eligible for rebate of 0.50%, without any ceiling on maximum rebate amount.

(ii) The rebate as per Clause 8(c) (i) above, shall also be applicable to prepaid consumer on all types of recharges irrespective of mode of recharge i.e., Online of Offline:

Provided that such rebate shall not be applicable for initial recharge amount brought forward from security deposit amount of the prepaid consumers.

(d) Load Factor incentive: Following slabs of incentive shall be allowed for consumers billed under demand based tariff:

Load factor	Concession in energy charges
Above 25% and up to 30 % load factor on contract demand	12 paise per unit concession on the normal energy charges for all energy consumption over and above 25% load factor during the billing month
Above 30% and up to 40 % load factor on contract demand	In addition to load factor concession available up to 30% load factor, concession at the rate of 24 paise per unit on the normal energy charges for all energy consumption over and above 30 % load factor during the billing month
Above 40% load factor on contract demand	In addition to load factor concession available up to 40% load factor, concession at the rate of 36 paise per unit on the normal energy charges for all energy consumption over and above 40% load factor during the billing month

The **load factor** shall be calculated as per the following formula:

$$\text{Load factor (\%)} = \frac{\text{Monthly consumption X 100}}{\text{No. of hours in the billing month X Demand (KW)}}$$

i. Monthly consumption shall be units (kWh) consumed in the month excluding those received from sources other than Licensee.

ii. No. of Hours in billing month shall exclude period of scheduled outages in hours.

iii. Demand shall be maximum demand recorded or contract demand whichever is higher.

Note: The Load Factor (%) shall be rounded off to the nearest lower integer. The billing month shall be the period in number of days between the two consecutive dates of meter readings taken for the purpose of billing to the consumer for the period under consideration as a month.

(e) Power Factor Incentive:

If the average monthly power factor of the consumer (other than LV-1: Domestic Consumer) is 86% or above, incentive shall be payable as follows:

Average Monthly Power Factor	Percentage incentive payable on billed energy charges
86%	0.5
87%	1.0
88%	1.5
89%	2.0
90%	2.5
91%	3.0
92%	3.5
93%	4.0
94%	4.5
95%	5.0
96%	6.0
97%	7.0
98%	8.0
99%	9.0
100%	10.0

For this purpose, the "average monthly power factor" shall have the same meaning as in Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time.

Provided that this Incentive shall be billed on the basis of energy actually consumed during the month.

All the rebates/incentives shall be calculated on amount excluding Government Subsidy, if any.

(f) Time of Day (ToD) Rebate/Surcharge: This rebate/surcharge shall be applicable to consumer categories LV-2: Non-Domestic and LV-4: LT Industrial Consumers having contract demand exceeding 10 kW. Rebate/Surcharge shall be as given below:-

(i) Rebate of 20% on normal rate of energy charge shall be applicable for energy consumed during the Solar Hours i.e., during 9 AM to 5 PM (Off-peak period) and;

(ii) Surcharge of 20% on normal rate of energy charge shall be applicable for energy consumed during the Peak period i.e., during 6 AM to 9 AM and 5 PM to 10 PM.

9. Other Terms and Conditions:

(a) The Sanctioned Load / Connected Load (for sanctioned load based tariff) or Contract Demand (for demand based tariff), as the case may be, should not exceed 112kW / 150 HP except where a higher limit is specified or the category is exempted from the ceiling on connected load. If the consumer exceeds his connected load or contract demand as the case may be beyond this ceiling in two consecutive billing months during the tariff period, the Distribution Licensee may insist on the consumer to avail HT supply.

(b) No metering charges shall be levied.

(c) In case the cheque presented by the consumer is dishonoured, without prejudice to Distribution Licensee's rights to take recourse to such other action as may be available under the relevant law, a service charge of Rs. 150 plus applicable GST per cheque shall be levied in addition to delayed payment surcharge

(d) Other charges, wherever applicable shall be as specified in Madhya Pradesh Electricity Regulatory Commission (Recovery of Expenses and other Charges for providing Electric Line or Plant used for the purpose of giving Supply) Regulations, 2022 and amendments thereof.

(e) Existing LT power consumer (other than LV-1: Domestic Consumer) shall ensure that LT capacitor of proper rating is provided. In this regard, the Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time may be referred for guidance. It shall be the responsibility of the consumer to ensure that overall average power factor during any month is not less than 0.8 (80%) failing which the consumer shall be liable to pay low power factor surcharge on the entire billed amount against energy charges during the month. Provided that such surcharge shall be billed on the basis of energy actually consumed during the month. Power factor surcharge shall be billed at the rates given below in e(1) and e(2):

e(1) For the consumer whose meter is capable of recording average power factor:

Power Factor	Percentage Surcharge payable on billed energy charges
79%	1%
78%	2%
77%	3%
76%	4%
75%	5%
74%	6.25%
73%	7.50%
72%	8.75%
71%	10.00%
Below 71%	10.00%

For this purpose, the "average monthly power factor" shall have the same meaning as in Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time.

In case of billing or credit of minimum consumption such surcharge shall be billed with respect to energy actually consumed during the month.

e(2) For the consumer other than e(1) above: The consumer (other than LV-1: Domestic Consumer) shall ensure that LT capacitors of proper rating are provided and are in good working condition. In this regard, the Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time may be referred for guidance. In case of failure to meet the above criteria, the consumer would be levied a low power factor surcharge of 10% on the entire billed amount against energy charges during the month and would be continued to be billed till such time the consumer meets the above criteria.

In case of billing or credit of minimum consumption such surcharge shall be billed with respect to energy actually consumed during the month.

(f) Levy of power factor surcharge as indicated hereinabove shall be without prejudice to the rights of the Licensee to disconnect the consumer's installation, if steps are not taken to improve the power factor by installing suitable shunt capacitors.

(g) In case of any dispute on applicability of tariff on a particular LT category, the decision of the Commission shall be final.

(h) The tariff does not include any tax, cess or duty, etc. on electrical energy that may be payable at any time in accordance with any law then in force. Such charges, if any, shall also be payable by the consumer in addition to the tariff charges and applicable miscellaneous charges.

(i) **Delayed payment Surcharge for all categories:** Surcharge at the rate of 1.25 % per month or part thereof on the amount outstanding (including arrears) will be payable if the bills are not paid up to due date subject to a minimum of Rs.5/- per month for total outstanding bill amount up to Rs. 500/- and Rs 10/ per month for amount of bill more than Rs.500/. The part of a month will be reckoned as full month for the purpose of calculation of delayed payment surcharge. The delayed payment surcharge will not be levied for the period after supply to the consumer is permanently disconnected. However, for the temporary connection, if any, amount is outstanding after disconnection, Delayed Payment Surcharge at the rate of 1.25% per month or part thereof shall be applicable as per Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

(j) In case of conversion of LT connection into HT connection, it is mandatory on the part of both the consumer and the licensee to get the HT agreement executed before availing supply at HT.

(k) Use of mix loads in one connection: Unless otherwise permitted specifically in the tariff category, the consumer using mix loads for different purposes shall be billed for the purpose for which the tariff is higher.

