

TRUE-UP PETITION

for

FY 2023-24

Submitted
by

**JHARKHAND URJA UTPADAN
NIGAM LIMITED**



Ranchi

September 2025



**Before the Hon'ble Jharkhand State Electricity Regulatory Commission,
Ranchi**

Filing Number: _____

Case Number: _____

IN THE MATTER OF: Filing of Petition for Truing Up of FY 2023-24 for the Licensee under Section 45, 46, 61, 62, 64 and 86 of the Electricity Act, 2003 and as per the regulations of Jharkhand State Electricity Regulatory Commission (JSERC) (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and amendments there off.

AND Jharkhand Urja Utpadan Nigam Limited (hereinafter referred to as "JUUNL", or "erstwhile JSEB -Generation function" which shall mean for the purpose of this petition the "Generator" or "Petitioner") having its registered office at HEC, Dhurwa, Ranchi

IN THE MATTER OF:

The Petitioner respectfully submits hereunder:

1. The erstwhile Jharkhand State Electricity Board ("Board" or "JSEB") is a statutory body constituted under Section 5 of the Electricity (Supply) Act, 1948 and was engaged in electricity generation, transmission, distribution and related activities in the State of Jharkhand.
2. Jharkhand Urja Vikas Nigam Ltd. (herein after to be referred to as "JUVNL" or "the Holding company") has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile Jharkhand State Electricity Board (herein after referred to as "JSEB"). The Petitioner submits that the said reorganization of the JSEB has been done by Government of Jharkhand pursuant to "Part XIII -

Reorganization of Board” read with section 131 of the Electricity Act 2003. The Holding company has been incorporated on 16th September 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 12th November 2013.

3. Jharkhand Urja Utpadan Nigam Ltd. (herein after to be referred to as “JUUNL” or “the Petitioner” or erstwhile “JSEB-Generation function”) has been incorporated on 23rd October 2013 with the Registrar of Companies, Jharkhand, Ranchi and has obtained Certificate of Commencement of Business on 28th November 2013. The Petitioner is a Company constituted under the provisions of Government of Jharkhand, General Resolution as notified by transfer scheme vide notification no. 8, dated 6th January 2014 later revised vide notification no-2917 dated 20th November 2015. The Generation Company - Jharkhand Urja Utpadan Nigam Ltd. is duly registered with the Registrar of Companies, Ranchi on 23rd October 2013.
4. Pursuant to the enactment of the Electricity Act, 2003, every utility is required to submit its Aggregate Revenue Requirement (ARR) for control period and Tariff Petitions as per procedures outlined in section 61, 62 and 64, of Electricity Act 2003, and the governing regulations thereof.
5. The present petition is being filed by JUUNL before the Hon’ble Commission for approval of the True-Up of FY 2023-24 of the Control period as per the Electricity Act, 2003 and as per the provisions of the regulations issued by the Hon’ble Jharkhand State Electricity Regulatory Commission (JSERC herein after) (Terms and Conditions For Determination of Generation Tariff) Regulations, 2020 and amendment thereof.

Location : Ranchi

Jharkhand Urja Utpadan Nigam Limited

Date :

Petitioner

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List of Abbreviations

Abbreviation	Full Form
A&G	Administrative and General
ARR	Aggregate Revenue Requirement
COD	Date of Commercial Operation
CP	Control Period
DPR	Detailed Project Report
EA'03	Electricity Act 2003
ECR	Energy Charge Rate
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
Hon'ble	Honorable
JSEB	Jharkhand State Electricity Board
JSERC	Jharkhand State Electricity Regulatory Commission
kWh	Kilowatt-Hour
MU	Million Units
MW	Megawatt
NAPAF	Normative Annual Plant Availability Factor
O&M	Operation and Maintenance
OPS	Old Pension Scheme
PAF	Plant Availability Factor
PLF	Plant Load Factor
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
RoE	Return on Equity
Rs	Rupees
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SLM	Straight Line Method
SRHP	Swarn Rekha Hydel Power Project
T.O.	Tariff Order
JUUNL	Jharkhand Urja Utpadan Nigam Limited

1. Background and Procedural History

1.1. Background

- 1.1.1. Jharkhand Urja Utpadan Nigam Ltd. (herein after referred to as "JUUNL" or "the Petitioner" or "erstwhile JSEB-Generation function) was incorporated under Indian Companies Act, 1956/2013 pursuant to decision of Government of Jharkhand (to reorganize erstwhile Jharkhand State Electricity Board (herein after referred to as "JSEB").
- 1.1.2. It is hereby submitted that the said reorganization of the JSEB has been done by Government of Jharkhand pursuant to "Part XIII – Reorganization of Board" read with section 131 of The Electricity Act 2003. The Petitioner is a Company constituted under the provisions of Government of Jharkhand (herein after referred to as "GoJ"), General Resolution as notified by transfer scheme vide notification no. 8, dated 6th January 2014, later revised vide notification no-2917 dated 20th November 2015 and is duly registered with the Registrar of Companies, Ranchi on 16.09.2013, having CIN as U40108JH2013SGC001703. The Generation Company - Jharkhand Urja Utpadan Nigam Ltd. has obtained Certificate of Commencement of Business on 28.11.2013.
- 1.1.3. JUUNL is a generation licensee under the provisions of the EA' 2003 having license to supply electricity in the State of Jharkhand. JUUNL is in the business of generation of electricity to its consumers situated over the entire State of Jharkhand and functioning in accordance with the provisions envisaged under the provision of EA' 2003.
- 1.1.4. Prior to unbundling the generation function of JSEB had two plants i.e.Patratu Thermal Power Station (PTPS) of capacity 840 MW and Swarn Rekha Hydel Power Project, Sikidiri (SRHP) 130 MW.

However, in a revised transfer scheme notified by the GoJ vide notification no-2917 dated 20.11.2015, PTPS was directly vested to GoJ post unbundling that is from 06.01.2014. Therefore, JUUNL currently owns 130 (2 X 65) MW SRHP power generation plant only.

1.2. Generation Tariff Regulations

1.2.1. The Hon'ble Jharkhand State Electricity Regulatory Commission (herein after referred to as the "Hon'ble Commission") notified the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulation 2020 which will be applicable for determination of tariff from 01.04.2021 and onwards up to FY 2025-26 [i.e., till 31.03.2026] unless extended by the Order of the Hon'ble Commission. These Regulations were published on Hon'ble Commission's website on 12.11.2020, after gazette notification. The said regulation was amended by the Hon'ble Commission on 31.10.2023.