(l) Consumers in the notified Industrial Growth Centres/Industrial areas/Industrial parks receiving supply under urban discipline shall be billed urban tariff.

(m) No change in the tariff or the tariff structure including minimum charges for any category of consumer is permitted except with prior written permission from the Commission. Any action taken without such written permission of the Commission shall be treated as null and void and shall also be liable for action under relevant provisions of the Electricity Act, 2003.

(n) All conditions prescribed herein shall be applicable to the consumer notwithstanding if any contrary provisions exist in the agreement entered into by the consumer with the licensee.

(o) If any difficulty arises in giving effect to any of the provisions of this order, the Commission may, by general or special order, direct the Licensees to do or undertake things, which in the opinion of the Commission is necessary or expedient for the purpose of removing the difficulties.

10. Additional conditions for Temporary Supply at LT:

Temporary supply cannot be demanded by a prospective/ existing consumer as a matter of right but will normally be arranged by the Distribution Licensee when a requisition giving due notice is made. The temporary additional supply to an existing consumer also shall be treated as a separate service and charged subject to following conditions. However, service under Tatkal Scheme shall be made available within 24 hours subject to charges as specified in Madhya Pradesh Electricity Regulatory Commission (Recovery of Expenses and other Charges for providing Electric Line or Plant used for the purpose of giving Supply) Regulations, 2022 and amendments thereof.

(a) Fixed Charge and Energy Charge for temporary supply shall be billed at 1.25 times the normal charges as applicable to relevant category if not specified otherwise specifically.

(b) Estimated bill amount is payable in advance before serving the temporary connection subject to replenishment from time to time and adjustment as per final bill after disconnection. No interest shall be given to consumers for this advance payment.

(c) The Sanctioned load / connected load (for sanctioned load based tariff) or contract demand (for demand based tariff), as the case may be, shall not exceed 112kW / 150 HP.

(d) The month for the purpose of billing of charges for temporary supply shall mean 30 days from the date of connection. Any period less than 30 days shall be treated as full month for the purpose of billing.

(e) Connection and disconnection charges and other miscellaneous charges shall be paid separately as specified in Madhya Pradesh Electricity Regulatory Commission (Recovery of Expenses and other Charges for providing Electric Line or Plant used for the purpose of giving Supply) Regulations, 2022 and amendments thereof.

(f) Load factor concession shall not be allowed on the consumption for temporary connection.

(g) Power factor incentive/penalty shall be applicable at the same rate as applicable for permanent connection.

11. Consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking Certification to this effect shall be required to pay Green Energy Charges at the rate of Rs. 0.56/kWh and such charges shall be applicable over and above the normal tariff for that category of consumers. This facility shall be available to consumers who requisition any quantum of power upto 100% of their monthly consumption for availing power from RE sources. Further, such consumers may avail Green Energy for any number of days in a billing month.

12. The Consumers availing green energy from Distribution Licensee in accordance with provisions of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, shall be required to pay Green Energy Charges at Rs. 0.29/ kWh for Wind, Rs. 2.53/ kWh for HPO and Rs. 0.34/ kWh for Other, which shall be over and above the normal tariff of respective consumer category as per this Tariff Order.

13. Standby Charges:- Standby Charges for the purpose of Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 as amended from time to time, shall be 0.25 times of the tariff applicable to the consumer availing Green Energy Open Access, which shall be over and above the normal tariff of the respective consumer category.

14. The accounting and settlement for consumers availing net metering facility shall be as per Madhya Pradesh Electricity Regulatory Commission (Grid Interactive Renewable Energy System and Related Matters) Regulations, 2022 as amended from time to time.

15. Wherever, there is contradiction in general terms & conditions and specific terms & conditions for any particular category, the specific terms and conditions shall prevail for that category.

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Annexure-3 (Tariff Schedules for High Tension Consumers)

ANNEXURE TO THE TARIFF ORDER PASSED BY MPERC FOR FINANCIAL YEAR 2024-25

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
TARIFF SCHEDULES FOR HIGH TENSION CONSUMERS

Table of Contents

Tariff Schedule - HV - 1

RAILWAY TRACTION:

Applicability:

This Tariff shall apply to the Railways for Traction loads only.

Tariff:

S. No.	Category of consumer	Monthly Fixed Charge (Rs. per kVA of billing demand per month)	Energy Charge (paise / unit)
1	Railway Traction on 132 kV / 220 kV	320	605

Note: A rebate of Rs. 2 per Unit in energy charges is applicable. This rebate shall be applicable up to FY 2024-25.

Specific Terms and Conditions:

(a) In order to give impetus to electrification of Railway network in the State, a rebate of 15% in energy charges for new Railway traction projects shall be allowed for a period up to FY 2024-25 for new projects. The rebate provided in earlier orders shall remain in force at the rate and for the duration as mentioned in those tariff orders.

(b) The dedicated feeder maintenance charges shall not be applicable.

(c) Annual Minimum charges shall be based on minimum consumption of 1500 units (kWh) per kVA of Contract Demand. The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

(d) The consumer shall at all times restrict their actual maximum demand within the contract demand. In case the actual maximum demand in any month exceeds 120% of the contract demand, the tariffs given in various schedules shall apply to the extent of the 120% of the contract demand only. The consumer shall be charged for excess demand computed as difference of recorded maximum demand and 120% of contract demand on fixed charges and while doing so, the other terms and conditions of tariff, if any, shall also be applicable on the said excess demand.

(e) **Energy charges for excess demand**: No extra charges are applicable on the energy charges due to the excess demand or excess connected load.

(f) The excess demand so computed as per above, if any, in any month shall be charged at the following rates:

(a) When the recorded maximum demand is up to 130% of contract demand- Excess Demand over and above 115 % of the contract demand—at the rate of Rs. 352 per kVA

(b) When the recorded maximum demand exceeds 130% of contract demand: - In addition to fixed charges in (a) above, recorded demand over and above 30 % of the contract demand shall be charged—at the rate of Rs. 480 per kVA

While doing so, other provisions of electricity tariff (such as tariff minimum charge etc.) will also be applicable on aforesaid excess demand.

(g) Power Factor Penalty:

i. If the average monthly power factor of a consumer falls to 89 percent or below but upto 85 %, penalty will be levied at the rate of one percent of total energy charges for the month for each one percent fall in the average monthly power factor below 90 percent. **For determination of power factor, lag only logic shall be used and no power factor penalty shall be levied if leading power factor is recorded.**

ii. If the average monthly power factor of a consumer falls to 84 percent or below, the consumer shall be levied a penalty of 5% (five percent) plus @ 2% (two percent) for each one percent fall in his average monthly power factor below 85 percent, on the total amount of bill under the head of "Energy Charge". This penalty shall be subject to the condition that overall penalty on account of low power factor does not exceed 35%.

iii. For this purpose, the "average monthly power factor" shall have the same meaning as in Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time.

iv. Notwithstanding what has been stated above, if the average power factor of a new connection of the consumer is found to be 89% or less in any month during the first 6 (six) months from the date of connection, the consumer shall be entitled to a maximum period of six months to improve it to not less than 90% subject to following conditions:

- This period of six months shall be reckoned from the month in which the average power factor was found for the first time to be 89% or less.

- In all cases, the consumer will be billed penal charges for low power factor, but in case the consumer maintains the average power factor in subsequent three months (thus in all four months) to not less than 90%, the charges on account of low power factor billed during the said six months period, shall be withdrawn and credited in next monthly bills.

- The facility, as mentioned herein, shall be available not more than once to new consumer whose average power factor is 89% or less at any time during 6 months from the date of connection. Thereafter, the charges on account of low average power factor, if found 89% or less, shall be payable as by any other consumer.

(h) Emergency feed extension: Provided that if as a result of the emergency in the traction substation or in the transmission line supplying load or part thereof is transferred to an adjacent traction substation, the M.D. for the month for that adjacent traction substation shall be as the average of M.D. for previous three months during which no emergency had occurred.

(i) Other terms and conditions shall be as mentioned in the General Terms and Conditions of High Tension Tariff.

Tariff Schedule - HV – 2

COAL MINES:

Applicability:
This Tariff shall apply to the Coal Mines for power, ventilation, lights, fans, coolers, etc. which shall mean and include all energy consumed for coal mines and lighting in the offices, stores, canteen, compound lighting etc. and the consumption for residential use therein.

Tariff:

Sub category	Monthly Fixed Charge (Rs./kVA of billing demand per month)	Energy Charge for consumption up to 50% load factor (paise / unit)	Energy Charge for consumption in excess of 50% load factor (paise / unit)
Coal Mines			
11 kV supply	715	751	665
33 kV supply		743	644
132 kV supply		723	623
220 kV supply		701	601

Specific Terms and Conditions:

a. **Minimum Charges based on Consumption** shall be on the following basis:

Supply Voltage	Annual minimum consumption in units (kWh) per kVA of contract demand
For supply at 220 / 132 kV	1620
For supply at 33 / 11 kV	1200

Note: The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

b. **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of High Tension Tariff.

c. Other terms and conditions shall be as specified under General Terms and Conditions of High Tension Tariff.

Tariff Schedule - HV - 3

INDUSTRIAL, NON-INDUSTRIAL AND SHOPPING MALLS

Applicability:

The **tariff HV-3.1(Industrial)** shall apply to all HT industrial consumers including mines (other than coal mines) for power, light and fan etc. which shall mean and include all energy consumed for factory and lighting in the offices, main factory building, stores, canteen, residential colonies of industries, compound lighting, common and ancillary facilities such as Telecom tower, Banks, General purpose shops, Water supply, Sewage pumps, Police Stations, etc. located within the premises of the industrial units and Dairy units where milk is processed (other than chilling, pasteurization etc.) to produce other end products of milk. This tariff shall also apply to cold storages.

The **tariff HV-3.2 (Non Industrial)** shall apply to establishments like Railway Stations, Offices, Hotels, Hospitals, Institutions etc. (excluding group of consumers) having mixed load for power, light and fan etc. which shall mean and include all energy consumed for lighting in the offices, stores, canteen, compound lighting etc. This shall also cover all other categories of consumers, defined in LT non-domestic category subject to the condition that the HT consumer shall not redistribute/sub-let the energy in any way to other person.

The **tariff HV-3.3 (Shopping malls)** shall apply to establishments of shopping malls having group of non-industrial consumers subject to the specific terms and conditions specified in (i) of this schedule.

Shopping Mall shall be a multi-storeyed shopping centre in an urban area having a system of enclosed walkways with collection of independent retail stores, services and parking areas constructed and maintained by a management firm/ developer as a unit.

The **tariff HV-3.4 (Power intensive industries)** shall apply to Mini Steel Plants (MSP), MSP with rolling mills/ sponge iron plants in the same premises, electro chemical/ electro thermal industry, Ferro alloy industry which shall mean and include all energy consumed for factory and lighting in the offices, main factory building, stores, canteen, residential colonies of industries, compound lighting etc

Tariff:

S. No.	Sub-Category of consumer	Monthly Fixed Charge (Rs./kVA of billing demand per month)	Energy Charge for consumption up to 50% load factor (paise / unit)	Energy Charge for consumption in excess of 50% load factor (paise / unit)
3.1	**Industrial**			
	11 kV supply	384	730	630
	33 kV supply	616	726	621
	132 kV supply	704	685	586
	220/400 kV supply	704	640	540
3.2	**Non-Industrial**			
	11 kV supply	348	770	680
	33 kV supply	501	753	655
	132 kV supply & above	593	705	595
3.3	**Shopping Malls**			
	11 kV supply	356	750	675
	33 kV supply & above	413	740	635
3.4	**Power intensive industries**			
	33 kV supply	627	565	565
	132 kV supply & above	766	541	541

<u>Specific Terms and Conditions:</u>

(a) **Minimum Charges based on Consumption** for all the above categories shall be on following basis:

Supply Voltage	Sub- category	Annual minimum consumption in units (kWh) per kVA of contract demand
For supply at 132 kV & above	Rolling Mills	1200
	Educational institutions	720
	Others	1800
For supply at 33 / 11 kV	Educational institutions	600
	Contract demand up to 100 kVA	600
	Others	1200

Note: The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

(b) **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of High Tension Tariff.

(c) **Rebate for supply through feeders feeding supply to predominantly rural areas**: HT consumers of this category receiving supply through rural feeders shall be entitled to 5 % rebate on Fixed Charges and 20 % reduction in Minimum Consumption (kWh) as specified above for respective voltage levels.

(d) **Rebate for existing HT connections:** A rebate of Rs. 1 per Unit in energy charges is applicable for incremental monthly consumption w.r.t corresponding month of FY 2015-16. For any new consumer served during and after FY 2015-16, the base months for calculation of incremental monthly consumption shall be the first 12 months subsequent to the month of availing the connection. The incremental consumption for any month shall be worked out considering the consumption of the corresponding base month.

The consumer availing this rebate shall not be entitled to the rebate of new HT connection/ Green field connection under clause (e) below.

(e) **Rebate for new HT connections:** A rebate of Rs 1 per Unit or 20% whichever would be less is applicable in energy charges for new connection for the consumption recorded. The rebate shall be allowed upto FY 2024-25 from the date of connection for such new projects for which agreements for availing supply from licensee are finalized during and after FY 2016-17.

Provided that no rebate shall be applicable for connections obtained by virtue of change in ownership in existing connection or by reconnection.

Provided also that new connection on the permanently disconnected premises shall only be eligible for such rebate, if, the application for new service connection on such premises is received not before the expiry of six months from the date of its permanent disconnection.

The consumer availing this rebate shall not be entitled for the rebate of incremental consumption under clause (d) above.