1.2.2. This regulation is applicable for the purposes of Multi-Year Aggregate Revenue Requirement (ARR) filing and Tariff determination of all the generation licensees within the State of Jharkhand.

1.3. Petitions and Orders till now during CP from FY 2021-22 to FY2025-26

1.3.1. The Petitioner had submitted its true-up petition for FY 2016-17 to FY 2020-21 and Business Plan Petition for the Control Period from FY2021-22 to FY2025-26 earlier. In response to the same, the Hon'ble Commission has issued Business Plan Order and Order for True-up for FY 2021-22 to FY 2025-26 and Tariff order for FY 2016-17 to FY 2020-21 on 26.02.2024. The petitioner re-approached to the Hon'ble Commission for reviewing certain parameters and in response to that the Hon'ble Commission issued a review order on 30.05.2024.

- 1.3.2. The petitioner had submitted the petition before the Commission for Order on True-up for FY 2021-22 and FY 2022-23 as per the provisions of the Jharkhand State Electricity Regulatory Commission (Terms and Conditions For Determination of Generation Tariff) Regulations, 2020 and its amendments. In response to the same, the Hon'ble Commission has issued Business Order for True-up for FY 2021-22 and FY 2022-23 on 27.05.2025.

1.4. Petition for the True-up of FY 2023-24

- 1.4.1. The Petitioner is hereby submitting the petition for Truing up of FY 2023-24 under JSERC (Terms and Conditions for Determination of Generation Tariff) Regulation 2020 along with the requisite annexures.

2. True Up for FY 2023-24

2.1. Regulatory provisions

- 2.1.1. As per the provision of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 stated below:

Quote:

"Clause A 7. Truing-up

*7.1 The Generating Company shall submit the Petition for truing up for each year of the Control Period on the basis of annual Audited Accounts as per the timelines stipulated in **Section A 39**.*

7.2 Where after the truing up, the revenue recovered exceeds the trued up value approved by the Commission under these Regulations, the Generating Company shall refund to the Beneficiaries, the surplus amount so recovered as specified in Clause 7.4 of these Regulations.

7.3 Where after the truing up, the revenue recovered is less than the trued up value approved by the Commission under these Regulations, the Generating Company shall recover from the Beneficiaries, the gap amount in accordance with Clause 7.4 of these Regulations."

Unquote

- 2.1.2. The Hon'ble Commission shall true-up the figures approved within the tariff order based on the actual figures as per the audited annual accounts.
- 2.1.3. JUUNL is filing True-up for FY 2023-24 i.e., true-up for Swarn Rekha Hydel Power Project, Sikidiri (SRHP herein after) for FY 2023-24

based on annual audited accounts of FY 2023-24 which are attached as **Annexure-A**.

2.2. Operational parameters and generation

2.2.1. The operational parameters approved by the Hon'ble Commission vis-à-vis actual/claimed operational parameters for FY 2023-24 is summarized in the **Table 2-1** as mentioned below:

TABLE 2-1: OPERATIONAL PARAMETERS OF SRHP

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Actual or Claimed
1	Plant Availability Factor (in %)	A	50%	89.77%
2	Aux. Consumption (in%)	B	0.70%	0.70%
3	Gross Generation (in MU)	C	159.43	96.833
4	Aux. Consumption (in MU)	D	1.12	0.07
5	Net Generation (in MU)	E= C-D	158.32	96.76

2.2.2. The Petitioner submits the actual Plant Availability Factor, as per the data recorded in the monthly and annual reports maintained by JUUNL. This information is provided in **Annexure-B**, enclosed with this petition, for the kind consideration of the Hon'ble Commission.

2.2.3. It is submitted that the petitioner has taken into account the plant availability factor for the Swarn Rekha Hydel Power Project, Sikidiri, in accordance with the Plant Availability Factor approved by the Honorable Commission in the order dated 26.02.2024. The petitioner has considered Actual Plant Availability Factor for the Financial Year FY 2024-25.

2.3. Operation and Maintenance Expense

2.3.1. The Operation and Maintenance (O&M) Expenses includes Employee Cost, R&M Expenses and A&G Expenses. As per provisions 10.5 and 10.6 of JSERC Generation Tariff Regulations 2020, the expenses are to be claimed as below:

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

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

Where,

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

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

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

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

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

Where,

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

'GFA' is the opening value of the gross fixed asset of the *n*th year;

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

Where,

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

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

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

G_n – is a growth factor for the *n*th year and it can be greater than or lesser than zero based on the actual performance. Value of *G_n* shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee's

Filing, benchmarking and any other factor that the Commission feels appropriate.

$$c) \text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n;$$

2.3.2. Computation of Inflation Factor: The petitioner would like to submit the calculation of Inflation Factor for FY 2023-24 as per the Generation Tariff Regulations 2020.

TABLE 2-2: COMPUTATION OF INFLATION FACTOR FOR FY 2023-24

WPI Inflation														
Sl. No.	Month/Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
1	FY 2023-24	151.10	149.40	148.90	152.10	152.50	151.80	152.50	153.10	151.80	151.20	151.20	151.40	151.42
2	FY 2022-23	152.30	155.00	155.40	154.00	153.20	151.90	152.90	152.50	150.50	150.70	150.90	151.00	152.53
https://eaindustry.nic.in/indx_download_1112/monthly_index_202308.xls														
CPI Inflation														
Sl. No.	Month/Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
1	FY 2023-24	386.50	387.94	392.83	402.34	400.90	396.00	398.59	400.61	399.74	400.03	400.90	400.03	397.20
2	FY 2022-23	367.78	371.52	372.10	374.11	374.98	378.14	381.60	381.60	381.02	382.46	382.18	383.90	377.62
https://ibadscms.companvclmo.in/all-india-general-index-1 http://cyberjournalist.org.in/majithia/aicpi_2001.php														

Particulars	WPI	CPI	Total
Weightage	0.45	0.55	1.00
Avg Indexation for FY 2023-24	151.42	397.20	
Avg Indexation for FY 2022-23	152.53	377.62	
Avg Indexation _n (Index * Wt.)	68.14	218.46	286.60
Avg Indexation _{n-1} (Index * Wt.)	68.64	207.69	276.33
Combined Inflation (Indx_n/Indx_{n-1})	3.72%		

2.3.3. The petitioner has considered the year-on-year change in the values of WPI and CPI index and considered a weighted average value of the same (0.45 for WPI and 0.55 for CPI) for computation of inflation factor. The petitioner hereby submits that as both the WPI and CPI indices are on a different scale it is appropriate to consider the weighted average change in the values of indices for computation of inflation factor.