(f) **Rebate for Captive power plant consumers:**

Applicability: The rebate shall be applicable to consumers-

i. Who have been meeting their demand either fully or partially during FY 2016-17 and/or FY 2017-18 and/or FY 2018-19 and/or FY 2019-20 and/or FY 2020-21 and/or FY 2021-22 and/or FY 2022-23 and/or FY 2023-24 through their captive power plants located in Madhya Pradesh.

ii. The rebate shall be applicable upto FY 2024-25 from the date of request submitted by the consumer to the Licensee during and after FY 2017-18. The consumer shall be required to apply to the Licensee for the rebate indicating that he would be willing to avail supply from Licensee by switching consumption from his existing captive power plant.

iii. The **base year** shall be the financial year preceding the year during which the consumer has applied for switching consumption from his captive power plant to the licensee.

e.g., If a consumer applies for switching his consumption from captive power plant to Licensee in August, 2018, then his base year for calculation of incremental consumption would be FY 2017-18.

iv. Who have recorded an incremental consumption i.e., an increase in the units consumed from the Licensee in any month of the current year (FY 2024-25) compared to the same month in **base year**.

v. A rebate of Rs 2 per unit shall be applicable on incremental units of the consumer subject to reduction in captive generation as per the methodology given below:-

	Base Year		**Current Financial Year**		**Incremental Consumption from DISCOM**	**Reduction in Captive Generation**	**Units eligible for Rs 1/unit rebate in energy charges as per Clause (d) or (e) of specific terms & conditions**	**Units eligible for Rs 2/ Unit rebate on incremental units**
	Consumption from DISCOM (Units)	Captive Generation Units	Consumption from DISCOM (Units)	Captive Generation (Units)	**Units**	**Units**	**Units**	**Units**
	(A1)	(B1)	(A2)	(B2)	X= A2-A1	Y = B1-B2		
Scenario 1	100	90	110	90	10	0	10	0
Scenario 2	100	90	110	80	10	10	0	10
Scenario 3	100	90	110	70	10	20	0	10
Scenario 4	100	90	100	80	0	10	0	0
Scenario 5	100	90	120	80	20	10	10	10

Note: 1) Captive power plant referred above shall be the "Captive Generating Plant" as defined in Rule 3 of the Electricity Rules, 2005

2) For new consumers added during this tariff period who were fully meeting their demand from their captive power plants during the previous financial year, their consumption from DISCOM may be treated as zero for the base year.

X = the incremental consumption recorded by the captive consumer in any month of the current financial year compared to the same month of base year.

And

Y = the quantum of reduction in units consumed from captive plant (self-consumption) achieved by the captive consumer in any month of the current financial year compared to the same month in the base year.

For all other cases of incremental consumption i.e when X>Y, the existing rebate of Rs 1/unit in energy charges will be applicable on X-Y units (as per the rebate for incremental consumption given in clause (d) or (e) in the Specific Terms & Conditions for HV-3).

Scenario 1: There is no reduction in Captive Generation but only incremental consumption from DISCOM, hence a rebate of Rs 1/unit in energy charges is applicable on incremental consumption from DISCOM (as per the rebate for incremental consumption given in clause (d) or (e) in the Specific Terms & Conditions for HV-3).

Scenario 2: The incremental consumption from DISCOM is due to the reduction of captive consumption by same quantum of units hence it will attract a rebate of Rs 2 per unit on incremental units.

Scenario 3: There is higher reduction in Captive Generation as compared to incremental Consumption from DISCOM hence incremental units consumed from the DISCOM as shown in the table, shall qualify for a Rebate of Rs 2 per unit.

Scenario 4: There shall not be any rebate due to absence of incremental Consumption from DISCOM irrespective of reduction in Captive Generation.

Scenario 5: This scenario depicts higher incremental consumption from DISCOM (X) than reduction in Captive Generation (Y) hence units corresponding to (X-Y) shall qualify for rebate of Rs 1/unit in energy charges (as per the rebate for incremental consumption given in clause (d) or (e) in the Specific Terms & Conditions for HV-3) while units Y shall qualify for Rebate of Rs 2 per unit.

(g) Rebate for Open Access Consumers

Applicability: The rebate shall be applicable to consumers

i. Who have been availing open access during the last financial year (FY 2023-24).
ii. Who have recorded an incremental consumption i.e., an increase in the units consumed from the Licensees in any month of the current year (FY 2024-25) compared to the same month in last year (FY 2023-24).
iii. The rebate shall be applicable from the date of request submitted by the consumer to the Licensee during FY 2024-25.
iv. The consumer shall be required to apply with the Licensee for the rebate indicating that he would be willing to avail supply from Licensee by switching consumption from open access.
v. A rebate of Rs 1 per unit shall be applicable on incremental units of the consumer subject to reduction in open access consumption as per the methodology given below.

	FY 2023-24		**FY 2024-25**		**Incremental Consumption from DISCOM X= A2-A1**	**Reduction in OA units Y = B1-B2**	**Applicable units for rebate as per clause (d) of specific terms & conditions**	**Rs 1/unit rebate on incremental units of Open Access**
	Consumption from DISCOM (A1)	**Wheeled Units (B1)**	**Consumption from DISCOM (A2)**	**Wheeled Units (B2)**				
Scenario 1	100	90	110	90	10	0	10	0
Scenario 2	100	90	110	80	10	10	0	10
Scenario 3	100	90	110	70	10	20	0	10
Scenario 4	100	90	100	80	0	10	0	0
Scenario 5	100	90	120	80	20	10	10	10

X = the incremental consumption recorded by the open access consumer in any month of the current financial year as compared to the same month of base year.
And

Y = the quantum of reduction in units consumed from open access by the consumer in any month of the current financial year as compared to the same month in the base year.
For all other cases of incremental consumption i.e when X>Y, the existing rebate of Rs 1/unit in energy charges will be applicable on X-Y units (as per the rebate for incremental consumption given in clause (d) in the Specific Terms & Conditions for HV-3).

Scenario 1: There is no reduction in open access consumption but only incremental consumption from DISCOM, hence a rebate of Rs 1/unit in energy charges is applicable on incremental consumption from DISCOM (as per the rebate for incremental consumption given in clause (d) in the Specific Terms & Conditions for HV-3).

Scenario 2: The incremental consumption from DISCOM is due to the reduction of open access consumption by same quantum of units hence it will attract a rebate of Rs 1 per unit on incremental units.

Scenario 3: There is higher reduction in open access consumption as compared to incremental Consumption from DISCOM hence incremental units consumed from the DISCOM as shown in the table, shall qualify for a Rebate of Rs 1 per unit.

Scenario 4: There shall not be any rebate due to absence of incremental Consumption from DISCOM irrespective of reduction in open access consumption.

Scenario 5: This scenario depicts incremental consumption from DISCOM (X) and reduction in open access consumption (Y) hence units corresponding to (X-Y) shall qualify for rebate of Rs 1/unit in energy charges (as per the rebate for incremental consumption given in clause (d) in the Specific Terms & Conditions for HV-3) while units Y shall qualify for Rebate of Rs 1 per unit.

(h) Conversion of Existing LT Industrial/Non domestic connection to corresponding HT connection

A rebate of Rs. 1 per unit in the energy charges on the HT tariff shall be provided to those existing LT consumers who convert to HV 3 category during FY 2024-25. The rebate is applicable for FY 2024-25 for the units billed only after the commencement of HT Agreement during FY 2024-25.

(i) Additional specific terms and conditions for shopping mall

Individual end user shall not be levied a rate which is exceeding non-domestic-commercial tariff (LV 2.2) in case of LT connection and HT non-industrial tariff (HV 3.2) in case of HT connection, as determined by the Commission.

Tariff Schedule - HV - 4

SEASONAL:-

Applicability:

This tariff shall be applicable to such seasonal industries / consumers requiring energy for the production purposes for season defined under this schedule.

The licensee shall allow this tariff to any industry having seasonal use only.

Tariff:

Category of consumers	Monthly Fixed Charge (Rs./kVA of billing demand per month)	Energy Charge for consumption up to 50% load factor (paise / unit)	Energy Charge for consumption in excess of 50% load factor (paise / unit)
During Season			
11 kV supply	405	708	602
33 kV supply	448	688	583
During Off-Season			
11 kV supply	Rs. 405 on 10% of contract demand or actual recorded demand during the season, whichever is higher	850 i.e. 120% of seasonal Energy Charge	Not applicable
33 kV supply	Rs. 448 on 10% of contract demand or actual recorded demand during the season, whichever is higher	826 i.e. 120% of seasonal Energy Charge	Not applicable

Specific Terms and Conditions:

a) Season shall mean continuous period upto 6 months with a ceiling of 185 days and minimum period of 3 months.

b) Period other than the declared season shall be considered as the off season period.

c) The consumer has to declare months of season and off season for a year within 60 days of issue of this tariff order and inform the same to the Distribution Licensee. The Year in this case shall be a period of 12 months commencing from start of season / off season, as applicable. If the consumer has already declared the period of season and off-season prior to issuance of this order, same shall be taken into cognizance for the purpose and accepted by the Distribution Licensee.

d) The seasonal period once declared by the consumer during Year cannot be changed.

e) If the declared season or off-season spreads over two tariff periods, then the tariff for the respective period shall be applicable.

f) This tariff is not applicable to composite units having seasonal and other category of loads.

g) **Annual Minimum Charges shall be based on minimum consumption** of 900 units (kWh) per kVA of contract demand to be equally distributed in seasonal months. The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

h) **Time of Day (ToD)) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of High Tension Tariff.

i) The consumer will be required to restrict his monthly off season consumption to 15% of highest of the average monthly consumption of the preceding three seasons. In case this limit is exceeded in any off season month, the consumer will be billed under HV-3.1 Industrial Schedule for the whole year (as opted).

j) The consumer will be required to restrict his maximum demand during off season up to 30 % of the contract demand. In case the maximum demand recorded in any month of the declared off season exceeds 36% of CD (120% of 30% of CD), the consumer will be billed under HV 3.1 Industrial tariff for the whole year (as opted) as per the tariff in force.

k) Other terms and conditions shall be as per the General Terms and Conditions of High Tension Tariff.

Tariff Schedule - HV - 5

IRRIGATION, PUBLIC WATER WORKS AND OTHER THAN AGRICULTURAL

Applicability:

This Tariff Category shall apply to supply of power to lift irrigation schemes, group irrigation, Public Utility Water Supply schemes, sewage treatment plants /sewage pumping plants and for energy used in lighting pump house.

This Tariff category shall also applicable to River link projects implemented by government or its agency provided that the supply of power is utilized for purposes covered under this category only.

Note: Private water supply scheme, water supply schemes run by institutions for their own use/employees/townships etc. will not fall in this category but billed under the appropriate tariff category to which such institution belongs. In case water supply is being used for two or more different purposes then the highest tariff shall be applicable.

This tariff category shall also apply to supply of power to other than agriculture pump connections i.e. the connection for hatcheries, fisheries ponds, poultry farms, cattle breeding farms, grasslands, vegetables/ fruits/ floriculture/ mushroom growing units etc. and dairy (for those dairy units where only extraction/collection of milk and its processing such as chilling, pasteurization etc. is done). However, in units where milk is processed to produce other end products of milk, billing shall be done under HV-3.1 (Industrial) category.

Tariff:

Sub-Category	Monthly Fixed Charge (Rs. / kVA of billing demand per month)	Energy Charge (paise per unit)
11 kV supply	384	610
33 kV supply		596
132 kV & above supply		556

Specific Terms and Conditions:

(a) **Annual Minimum Charge shall be based on Consumption** of 720 units (kWh) per kVA of contract demand. The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

(b) **Time of Day (ToD)) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of High Tension Tariff.

(c) Incentive for adopting Demand Side Management

An **incentive** equal to 5 % energy charges shall be given on installation and use of energy saving devices (such as ISI energy efficient motors for pump sets). **Incentive** will only be admissible if full bill is paid within due dates failing which all consumed units will be charged at normal rates as the case may be. Such incentive will be admissible from the month following the month in which energy saving devices are put to use and its verification by a person authorized by the licensee. The incentive will continue to be allowed till such time these energy saving devices remain in service. The Distribution Licensee is required to arrange wide publicity for above incentive. The Distribution Licensee is required to place quarterly information regarding incentives provided on its web site.

(d) Other terms and conditions shall be as per the General Terms and Conditions of High Tension Tariff.

Tariff Schedule - HV - 6

BULK RESIDENTIAL USERS

Applicability:

The tariff category **HV-6.1** is applicable for supply to industrial or any other township (e.g. that of University or academic institutions, hospitals, MES and Border villages, etc.) for domestic purpose only such as lighting, fans, heating etc. provided that the connected load for essential common facilities such as Non-domestic supply in residential area, street lighting shall be within the limits specified hereunder: -

(i) Water supply and Sewage pumping, Hospital - **No limit**

(ii) Non-domestic and other General purpose put together **- 20% of total connected load,**

The tariff category **HV-6.2** is applicable for supply to Registered Cooperative Group Housing Societies as per the Ministry of Power's notification no. S.O.798 (E) dated 9th June, 2005 and also to other Registered Group Housing Societies and individual domestic user, old age homes, day care centres for senior citizens, rescue houses, orphanages run by Govt./charitable trust, places of worship and religious institutions will also be covered under this category**.** The Terms and Conditions to this category of consumers shall be applicable as per relevant provisions of the Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

Tariff:

S. No.	Category of consumers	Monthly Fixed Charge (Rs. / kVA of billing demand per month)	Energy Charge for consumption up to 50% load factor (paise / unit)	Energy Charge for consumption in excess of 50% load factor (paise / unit)
1	**For Tariff Sub-Category 6.1**			
	11 kV supply	362	637	572
	33 kV supply		622	552
	132 kV supply		600	530
2	**For Tariff Sub-Category 6.2**			
	11 kV supply	230	637	572
	33 kV supply		622	552
	132 kV supply		555	515

Specific Terms and Conditions:

(a) **Annual Minimum Charges shall be based on Consumption** of 780 units (kWh) per kVA of contract demand. The method of billing of minimum consumption shall be as given in General Terms and Conditions of High Tension Tariff.

(b) The individual end user shall not be levied a rate exceeding the tariff applicable to the corresponding LT category.

(c) Other terms and conditions shall be as specified under General Terms and Conditions of High Tension Tariff.

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Tariff Schedule - HV - 7

SYNCHRONIZATION OF POWER FOR GENERATORS CONNECTED TO THE GRID

Applicability:

This Tariff shall apply to those generators who are already connected to the grid and seek to avail power for synchronization with the grid. This Tariff category shall also be applicable to the Generator/Co-generation plant from Renewable Sources entitled to draw power exclusively for its own use from the State Distribution Licensee for synchronization of plant with the grid or during shutdown period of its plant or during other emergencies (but not for construction) or for auxiliaries or forced outage.