2.3.4. Accordingly, the Inflation Factor for FY 2023-24 works out as **3.72%**, which need to be considered for true-up purpose.

2.3.5. It is submitted that O&M expenses comprise of employee related costs, A&G expenses and R&M expenditure.

2.3.6. **Actual O&M Expenses:** The petitioner would first discuss and present the expenses based on actual audited accounts and then discuss about O&M expenses based on normative principles. The petitioner is humbly making submissions on each of the element of O&M expenses based on the audited books of account.

2.3.7. **Actual Employee Expenses:** It is submitted that employee expenses as per audited books of accounts is as follows:

TABLE 2-3: ACTUAL EMPLOYEE EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sr. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Audited
1	Salaries Wages & Benefits	A		13.56
2	Employee Expense (Excluding terminal benefits)	B	18.29	13.56
3	Terminal benefits			4.92
4	<i>Pension Cost</i>	C		3.54
5	<i>Gratuity Cost</i>	D		0.35
6	<i>Leave encashment cost</i>	E		1.03
7	<i>Others</i>	F		
8	Employee Expense (including terminal benefits)	G=B+C+D+E+F	18.29	18.49

2.3.8. **Actual A&G Expenses:** It is submitted that actual A&G expense as per the audited books of accounts are as follows:

TABLE 2-4: ACTUAL A&G EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sr. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Audited
1	Rent Rates & Taxes	A		0.00
2	Insurance	B		0.04
3	Telephone Charges, Postage telegram and telex charges.	C		0.03
4	Audit Fee	E		0.03
5	Consultancy Charges	F		0.14
6	Conveyance & Travelling Exp.	G		0.11
7	Fees & Subscription	H		0.39
8	Printing & Stationary	I		0.02
9	Advertisements	J		0.00
10	Other Professional Charges	K		0.18
11	Roc Compliance expenses	L		0.03
12	Entertainment Charges	M		0.03
13	Home Guard	N		1.21
14	Miscellaneous Expenses	O		0.16
15	Total A&G Expense	Q	2.11	2.36

- 2.3.9. **Actual R&M Expenses:** It is submitted that R&M expense as per audited account are as follows:

TABLE 2-5: ACTUAL R&M EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sr. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Audited
1	Plant & Machinery	A		1.60
2	Building	B		0.01
3	Civil Work	C		0.18
4	Line Cable Network	D		0.39
5	Vehicles	E		0.00
6	Office Equipment	F		0.03
7	Furniture	G		0.01
8	Hydrolic Work	H		0.49
9	Total	I= A+B+C+D+E+F+G+H	2.22	2.71

- 2.3.10. **Normative O&M Expenses:** The petitioner hereby submits the O&M expenses based on normative principles i.e., as per Tariff Regulations and Tariff order issued from time to time for the current control period i.e. FY 2021-22 to FY 2025-26.

- 2.3.11. **Normative Employee Expenses:** In line with the methodology adopted by the Hon'ble Commission for computation of normative Employee Expenses, the Petitioner has computed normative Employee Expenses for FY 2023-24 exclusive of Terminal Liability considering Inflation of **3.72%** (for FY 2023-24) and Employee Growth Factor of **7%** based on the MYT BP approved by the Hon'ble Commission on 26.02.2024. The petitioner further submits that to arrive at the final normative employee expense, it has added the actual terminal liabilities of **Rs. 4.92 Cr.** for FY 2023-24 as per the audited annual accounts to normative employee expense (excluding terminal liabilities) to arrive at the total Normative Employee Expense for FY 2023-24.

- 2.3.12. The detailed computation of Normative Employee Expenses is tabulated below as:

TABLE 2-6: NORMATIVE EMPLOYEE EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Normative Employee Cost (n-1) Excluding Terminal Liabilities	A	17.3
2	Weighted Avg. Inflation factor (in %)	B	3.72%
3	Growth Factor-G _n (in %)	C	7.00%
4	Employee Cost as per normative basis Excl. Terminal Liabilities	D=A*{(1+B)*(1+C)}	19.20
5	Add: Terminal Liabilities	E	4.92
6	Employee Cost as per normative basis Incl. Terminal Liabilities	F=D+E	24.12

- 2.3.13. In view of the submissions, the Petitioner humbly requests the Hon'ble Commission to kindly approve the Normative Employee Expenses of **Rs. 24.12 Cr.** including the actual Terminal Liabilities of **Rs. 4.92 Cr.** for FY 2023-24.
- 2.3.14. **Normative A&G Expenses:** The normative A&G expenses are allowed with inflation factor over previous year approved figures. The petitioner requests the Hon'ble Commission to kindly approve the Normative A&G expense linked to Inflation of **3.72%**. The detailed computation of Normative A&G Expenses is tabulated below in **Table 2-7** as-

**TABLE 2-7: NORMATIVE A&G EXPENSE FOR FY 2023-24
(IN RS. CR.)**

Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Total A&G Expenses for (n-1) year	A	2.12
2	Add: Inflation factor (in %)	B	3.72%
3	Sub-total	C = A*(1+B)	2.20
4	Add: Load Growth Factor (in %)	D	0.00%
5	Normative A&G Expenses	E=C*(1+D)	2.20

- 2.3.15. In view of the above, the Petitioner humbly requests the Hon'ble Commission to kindly approve the Normative A&G Expenses of **Rs. 2.20 Cr.**
- 2.3.16. **Normative R&M Expenses:** The petitioner humbly submits that in JSERC Generation Tariff Regulation 2020, the Commission has provided methodology to compute R&M expense in relation to the Gross Fixed Assets by arriving at the K-factor based on the historical actual performance. The tariff regulation also provides for indexation of R&M expense using inflationary index.
- 2.3.17. The petitioner hereby appraises the Hon'ble Commission that Hon'ble Commission has already considered the same approach for approval of R&M expenses for the following licensees in the state of Jharkhand:
- a. TATA Steel Limited during its Tariff order for Trueing up of FY 2023-24. APR of FY 2024-25 and ARR of FY 2025-26 issued on 28.03.2025.

b. TATA Steel Utilities and Infrastructure Services Limited for Truing up of FY 2023-24. APR of FY 2024-25 and ARR of FY 2025-26 issued on 28.03.2025.