Tariff for all voltages:

Category	Energy Charge (Paise/unit)
For all Voltage levels of HV category	1009

Specific Terms and Conditions:

(a) The supply for above purpose with the grid shall not exceed 15% of the capacity of the Power Plant. In case of drawl of power above 15% of the capacity of the power plant on any occasion, the excess energy drawn during the billing month shall be billed at the rate of 2 times of the normal energy charges.

(b) The condition for minimum consumption shall not be applicable to the generators including CPP. Billing shall be done for energy recorded on each occasion of availing supply during the billing month.

(c) The supply shall not be allowed to the CPP for production purpose for which they may avail stand-by support under the relevant Regulations.

(d) The synchronization with the grid shall only be made available after commissioning of the plant.

(e) The generator including CPP shall execute an agreement with the Licensee for meeting the requirement of synchronization/power with the grid incorporating the above terms and conditions.

Tariff Schedule - HV - 8

E- VEHICLE / E- RICKSHAWS CHARGING STATIONS

Applicability:

The tariff is applicable exclusively for Electric Vehicle / Electric Rickshaws charging and Battery Swapping stations. However, tariff for other consumers who use electricity for charging their own Vehicles/Rickshaws shall be the same as applicable for the relevant category of connection from which the Vehicles/Rickshaws is being charged at such premises.

Applicable Tariff:

Category	Energy Charge (Paise/unit)
E- Vehicle / E- Rickshaws Charging Stations	690

Specific Terms and Conditions:

a) The energy charges for E- Vehicle / E- Rickshaws charging stations shall be applicable as given below:-

   (i) **During Solar Hours (9 AM to 5 PM):** Rebate of 20% on normal rate of energy charge shall be applicable on energy consumed during this period and;

   (ii) **During Non-Solar Hours (for remaining part of Day):** Surcharge of 20% on normal rate of energy charge shall be applicable on energy consumed during this period.

b) Other terms and conditions shall be as specified under General Terms and Conditions for High Tension Tariff.

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Tariff Schedule - HV - 9

Metro Rail:

Applicability:

This Tariff shall apply to Metro Rail for Traction and Non-Traction loads.

Tariff:

S. No.	Category	Monthly Fixed Charge (Rs. per kVA of billing demand per month)	Energy Charge (paise / unit)
1	Sub-Urban Rail Transport (Metro Rail) at 132kV/220kV	310	570

Specific Terms and Conditions:

(a) **Additional Charge for Excess demand:** Shall be billed as given in General Terms and Conditions for High Tension tariff.

(b) Annual Minimum charges shall be based on minimum consumption of 1,000 units (kWh) per kVA of Contract Demand, this being the first year of operation of Metro Rail project in the State. The method of billing of minimum charges shall be as given in General Terms and Conditions of High Tension Tariff.

(c) **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable as specified in General Terms and Conditions of High Tension Tariff.

(d) Other terms and conditions shall be as mentioned in the General Terms and Conditions of High Tension Tariff.

GENERAL TERMS AND CONDITIONS OF HIGH-TENSION TARIFF

The following terms and conditions shall be applicable to all HT consumer categories subject to Specific Terms and Conditions for that category as mentioned in the Tariff Schedule of respective category:

1.1 The contract demand shall be expressed in whole number only.

1.2 Tariff for Green Energy shall be inclusive of normal tariff as applicable to that category of consumer and Green Energy Charges as mentioned in Clause 1.26 of General Terms and Conditions of HT Tariff.

1.3 **Character of Service:** The character of service shall be as per the Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

1.4 **Point of Supply:**

(a) The power will be supplied to the consumer ordinarily at a single point for the entire premises.

(b) In case of Railway Traction, the supply at each sub-station shall be separately metered and charged.

(c) In case of coal mines, the power will be supplied ordinarily at a single point for the entire premises. The power may, however, be supplied, on the request of the consumer, at more than one point subject to technical feasibility. In such cases, metering and billing will be done for each point of supply separately.

1.5 **Determination of Demand:** The **maximum demand** of the supply in each month shall be four times the largest number of kilovolt ampere hours delivered at the point of supply during any continuous 15 minutes during the month as per sliding window principle of measurement of demand.

1.6 **Billing demand:** The billing demand for the month shall be the actual maximum kVA demand of the consumer during the month or 90% of the contract demand, whichever is higher. In case power is availed through open access, the billing demand for the month shall be the actual maximum kVA demand during the month excluding the demand availed through open access for the period for which open access is availed or 90% of the contract demand, whichever is higher, subject to clause 3.4 of the M.P. Electricity Supply Code, 2021.

The provisions regarding additional charges for excess demand shall be applicable as per clause 1.16 of these conditions.

Note: The billing demand shall be rounded off to the nearest integer number i.e. the fraction of 0.5 or above will be rounded off to next integer figure and the fraction of less than 0.5 shall be ignored.

1.7 **Minimum charges shall be billed as follows:**

1) The consumer shall be billed for annual minimum charges based on consumption (kWh) number of units per kVA of contract demand specified for their category, irrespective of whether any energy is consumed or not during the year.

2) The consumer shall be billed one twelfth of annual minimum consumption (kWh) specified for their category each month in case the actual consumption is less than above mentioned minimum consumption. However, for Seasonal consumers the annual minimum consumption shall be equally distributed during seasonal months and during off season only actual consumption shall be considered for billing subject to adjustment of actual cumulative consumption against cumulative minimum consumption.

3) During the month in which actual cumulative consumption equals or greater than the annual minimum consumption, no further billing of monthly minimum consumption shall be done in subsequent months of the financial year.

4) Tariff minimum consumption shall be adjusted in the month in which cumulative actual or billed monthly consumption exceeds cumulative monthly prorated minimum annual consumption. If actual cumulative consumption does not get fully adjusted in that month, adjustment shall continue to be provided in subsequent months of the financial year. The following example illustrates the procedure for monthly billing of consumption where prorated monthly minimum consumption is 100 kWh based on annual consumption of 1200 kWh.

Month	Actual cumulative consumption (kWh)	Cumulative minimum consumption (kWh)	Higher of 2 and 3 (kWh)	Already billed in the year (kWh)	To be billed in the month = (4-5) (kWh)
1	2	3	4	5	6
April	95	100	100	0	100
May	215	200	215	100	115
June	315	300	315	215	100
July	395	400	400	315	85
Aug	530	500	530	400	130
Sept	650	600	650	530	120
Oct	725	700	725	650	75
Nov	805	800	805	725	80
Dec	945	900	945	805	140

Month	Actual cumulative consumption (kWh)	Cumulative minimum consumption (kWh)	Higher of 2 and 3 (kWh)	Already billed in the year (kWh)	To be billed in the month = (4-5) (kWh)
Jan	1045	1000	1045	945	100
Feb	1135	1100	1135	1045	90
March	1195	1200	1200	1135	65

1.8 **Rounding off:** All bills will be rounded off to the nearest rupee i.e. up to 49 paisa shall be ignored and 50 paisa upwards shall be rounded off to next Rupee.

Incentive/ Rebate / penalties

1.9 **Power Factor Incentive:**

Power factor incentive shall be payable as follows:

Average Monthly Power Factor	Percentage incentive payable on billed energy charges on the basis of energy actually consumed
96%	1.0 (one percent)
97%	2.0 (two percent)
98%	3.0 (three percent)
99%	5.0 (five percent)
100 %	7.0 (seven percent)

For this purpose, the "average monthly power factor" shall have the same meaning as in Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time.

1.10 **Load factor calculation**

1) The **Load Factor** shall be calculated as per the following formula:

$$\text{Load Factor (\%)} = \frac{\text{Monthly consumption X 100}}{\text{No. of hours in the billing month X Demand (KVA) X PF}}$$

i. Monthly consumption shall be units (kWh) consumed in the month excluding those received from sources other than Licensee.

ii. No. of Hours in billing month shall exclude period of scheduled outages in hours.

iii. Demand shall be maximum demand recorded or contract demand whichever is higher.

iv. Power factor shall be 0.9 or actual monthly power factor whichever is higher

Note: The load factor (%) shall be rounded off to the nearest lower integer. In case the consumer is getting power through open access, units set off from other sources, the net energy (after deducting units set off from other sources, from the consumed units) billed to consumer shall only be taken for the purpose of working out load factor. The billing month shall be the period in number of days between the two consecutive dates of meter readings taken for the purpose of billing to the consumer.

1.11 **Incentive for advance payment:** For advance payment made before commencement of consumption period for which bill is prepared, an incentive at one twelfth of annual interest rate in percentage applicable on working capital shall be given on the amount (excluding security deposit), which remains with the Distribution Licensee at the end of billing month. However, such amount shall be credited to the account of the consumer after adjusting any amount payable to the Distribution Licensee

1.12 **Rebate for online bill payment:** Rebate of 0.5% on the total bill amount maximum up to Rs 1000 will be applicable for making online payment of bill.

1.13 **Prompt payment incentive**: An incentive for prompt payment @0.25% of bill amount (excluding, security deposit, meter rent and Government levies viz. Electricity Duty and Cess) shall be given in case the payment is made at least 7 days in advance of the due date of payment where the current month billing amount is equal to or greater than Rs. One Lakh. The consumers in arrears shall not be entitled for this incentive.

1.14 **Time of Day (ToD) Rebate/Surcharge:** This rebate/surcharge shall be applicable to HT consumer categories for which applicability of ToD rebate/surcharge is specifically mentioned in this Order. The rebate/surcharge on energy charges according to the period of consumption during different periods of the day shall be applicable as per following table:

Sr. No	Peak / Off-peak Period	Rebate on energy charges on energy consumed during the corresponding period
1.	Peak hours (6 AM to 9 AM and 5 PM to 10 PM)	Surcharge of 20% on normal rate of energy charge shall be applicable for energy consumed during this period.
2.	Off peak /Solar hours (9 AM to 5 PM)	Rebate of 20% on normal rate of energy charge shall be applicable for energy consumed during this period.
3.	Off peak hours (10 PM to 6 AM next day)	Rebate of 10% on normal rate of energy charge shall be applicable for energy consumed during this period.

Note:

1. ToD rebate and surcharge shall not be applicable on Fixed charges.
2. The above mentioned off-peak period and peak period shall also be applicable for the purpose of banking as per the provision of Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access

charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 and amendments thereof.

1.15 **Power Factor Penalty (For consumers other than Railway Traction HV-1)**

(i) If the average monthly power factor of the consumer falls to 89% or below, the consumer shall be levied a penalty @ 1% (one percent), for each one percent fall in his average monthly power factor below 90 percent, on total amount of bill under the head of "Energy Charges":

(ii) If the average monthly power factor of the consumer falls to 84% or below, the consumer shall be levied a penalty of 5% (five percent) plus @ 2% (two percent) for each one percent fall in his average monthly power factor below 85 percent on the total amount of bill under the head of "Energy Charges". This penalty shall be subject to the condition that overall penalty on account of low power factor does not exceed 35%.

(iii) Should the average monthly power factor fall to below 69% or below, the Distribution Licensee reserves the right to disconnect the consumer's installation till steps are taken to improve the same to the satisfaction of the Distribution Licensee. This is, however, without prejudice to the levy of penalty charges for low power factor in the event of supply not being disconnected.

(iv) For this purpose, the "average monthly power factor" shall have the same meaning as in Madhya Pradesh Electricity Supply Code, 2021, as amended from time to time.

Power Factor penalty shall be billed on the basis of energy actually consumed during the month.

(v) Notwithstanding what has been stated above, if the average monthly power factor of a new consumer is found to be 89% or less in any month during the first 6 (six) months from the date of connection, the consumer shall be entitled to a maximum period of six months to improve it to not less than 90% subject to following conditions:

a) This period of six months shall be reckoned from the month following the month in which the average power factor was found for the first time to be 89% or less.

b) In all cases, the consumer will be billed the penal charges for low power factor, but in case the consumer maintains the average monthly power factor in subsequent three months (thus in all four months) to not less than 90%, the charges on account of low power factor billed during the said six months period, shall be withdrawn and credited in next monthly bills.

c) The facility, as mentioned herein, shall be available not more than once to new consumer whose average monthly power factor is 89% or less in any month during 6 months from the date of connection. Thereafter, the charges on account of low average power factor, if found 89% or less, shall be payable as applicable to any other consumer.

1.16 **Additional Charges for Excess Demand**

i. The consumer shall at all times restrict their actual maximum demand within the contract demand. In case the actual maximum demand in any month exceeds 120% of the contract demand, the tariffs given in various schedules shall apply to the extent of the 120% of the contract demand only. The consumer shall be charged for excess demand computed as difference of recorded maximum demand and 120% of contract demand on fixed charges and while doing so, the other terms and conditions of tariff, if any, shall also be applicable on the said excess demand. The excess demand so computed, if any, in any month shall be charged at the following rates from all consumers except Railway Traction.

ii. **Energy charges for excess demand**: No extra charges are applicable on the energy charges due to the excess demand or excess connected load.

iii. **Fixed charges for Excess Demand: -** These charges shall be billed as per following:

1. **Fixed charges for Excess Demand when the recorded maximum demand is up to 130% of the contract demand:** Fixed charges for Excess Demand over and above the 120 % of contract demand shall be charged at 1.3 times the normal fixed charges.

2. **Fixed charges for Excess Demand when the recorded maximum demand exceeds 130% of contract demand**: In addition to fixed charges in 1 above, recorded demand over and above 130 % of the contract demand shall be charged at 2 times the normal fixed charges.