2.3.18. The Petitioner hereby submits the copy of the relevant part of the above orders before the Hon'ble Commission as **Annexure-C** of this petition. We request the Hon'ble Commission to allow Normative R&M expense of the petitioner on similar lines. The Computation for the same is given in **Table 2-8** mentioned below-

**TABLE 2-8: NORMATIVE R&M EXPENSE FOR FY 2023-24
(IN RS. CR.)**

Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Opening GFA	A	43.61
2	K Factor as per MYT Order	B	4.89%
3	Opening GFA*K-Factor	C=A*B	2.13
4	Add: Inflation factor for FY 2021-22	D	6.93%
5	Add: Inflation factor for FY 2022-23	E	6.87%
6	Add: Inflation factor for FY 2023-24	F	3.72%
7	R&M Expense	G= C*(1+D)*(1+E)*(1+F)	2.53

2.3.19. The petitioner humbly requests the Hon'ble commission to approve the normative R&M expense of **Rs. 2.53 Cr.**

2.3.20. **Other Expenses:** The Petitioner submits the water & other direct costs, pollution board expenses under the other expense category as per the audited annual accounts.

2.3.21. The petitioner submits the sub-category wise expenses in the **Table 2-9** as mentioned below:

**TABLE 2-9: OTHER EXPENSE PARAMETERS FOR FY 2023-24
(IN RS. CR.)**

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Claimed
1	Water & other direct costs	A	0	0.083
2	Pollution board expenses	B	0	0.025
3	Total other expense	D=A+B	0	0.108

2.3.22. **Summary of O&M Expenses & Sharing of Gains/Losses** : The summary of O&M expenses with respect to approved, actual audited and normative computation is given in the **Table 2-10** mentioned below:

**TABLE 2-10: SUMMARY OF O&M EXPENSES FOR FY 2023-24
(IN RS. CR.)**

Sr. No.	Particulars	Formula	Claimed (in Rs. Cr.)
1	Actual Employee Cost (excluding terminal benefits)	A	13.56
2	Actual A&G Cost (excluding litigation expense)	B	2.36
3	Actual R&M Cost	C	2.71
4	Actual O&M for gain computation	D=A+B+C	18.63
5	Normative Employee Cost (excluding terminal benefits)	E	19.20
6	Normative A&G Cost (excluding litigation expense)	F	2.36
7	Normative R&M Cost	G	2.53
8	Normative O&M Expense Claimed in this petition	H=E+F+G	24.09
9	Gains	I=H-D	5.46
10	Sharing with Beneficiaries	J=50% of I	2.73
11	Share of Petitioner	K=I-J	2.73
12	Total Share of Petitioner	L=D+K	21.36
13	Terminal Benefits	M	4.92
14	Legal Expense	N	0.02
15	Water & oher expense	O	0.11
16	Total O&M Expenses	P=L+M+N+O	26.41

2.3.23. According to JSERC Generation tariff Regulations, 2020, O&M Expense is a "controllable" item. The computation of Sharing of Gains/ Losses on account of Controllable parameter as per provisions of Tariff Regulations, 2020 is given in the above table.

2.3.24. Accordingly, the petitioner humbly prays before the Hon'ble Commission to kindly approve total O&M expenses of **Rs. 26.41 Cr.** for FY 2023-24 on normative basis including treatment on account of sharing of gains.

2.4. Capitalisation during FY 2023-24

2.4.1. The Petitioner further submits that the Gross Fixed Assets for FY 2023-24 taken from audited accounts are tabulated below. The details of Asset addition are also provided in **Annexure A**.

TABLE 2-11: Details of GFA for FY 2023-24 (IN RS. CR.)

Sr. No	Particulars	GFA as on 01.04.2023 (in Rs. Cr.)	Additions during FY 2023-24 (in Rs. Cr.)	Disposal/ Adjustment during FY 2023-24 (in Rs. Cr.)	GFA as on 31.03.2024 (in Rs. Cr.)
1	Land	0.33	0.00	0.00	0.33
2	Buildings	5.46	0.00	0.00	5.46
3	Hydraulic Works	19.14	0.00	0.00	19.14
4	Other Civil Works	1.16	0.00	0.00	1.16
5	Plant & Machinery	10.81	0.00	0.00	10.81
6	Line cable & Network	3.69	0.00	0.00	3.69
7	Vehicle	0.25	0.41	0.00	0.66
8	Furniture and Fixtures and office equipment	0.38	0.00	0.00	0.38
9	Office Equipment	0.75	0.02	0.00	0.77
10	Capital Spare at Generating Station	1.66	0.00	0.00	1.66
11	Total	43.62	0.43	0.00	44.05

2.4.2. The petitioner hereby submits the Gross Fixed Asset Schedule along with the addition in GFA for the period FY 2023-24 is given in the **Table 2-12** as mentioned below:

TABLE 2-12: GROSS FIXED ASSET SCHEDULE FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Claimed
1	Opening GFA	A	43.61	43.61
2	Addition during year	B	0	0.43
3	Deletion during year	C	0	0
4	Closing GFA	D = A+B-C	43.61	44.04
5	Addition in debt [70% of Addition during the year]	E=70% of B	0	0.00
6	Addition in Equity [30% of Addition during the year]	F=30% of B	0	0.00

2.4.3. The petitioner hereby submits that the assets worth of **Rs. 0.43 Cr.** is added during FY 2023-24. Cash in hand is utilised for addition of these asset. The petitioner has neither availed any loan or utilised equity. Hence, there is no addition of loan and equity in the **Table 2-12**.

- 2.4.4. The petitioner hereby apprise the Hon'ble Commission that the corresponding addition in GFA has been considered into debt and equity ratio of 70:30.
- 2.4.5. The petitioner humbly request the Hon'ble Commission to approve the closing GFA of **Rs. 44.04 Cr.**

2.5. Depreciation

- 2.5.1. The Petitioner has followed clause 15.28 to 15.34 of "JSERC Generation Tariff Regulations,2020" for the calculation of depreciation expense which has following methodology –

Quote

"15.28 Depreciation shall be calculated every year, on the amount of Capital Cost of the assets as admitted by the Commission. In case tariff of multiple Units of a generating station is determined, weighted average life for the generating station shall be applied:

Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

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

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

Provided that the Generating Company shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset;

Provided that in case the tenure of PPA executed between the Generating plant and Beneficiaries is more than that of the Useful life of the plant, the Commission after prudence check may consider the PPA life for spreading the remaining depreciable value as on March 31 of the year instead of useful life;

Provided that in case after carrying out the residual life assessment, it is found that the residual life of the generating station or unit as the case may be is beyond the useful life specified in these regulations the Commission after prudence check, may spread the remaining depreciable value to be recovered over the extended life of the plant.

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

Provided that any depreciation disallowed on account of lower availability of the generating station shall not be allowed to be recovered at a later stage during the useful life and the extended life.

15.32 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset:

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable:

Provided further that in case of hydro generating stations, the salvage value shall be as provided in the agreement signed by the developers with the State Government for creation of the site:

Provided also that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciable value shall correspond to the percentage of sale of electricity under long-term Power Purchase Agreement at regulated tariff.

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

15.34 In case of de-capitalization of assets in respect of Generating Station or Unit thereof the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff towards decapitalization asset during its useful services.”

Un-Quote

2.5.2. It is submitted that in its previous tariff orders for the true-up of FY 2016-17 to FY 2020-21 dated 26.02.2024 and tariff order for true-up of FY 2023-24, the Hon'ble Commission adjusted the depreciation expenses according to the actual figures mentioned in the audited books of accounts. The peitoner hereby submits the depreciation as per the audited books of accounts as follows:

**TABLE 2-13: DETAILS OF DEPRECIATION FOR FY 2023-24
(IN RS. CR.)**

Sr. No	Particulars	Cumulative As on 01.04.2023 (in Rs. Cr.)	Depreciation & Amortisatoin during FY 2023-24 (in Rs. Cr.)	Disposal/ Adjustment during FY 2023-24 (in Rs. Cr.)	Cumulative as on 31.03.2024 (in Rs. Cr.)
1	Land	0.000	0.000	0.000	0.000
2	Buildings	4.911	0.000	0.000	4.911
3	Hydraulic Works	17.230	0.000	0.000	17.230
4	Other Civil Works	0.987	0.039	0.000	1.026
5	Plant & Machinery	9.703	0.002	0.000	9.705
6	Line cable & Network	3.190	0.013	0.000	3.204
7	Vehicle	0.224	0.016	0.000	0.239
8	Furniture and Fixtures and office equipment	0.304	0.004	0.000	0.307
9	Office Equipment	0.632	0.005	0.000	0.637
10	Capital Spare at Generating Station	1.492	0.000	0.000	1.492
11	Total	38.67	0.08	0.000	38.75

- 2.5.3. The Petitioner presents the fixed asset schedule and depreciation, based on actual figures from the audited books of accounts for FY 2023-24. As well as the approved values by the Hon'ble Commission in the latest tariff order dated **26.02.2024** in **Table 2-14** as mentioned below:

TABLE 2-14: DEPRECIATION EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Approved in MYT dated 26.02.2024	Claimed
1	Depreciation Expense	0.14	0.078

- 2.5.4. The Petitioner respectfully requests that the Hon'ble Commission to approve the submitted depreciation expense in accordance with the audited books of accounts for FY 2023-24.

2.6. Interest on Loan Capital

- 2.6.1. The Petitioner has worked-out the interest on long term loan based on the same philosophy kas mentioned in the JSERC Generation Tariff Regulation, 2020 and amendments thereof.
- 2.6.2. The Hon'ble Commission has explicitly mentioned the methodology in the clause 15.13 to 15.22 and the same is reproduced here as follows:

Quote

"15.13 The loans arrived at in the manner indicated in Clause 15.6 and Clause 15.7 of these Regulations, shall be considered as gross normative loan for calculation of Interest on Loan.

15.14 The normative loan outstanding as on April 01, 2021 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.

15.15 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that financial year.

15.16 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.

15.17 Notwithstanding any moratorium period availed by the Generating Company, the repayment of loan shall be considered from the first year of operation of the scheme/asset.

15.18 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 Generating Company:

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points;

Provided also that, in case of new Generating Company commencing its operation after the date of effectiveness of these Regulations, and which does not have actual loan portfolio, the rate of interest shall be considered on normative basis and shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.

15.19 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest;

15.20 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded

by Consumer Contribution, Grants or Deposit Works carried out by Generating Company.”

Un-quote

- 2.6.3. The Petitioner has considered the debt equity ratio as 70:30.
- 2.6.4. The Petitioner hereby submits that it does not have any outstanding loan for the FY 2023-24 thus the Petitioner has claimed normative interest on loan for both the financial years. The Petitioner has considered the closing balance of normative loan for FY 2023-24 as approved by the Hon’ble Commission in order dated 26.02.2024 as the opening balance of normative loan for FY 2023-24 and so on. Further, in absence of any actual loan for a particular year the Petitioner has considered interest rate of **10.50%** for FY 2023-24 as mentioned in the clause 15.18 of JSERC Generation tariff Regulation, 2020.
- 2.6.5. The petitioner has summarized the comparison of the interest on long term loan approved by the Hon’ble Commission with the actual interest on long term loan as per the audited books of accounts and the same is highlighted in the **Table 2-15** as mentioned below:

**TABLE 2-15: NORMATIVE INTEREST ON LOAN FOR FY 2023-24
(IN RS. CR.)**

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Actual / Claimed
1	Opening balance	A	21.29	21.45
2	Additions (70% of Capitalization)	B	0	0
3	Less: Repayments(Depreciation allowablefor theyear)	C	0.14	0.08
4	Closing loan balance	D= A+B-C	21.15	21.37
5	Average normative loan	E= (A+D)/2	21.22	21.41
6	Rate of Interest	F	9.00%	10.50%
7	Interest on Loan	G=E*F	1.91	2.25
8	Less: Interest Capitalised	H	0	0
9	Net Interest on loan	I=G-H	1.91	2.25

- 2.6.6. The Petitioner humbly requests the Hon'ble Commission to allow normative interest on long term loan for FY 2023-24 of **Rs. 2.25 Cr.** as computed in the table mentioned above.

2.7. Other Finance Charges

- 2.7.1. The Petitioner humbly submits that has incurred other finance charges towards expenditures like bank charges, TDS on flexi, Interest on Govt. loan and penal interest and the same is mentioned in the audited books of accounts for FY 2023-24 in **Table 2-16** as mentioned below-

**TABLE 2-16: OTHER FINANCE CHARGES FOR FY 2023-24
(IN RS. CR.)**

Sl. No.	Particulars	Formula	FY 2023-24 Claimed
1	Bank Charges	A	0.0001
2	TDS on flexi	B	0.0001
3	Int on Govt loan	C	2.5799
4	Penal Interest	D	0.4961
5	Total	E=A+B+C+D	3.0762

- 2.7.2. It is submitted that the expenses incurred in bank charges and TDS on flexi heads are very minimal and for the sake of bringing clarity in the calculation, it has been shown upto four decimal points.
- 2.7.3. The Hon'ble Commission is requested to approve the other finance charges of **Rs. 3.0762 Cr.**

2.8. Return on Equity

- 2.8.1. The Hon'ble Commission has amended clause 15.10 of the principle regulation JSERC Determination of Generation Tariff, 2020 and issued the first amendment of the same on 31.10.2023 in which the Hon'ble commission has clearly specified that the base rate for calculating the RoE is **16.00%** for different categories of hydro generating stations. The amended clause is reproduced here as follows:

Quote

15.10.