Example for fixed charges billing for excess demand: If the contract demand of a consumer is 100 kVA and the maximum demand recorded in the billing month is 140 kVA, the consumer shall be billed towards fixed charges as under:-

a) Up to 120 kVA at normal tariff.

b) Above 120 kVA up to 130 kVA i.e. for 10 kVA at 1.3 times the normal tariff.

c) Above 130 kVA up to 140 kVA i.e. for 10 kVA at 2 times the normal tariff.

iv. The excess demand computed in any month will be charged along with the monthly bill and shall be payable by the consumer.

v. The billing of excess demand at higher tariff is without prejudice to the Licensee's right to discontinue the supply in accordance with the provisions contained in the Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

1.17 **Delayed Payment Surcharge:** Surcharge at the rate of 1.25 % per month or part thereof on the amount outstanding (including arrears) will be payable if the bills are not paid up to due date. The part of a month will be reckoned as full month for the purpose of calculation of delayed payment surcharge. The delayed payment surcharge will not be applicable after supply to the consumer is permanently disconnected. However, for the temporary connection, if any, amount is outstanding after disconnection, Delayed Payment Surcharge at the rate of 1.25% per month or part thereof shall be applicable as per Madhya Pradesh Electricity Supply Code, 2021 as amended from time to time.

1.18 All the rebates/incentives shall be calculated on amount excluding Government Subsidy.

1.19 **Service Charge for Dishonoured Cheques:** In case the cheque(s) presented by the consumer are dishonoured, a service charge at the rate of Rs. 1000/- plus applicable GST per cheque shall be levied in addition to delayed payment surcharge as per rules. This is without prejudice to the Distribution Licensee's rights to take action in accordance with any other applicable law.

1.20 **Temporary supply at HT:** The character of temporary supply shall be as defined in the M.P. Electricity Supply Code, 2021 as amended from time to time. If any consumer requires temporary supply then it shall be treated as separate service and charged subject to the following conditions.

(a) Fixed Charges and Energy Charges shall be charged at 1.25 times the normal tariff. The fixed charges shall be recovered for the number of days for which the connection is availed during the month by prorating the monthly fixed charges. Month shall be considered as the number of total days in that calendar month.

(b) The consumer shall ensure minimum consumption (kWh) as applicable to the permanent consumers on pro-rata based on number of days as detailed below:

Minimum consumption for additional supply for temporary period = Annual minimum consumption as applicable to permanent supply X No. of days of temporary connection / No. of days in the year

$$\text{Minimum consumption for additional supply for temporary period} = \frac{\text{Annual minimum consumption as applicable to permanent supply X No. of days of temporary connection}}{\text{No. of days in the year}}$$

(c) The billing demand shall be the demand requisitioned by the consumer or the highest monthly maximum demand during the period of supply commencing from the month of connection ending with the billing month, whichever is higher. For example:

Month	Recorded Maximum Demand (kVA)	Billing Demand (kVA)
April	100	100
May	90	100
June	80	100
July	110	110
August	100	110
September	80	110
October	90	110
November	92	110
December	95	110
January	120	120
February	90	120
March	80	120

(d) The consumer shall pay the estimated charges in advance, before serving the Temporary Connection subject to replenishment from time to time and adjustment as per final bill after disconnection. No interest shall be given on such advance payment.

(e) Connection and Disconnection Charges shall also be paid.

(f) In case existing HT consumer requires temporary supply for the purpose of addition and/or alteration within the premises of existing HT connection, then the consumer is allowed to avail the same through its existing permanent connection to the extent of its Contract Demand and such consumer shall be billed at applicable tariff for permanent connection. Excess demand, if any, shall be treated as per the provisions in clause 1.16 above.

(g) Power factor incentives/penalties and the condition for Time of Day rebate shall be applicable at the same rate as for permanent connection.

Other Terms and Conditions:

1.21 The existing 11 kV consumer with contract demand exceeding 300 kVA who want to continue to avail supply at 11 kV at his request, shall be required to pay additional charge at 3 %. This additional charge of 3% shall be applicable for enhanced maximum demand recorded for fixed charges and incremental units proportionate to enhanced maximum demand recorded for energy charges.

1.22 The existing 33 kV consumer with contract demand exceeding 10,000 kVA who want to continue to avail supply at 33 kV at his request, shall be required to pay additional charge at 2%. This additional charge of 2% shall be applicable for enhanced maximum demand recorded for fixed charges and incremental units proportionate to enhanced maximum demand recorded for energy charges.

1.23 The existing 132 kV consumer with contract demand exceeding 50,000 kVA who want to continue to avail supply at 132 kV at his request, shall be required to pay additional charge at 1%. This additional charge of 1% shall be applicable for enhanced maximum demand recorded for fixed charges and incremental units proportionate to enhanced maximum demand recorded for energy charges.

1.24 No Metering Charges shall be levied.

1.25 Consumers availing Green Energy from Distribution Licensee only for the purpose of reducing their carbon footprint and seeking Certification to this effect shall be required to pay Green Energy Charges at the rate of Rs. 0.56/kWh and such charges shall be applicable over and above the normal tariff for that category of consumers. This facility shall be available to consumers who requisition any quantum of power upto 100% of their monthly consumption for availing power from RE sources. Further, such consumers may avail Green Energy for any number of days in a billing month.

1.26 The Consumers availing green energy from Distribution Licensee in accordance with provisions of MPERC (Co-generation and generation of electricity from Renewable sources of energy) Regulations, 2021 and amendments thereof, shall be required to pay Green Energy Charges at Rs. 0.29/ kWh for Wind, Rs. 2.53/ kWh for HPO and Rs. 0.34/ kWh for Other, which shall be over and above the normal tariff of respective consumer category as per this Tariff Order.

1.27 **Standby Charges:-** Standby Charges for the purpose of Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations, 2023 as amended from time to time, shall be 0.25 times of the tariff applicable to the consumer availing Green Energy Open Access, which shall be over and above the normal tariff of the respective consumer category.

1.28 The accounting and settlement for consumers availing net metering facility shall be as per Madhya Pradesh Electricity Regulatory Commission (Grid Interactive Renewable Energy System and Related Matters) Regulations, 2022 as amended from time to time.

1.29 The tariff does not include any tax or duty, etc. on electrical energy that may be payable at any time in accordance with any law then in force. Such charges, if any, shall be payable by the consumer in addition to the tariff charges.

1.30 No changes in the tariff or the tariff structure including minimum charges for any category of consumer are permitted except with prior written permission of the Commission. Any order without such written permission of the Commission will be treated as null and void and also shall be liable for action under relevant provisions of the Electricity Act, 2003.

1.31 In case a consumer, at his request, avails supply at a voltage higher than the standard supply voltage as specified under relevant category, he shall be billed at the rates applicable for actually availed supply voltage and no extra charges shall be levied on account of higher voltage.

1.32 All consumers to whom fixed charges are applicable are required to pay fixed charges in each month irrespective of whether any energy is consumed or not.

1.33 If any difficulty arises in giving effect to any of the provisions of this order, the Commission may, by general or special order, direct the Licensees to do or undertake things, which in the opinion of the Commission is necessary or expedient for the purpose of removing the difficulties.

1.34 All conditions prescribed herein shall be applicable notwithstanding if any contrary provisions, exist in the agreement entered into by the consumer with the licensee.

1.35 Wherever, there is contradiction in general terms & conditions and specific terms & conditions given for any particular category, the specific terms and conditions shall prevail for that category.

1.36 In case any dispute arises regarding interpretation of this tariff order and/or applicability of this tariff, the decision of the Commission shall be final and binding.

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