...

The return on equity shall be computed on post-tax basis at the base rate of 15.00% for thermal generating stations, and run of the river hydro generating station, and at the base rate of 16.00% for the storage type hydro generating stations including pumped storage hydro generating stations and run of river generating station with pondage for generating stations whose Date of Commercial Operation is before April 01, 2021:

...

Unquote

- 2.8.2. The Petitioner has considered the debt equity ratio as 70:30 as per the regulatory provisions.
- 2.8.3. It is pertinent to mention that the Hon'ble Commission has approved the normative Return on Equity of **Rs. 13.01 Cr.** for FY 2023-24 in its MYT order issued on 26.02.2024. The petitioner hereby apprise the Hon'ble Commission that it has not added any equity in its equity base during FY 2023-24, the petitioner has considered the approved normative closing equity of FY 2022-23 as opening Normative Equity of FY 2023-24 with the return of equity as 16% in line with the approved values of Percentage of RoE in the a tariff orders issued on 27.05.2025 for truing up of FY 2021-22 and FY 2022-23. The computation is mentioned in **Table 2-17** as follows:

**TABLE 2-17: RETURN ON EQUITY FOR FY 2023-24
(IN RS. CR.)**

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Claimed
1	Opening balance	A	13.01	13.01
2	Additions	B	0	0
3	Closing balance	C=A+B	13.01	13.01
4	Average Equity	D= (A+C)/2	13.01	13.01
5	Rate of Equity (in %)	E	15.00%	16.00%
6	Return on Equity	F=D*E	1.95	2.08

- 2.8.4. It is submitted that in the JSERC Generation Regulations, 2020 and subsequent amendments there is a lack of clarity on methodology for the grossing up of the tax expense on top of the RoE. Hence, the petitioner has added the tax expenses incurred during the 2023-24 by the petitioner for the purpose of grossing up of tax expenses the same is mentioned in the **Table 2-18** as mentioned below:

TABLE 2-18: GROSSED UP RoE CONSIDERING TAX EXPENSE FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Formula	Claimed
1	Return on Equity	A	2.08
2	Tax Expense	B	3.40
3	Grossed up considering Tax expense	C=A+B	5.48

- 2.8.5. The Petitioner requests to the Hon'ble Commission to allow the actual return on equity and Grossed up RoE after tax expenses as claimed by the petitioner.

2.9. Interest on Working Capital

- 2.9.1. The petitioner worked-out interest on working capital for the FY 2023-24 in the JSERC Generation Tariff Regulation, 2020 and amendments thereof and the same is quoted below:

Quote

"15.23 The Commission shall determine the Working Capital requirement on normative basis for coal-based generating stations, which shall comprise the following components:

...

4. *Operation and Maintenance expenses, including water charge and security expenses for one month;*
5. *Maintenance spares @ 20% of Operation and Maintenance Expenses;*
6. *Receivables equivalent to 45 days of capacity charges and energy charges for sale of electricity calculated on the Normative Annual Plant Availability Factor:...* "

Un-Quote

- 2.9.2. In line with the above provisions Petitioner is hereby submitting the calculated working capital components considering the rate of interest as bank rate plus 350 basis point i.e. **12.00%** and the corresponding approved by the Hon'ble Commission in the **Table 2-19** as mentioned below:

TABLE 2-19: INTEREST OF WORKING CAPITAL FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Formula	Approved in MYT dated 26.02.2024	Claimed
1	O&M expenses for 1 month	A	1.88	2.20
2	Maintenance spares (@15% of O&M Expenses)	B	3.39	3.96
3	Receivables for 2 months	C	2.71	5.63
4	Total Working Capital	D= A+B+C	7.99	11.79
5	Interest Rate Applicable	E	10.50%	12.00%
6	Interest on Working Capital	F=D*E	0.84	1.41

- 2.9.3. The petitioner humbly prays before the the Hon'ble Commission to approve the interest on the working capital of **Rs. 1.41 Cr.**

2.10. Non-Tariff Income

- 2.10.1. The Hon'ble Commission in its previous tariff orders for true-up of FY 2016-17 to FY 2020-21 dated 26.02.2024 and FY 2021-22 & FY 2022-23 dated 27.05.2025 has trued-up the Non-Tariff Income based on actuals mentioned in the audited books of account of the petitioner.

- 2.10.2. The Petitioner submits the actual figures of the non-tariff income for SRHP as per the audited books of accounts in **Table 2-20** as mentioned below:

TABLE 2-20: NON-TARIFF INCOME FOR FY 2023-24 (IN RS. CR.)

Sl. No.	Particulars	Approved in MYT dated 26.02.2024	Claimed
1	Non-Tariff Income	5.38	4.91

- 2.10.3. The petitioner requests to the Hon'ble Commission to approve the Non-Tariff Income of **Rs. 4.91 Cr.**

2.11. Summary of Fixed Cost Determinants and Generation Tariff

2.11.1. The petitioner has referred to clause 15.3 of the Generation Tariff Regulations, 2020 for determination of Annual fixed cost as quoted below:

Quote

"15.3 Capacity Charges: *The Capacity Charges shall be derived on the basis of annual fixed cost. The Annual Fixed Cost (AFC) of a generating station shall consist of the following components:*

1. Return on Equity;
2. Interest on Loan Capital;
3. Depreciation;
4. Interest on Working Capital;
5. Operation & Maintenance Expenses, and
6. Less: Non-Tariff Income, and
7. Less: Income from Other Business...."

Unquote

2.11.2. The petitioner with reference to the above provisions of the JSERC Generation Tariff Regulations, 2020 submits the annual fixed cost for FY 2023-24 as given in the **Table 2-21** as mentioned below:

**TABLE 2-21: ANNUAL FIXED COST FOR FY 2023-24
(IN RS. CR.)**

Sl. No	Particulars	Formula	Approved in MYT dated 26.02.2024	Claimed
1	O&M Expense (incl. other expense)	A	22.62	26.41
2	Depreciation	B	0.14	0.08
3	Interest on loans (Excluding other finance charge)	C	1.91	2.25
4	Other finance charge	D		3.08
5	Return on Equity (RoE)	E	1.95	5.48
6	Interest on working capital (IoWC)	F	0.84	1.41
7	Gross Annual Fixed Cost	G= A+B+C+D+E+F	27.46	38.71
8	(Less) Non-Tariff Income (NTI)	H	5.38	4.91
9	Net-Annual Fixed Charges (AFC)	I=G-H	22.08	33.80

2.11.3. The petitioner requests the Hon'ble Commission to approve the submitted annual fixed cost components in the **Rs. 33.80 Cr.**

2.12. Computation and Payment of Capacity Charges and Energy Charges for Hydro Generating Stations

- 2.12.1. The Petitioner has referred to clause 19.1 to clause 19.9 of the JSERC Generation Tariff Regulations, 2020 for computation of capacity charge and energy charge for the control period FY 2020-21 to 2025-26 as quoted below:

Quote

19.1 The Annual Fixed Cost of a Hydro generating station shall be computed, based on norms specified under these Regulations, and recovered on monthly basis under capacity charge (inclusive of incentive) and energy charge, which shall be payable by the Beneficiaries in proportion to their respective allocation in the saleable capacity of the generating station, that is to say, in the capacity excluding the free power to the home State:

Provided that during the period between the date of Commercial Operation of the first Unit of the generating station and the Date of Commercial Operation of the generating station, the Annual Fixed Cost shall provisionally be worked out based on the latest estimate of the completion cost for the generating station, for the purpose of determining the Capacity Charge and Energy Charge payable during such period.

19.2 The capacity charge (inclusive of incentive) payable to a hydro generating station for a calendar month shall be

$$\text{Capacity Charge (inclusive of incentive)} = AFC \times 0.5 \times NDM / NDY \times (PAFM / NAPAF) \text{ (in Rs.)}$$

Where,

AFC: Annual Fixed Cost specified for the Year, in Rupees;

NAPAF: Normative Plant Availability Factor in percentage;

NDM: Number of Days in the month;

NDY: Number of Days in the Year;

PAFM: Plant Availability Factor achieved during the month, in Percentage:

Provided that the revenue recovered through capacity charges shall not exceed 50% of the Annual Fixed Charges determined.

19.3 The PAFM shall be computed in accordance with the following formula:

$$PAFM = 100 \times \sum_{i=1}^N DC_i / \{N \times IC \times (1 - Aux)\} \%$$

Where,

Aux: Normative auxiliary energy consumption in percentage;

*DC_i: Declared Capacity (in ex-bus MW) for the *i*th Day of the month, which the station can deliver for at least three (3) hours, as certified by the State Load Despatch Centre after the Day is over;*

IC: Installed Capacity (in MW) of the complete generating station;

N: Number of Days in the month.

19.4 The Energy Charge shall be payable by every Beneficiary for the total energy scheduled to be supplied to the Beneficiary, excluding free energy, if any, during the calendar month, on ex power plant basis, at the computed Energy Charge Rate.

Total Energy Charge payable to the Generating Company for a month shall be:

$$\text{Energy Charges} = (\text{Energy Charge Rate in Rs. / kWh}) \times \{\text{Scheduled Energy (ex-bus) for the month in kWh}\} \times (100 - FEHS) / 100.$$

19.5 Energy Charge Rate (ECR) in Rupees per kWh on ex-power plant basis, for a hydrogenerating station, shall be determined up to three decimal places based on the following formula, subject to Clause 19.9 of these Regulations:

$$ECR = AFC \times 0.5 \times 10 / \{DE \times (100 - AUX) \times (100 - FEHS)\}$$

Where,

DE: Annual Design Energy specified for the Hydro generating station, in MWh, subject to the provision in Clause 19.6 of these Regulations;

FEHS: Free Energy for home State, as defined in Clause 22.2 of these Regulations.

19.6 In case the saleable scheduled energy (ex-bus) of a hydro generating station during a year is less than the saleable design energy (ex-bus) for reasons beyond the control of the Generating Company, the treatment shall be as per Clause 19.7 of these Regulations, on an application filed by the Generating Company.

19.7 Shortfall in energy charges in comparison to fifty percent of the Annual Fixed Cost shall be allowed to be recovered in six equal monthly instalments:

Provided that in case actual generation from a hydro generating station is less than the design energy for a continuous period of four years on account of hydrology factor, the generating station shall approach the Central Electricity Authority with relevant hydrology data for revision of design energy of the station."

Un-Quote

- 2.12.2. In line with the above provisions the Petitioner has calculated the energy charge rate and arrived at the Energy Charges as summarized in the **Table 2-22** as mentioned below:

TABLE 2-22: ENERGY CHARGE RATE (ECR) (IN RS./KWH)

Sl. No.	Particulars	Formula	Claimed
1	Annual Fixed Charge (in Rs. Cr.)	A	33.80
2	50% of Annual Fixed Charge (in Rs. Cr.)	B=50% of A	16.90
3	Design Energy (in MU)	C	159.43
4	Auxiliary Consumption (in %)	D	0.70%
5	Energy Charge Rate (in Rs./KWh)	$F = (B \times 10) / \{C \times (1 - D)\}$	1.07

2.12.1. The petitioner humbly requests the Hon'ble Commission to approve the Energy Charge Rate (ECR) for FY 2023-24 of **1.07 Rs./kWh**.

2.12.2. The petitioner has computed the total energy charge as per the methodology adopted by the Hon'ble Commission in the JSERC Generation Tariff Regulation, 2020 and amendments there offs and the same is shown in the **Table 2-23** as mentioned below:

TABLE 2-23: TOTAL ENERGY CHARGE (IN RS. CR.)

SL. No.	Particulars	Formula	Claimed
1	Design Energy (in MUs)	A	159.43
2	Auxilliary Consumption (in %)	B	0.70%
3	FEHS	C	0.00%
4	Net Design Energy	$D=A*(1-B)*(1-C)$	158.314
5	ECR (in Rs./kWh)	E	1.07
6	ECR for Beyond DE (in Rs./kWh)	F	0.800
7	Schedule Energy Ex-bus for the year (in MUs)	G	96.83
8	Excess Energy (in MUs)	$H=G-D$	-
9	Energy Charge for Excess Generation (in Rs. Cr.)	$I=F*H/10$	-
10	Energy Charges for Design Energy (in Rs. Cr.)	$J=E*G/10$	10.34
11	Total Energy Charge (in Rs. Cr.)	$K=I+J$	10.34

2.12.3. The petitioner humbly requests the Hon'ble Commission to approve the Energy Charge for FY 2023-24 of **Rs. 10.34 Cr.**

2.12.1. The petitioner has computed the total capacity charge as per the methodology adopted by the Hon'ble Commission in the JSERC Generation Tariff Regulation, 2020 and amendments there offs and the same is shown in the **Table 2-24** as mentioned below:

TABLE 2-24: CAPACITY CHARGE (IN RS. CR.)

Sl. No.	Particulars	Formula	Claimed
1	Annual Fixed Charges (AFC) (in Rs. Cr.)	A	33.80
2	PAFM (%)	B	89.77%
3	NAPAF (%) (approved in MYT Order)	C	50%
4	NAPAF (%) (for computation of capacity charge inclusive of incentive)	D	75%
5	Capacity Charge (in Rs. Cr.)	$E=(A*B*C)/D$	20.23

2.12.2. The petitioner humbly requests the Hon'ble Commission to approve the Capacity Charge for FY 2023-24 of **Rs. 20.23 Cr.**

2.13. Aggregate Revenue Requirement

2.13.1. It is respectfully submitted to the Hon'ble Commission that the overall Aggregate Revenue Requirement (ARR) has been calculated following the methodology mentioned by the Commission in the latest tariff order dated 26.02.2024, and in compliance with the JSERC Generation Tariff Regulations, 2020.

2.13.2. The overall Aggregate Revenue Requirement (ARR) for the respective financial years, based on the actual expenses recorded in the audited accounts, is summarized in the **Table 2-25** as mentioned below:

TABLE 2-25: AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2023-24 (IN RS. CR)

Sl. No.	Particulars	Formula	Claimed
1	Energy Charge	A	10.34
2	Capacity Charge	B	20.23
3	Annual Revenue Requirement (ARR)	C=A+B	30.56

2.13.3. The petitioner respectfully requests that the Hon'ble Commission approve the Aggregate Revenue Requirement of **Rs. 30.56 Cr.** for FY 2023-24.

2.14. Revenue Gap/ (Surplus) for the True-Up Period

2.14.1. The Petitioner submits that the cumulative revenue gap/ (surplus) has been calculated in line with the methodology adopted by the Hon'ble Commission in its latest tariff order issued on 26.02.2024 and the JSERC Generation Tariff Regulations, 2020. The same is mentioned in the **Table 2-26** as mentioned below –

TABLE 2-26: REVENUE GAP/(SURPLUS) OF SRHP INCL. OF CARRYING COST (IN RS. CR.)

Sl. No.	Particulars	Formula	Claimed
1	Annual Revenue Requirement (ARR)	A	30.56
2	Total amount billed by JUUNL	B	42.38
3	Opening Gap/ (Surplus)	C	64.11
4	Gap/(Surplus) for the Year	D=A-B	(11.82)
5	Closing Gap/ (Surplus)	E=C+D	52.29
6	Average gap/(Surplus)	F=Avg (C,E)	58.20
7	Rate of Interest	G	10.50%
8	Carrying cost	H=F*G	6.11
9	Closing Gap/ (Surplus) including Carrying cost	I=E+H	58.41

2.14.2. The Petitioner respectfully requests the Hon'ble Commission to approve the closing gap of **Rs. 58.41 Cr.** for the FY 2023-24.

3. Status of Directives Compliances

The petitioner humbly submits that it is obligated to follow the directives issued by the Hon'ble JSERC and the status of the compliances is as follows –

TABLE 3-27: STATUS OF COMPLIANCES TO THE DIRECTIVES

Sl. no	Directives	Compliance Status
1	<p>Detailed Project Report (DPR)</p> <p>The Petitioner has not submitted DPR of schemes that has been proposed along with the Petition. The Petitioner is required to submit detailed DPR along with the next Petition. In the DPRs the Petitioner has to submit details about the project along with costs and the impact of such schemes. The analysis and costs should be supported by rate reasonability and should have approval of the competent authority of JUUNL. The Petitioner should provide supporting documents in the form of ordered rates, order for work carried out previously, quotations etc. The Petitioner is directed to ensure compliance.</p>	<p>Response by the petitioner:</p> <p>The Petitioner would like to appraise the Hon'ble Commission that the Detailed Project Reports (DPR) are under preparation and shall be submitted to the Hon'ble Commission as soon as possible.</p> <p>The Petitioner humbly prays to the Hon'ble Commission to consider the delay in its submission of the Detailed Project Reports (DPR).</p>
2	<p>Timeliness and Data Adequacy in the Next Tariff Petition</p> <p>The Commission directs the licensee to file the next tariff</p>	<p>Response by the petitioner:</p> <p>The Petitioner would like to appraise the Humble Commission</p>

Sl. no	Directives	Compliance Status
	<p>petition, after removing deficiencies highlighted in this Tariff Order. The Petitioner should ensure that the data submitted to the Commission is accurate and justified with proper certification.</p> <p>The Commission also directs the licensee to ensure submission of the next tariff petition within the time frame as stipulated in Section A 39 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.</p>	<p>that the Petitioner has provided valid documents to substantiate its claim in the present petition. Additionally, the Petitioner would like to mention that in case of any further deficiencies the Petitioner will cooperate and will try to provide necessary documents as an when required by the Hon'ble Commission to validate its submissions.</p>
3	<p>Residual Life Assessment of the Plant</p> <p>Considering the fact that the plant has already exhausted its useful life therefore the Commission directs the petitioner to conduct RLA for both the units of the plant at the earliest.</p>	<p>Response by the petitioner:</p> <p>It is submitted that the RLA for both the units are under progress. The petitioner will submit the same before the Hon'ble Commission in due course of time.</p>

4. Prayers

The Petitioner humbly prays that the Hon'ble Commission may be pleased to:

1. To admit the True Up Petition for period from FY 2023-24, filed by JUUNL, in accordance with provisions of the Jharkhand State Electricity Regulatory Commission JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and subsequent amendments.
2. To approve the True Up of components of ARR and proposed revenue gap along with the carrying cost.
3. To allow the actual expenses incurred and its impact on the True Up.
4. To approve the operating parameters such as Plant Availability Factor of the hydro plant.
5. To approve the design energy in million units as per the operating manual of the manufacturer.
6. To direct Jharkhand Bijli Vitran Nigam Limited (JBVNL) to practice timely payment of bills raised by JUUNL.
7. To allow JUUNL to impose Late payment surcharge on JBVNL as per clause 22.3 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 on delay in payment of bills raised by JUUNL.
8. Allow the Petitioner to add/change / alter / modify this application at a future date;
9. To condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioners to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date;
10. To pass such Orders as deemed fit and proper in the facts and circumstances of the case in the interest of justice.